

**Austin Affordable PFC,  
Inc.  
Meeting**

**Thursday, November 16, 2017**

**12:00 noon**

**at**

**HACA's Central Office**

**1124 S. IH-35**

**Austin, TX 78704**

**PUBLIC NOTICE OF A MEETING  
TAKE NOTICE OF A BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
OF THE  
AUSTIN AFFORDABLE PFC, INC.**

**TO BE HELD AT  
HACA's Central Office  
1124 S. IH 35, Austin, Texas  
(512.477.4488)**

**COMMENCING AT 12:00 NOON ON THURSDAY, NOVEMBER 16, 2017, 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 Director 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 21, 2017

**Michael Gerber**  
President & CEO

**ACTION ITEMS**

**APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:**

**ITEM 2:** Presentation, Discussion, and Possible Action on Resolution No. 38: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Bridges at Cameron Apartments), Series 2017; 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

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

**ITEM 3:** Presentation, Discussion, and Possible Action on Resolution No. 39: Authorizing The Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments), Series 2017; 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

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

**REPORTS**

Update on AAPFC Activities

**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.

\*The Austin Affordable Public Facility Corporation (AAPFC) 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 Public Facility 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 AAPFC, please contact Nidia Hiroms at 512.477.4488 x 2104.

## 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 PFC, INC.  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING**

**CONSENT**

**AGENDA ITEM NO. 1**

**Presentation, Discussion, and Possible Action regarding  
the Approval of Board Minutes Summary for Board  
Meeting held on September 21, 2017**

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

**SEPTEMBER 21, 2017**

**SUMMARY OF MINUTES**

**THE AUSTIN AFFORDABLE PFC., INC. (AAPFC) BOARD OF DIRECTORS PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, SEPTEMBER 21, 2017 AND WAS HELD AT HACA'S CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TEXAS**

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

The Board of Directors Regular Board Meeting of the Austin Affordable PFC., Inc. of September 21, 2017, was called to order by Carl S. Richie Jr., Chairperson at 12:20 p.m. The meeting was held at HACA's Central Office, 1124 S. IH 35, Austin, Texas

Roll call certified a quorum was present.

**MEMBERS PRESENT:**

Isaac Robinson, Vice Chairperson  
Edwina Carrington, 2<sup>nd</sup> Vice-Chairperson  
Carl S. Richie, Jr., Director

**MEMBER(S) ABSENT:**

Dr. Tyra Duncan-Hall, Chairperson  
Charles Bailey, Director

**STAFF PRESENT:**

Ann Gass, Andrea Galloway, Barbara Jackson, Catherine Crago, Gloria Morgan, Kelly Crawford, Martha Ross, Michael Cummings, Michael Gerber, Michael Roth, Ron Kowal and Sylvia Blanco.

**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 17, 2017**

**Director Carrington** moved to approve the Board Minutes Summary for the Board Meeting held on May 18, 2017 as presented. **Director Robinson** seconded the motion. The motion passed. (3-Ayes and 0-Nays).

**ACTION ITEMS**

**APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:**

**ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 24: Resolution Declaring Intent to Issue Bonds to provide financing for a Multifamily Residential Rental Development for Persons of Low and Moderate Income (Bridges At Cameron); 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 Carrington** moved to approve Resolution No. 24 Declaring Intent to Issue Bonds to provide financing for a Multifamily Residential Rental Development for Persons of Low and Moderate Income (Bridges At Cameron); 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. (3-Ayes and 0-Nays).

**ITEM 3: Presentation, Discussion, and Possible Action of Resolution No. 37: Resolution Authorizing the Issuance, Sale and Delivery of a Multifamily Housing Governmental Note (Harris Ridge Apartments) Series 2017; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such Multifamily Rental Residential Development; and containing other provisions relating to the Subject**

**Director Robinson** moved to approve Resolution No. 37 Authorizing the Issuance, Sale and Delivery of a Multifamily Housing Governmental Note (Harris Ridge Apartments) Series 2017; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such Multifamily Rental Residential Development; and containing other provisions relating to the Subject. **Director Carrington** seconded the motion. The motion passed. (3-Ayes and 0-Nays).

**ADJOURNMENT**

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

The meeting adjourned at 2:05 p.m.

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Isaac Robinson, Vice-Chairperson

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Michael G. Gerber, Secretary

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

**AGENDA ITEM NO. 2**

**Presentation, Discussion, and Possible Action on Resolution No. 38: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Bridges at Cameron Apartments), Series 2017; 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**

**AUSTIN AFFORDABLE PFC, INC.**

**BOARD ACTION REQUEST**

**RESOLUTION NO. 38**

**MEETING DATE:** November 16, 2017

**STAFF CONTACT:** Ron Kowal

**ITEM TITLE:** Presentation, Discussion, and Possible Action on Resolution No. 38: Authorizing The Issuance, Sale And Delivery of Multifamily Housing Revenue Bonds (Bridges at Cameron Apartments), Series 2017; 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

**BUDGETED ITEM:** NA

**TOTAL COST:** \$25,000,000

**ACTION**

Motion to Approve Resolution 38: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Bridges at Cameron Apartments), Series 2017; 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

**SUMMARY**

***Background:***

The Board of Commissioners of the Austin Affordable PFC, Inc., on March 24<sup>th</sup>, 2016, passed Resolution No. 24 declaring its intent to issue bonds in the amount of \$25,000,000 to provide financing for a multifamily residential rental development for the Bridges at Cameron Apartments.

AAHC will be partnering with LDG Multifamily, LLC, to develop this 263 unit family project located at 9201 Cameron Road. This project will consist of 20 one bedroom and one bath units and 159 two bedroom and two bath units and 84 three bedroom 2 bath units serving tenants at or below 60% of median family income. All units will be marketed to HACA's Housing Choice Voucher residents.

Resolution No. 38 authorizes the issuance, sale and delivery of Multifamily Housing Revenue Bonds (Bridges at Cameron Apartments), Series 2017 by the Austin Affordable PFC, Inc., and authorizes the execution and delivery of those documents necessary to carry out the financing of the multifamily residential development.

This will be the Board's final review and approval of this project prior to closing and construction. Construction of the Bridges at Cameron Apartments is expected to begin in Spring 2018.

## RESOLUTION NO. 38

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (BRIDGE AT CAMERON APARTMENTS) SERIES 2017; 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

WHEREAS, Austin Affordable PFC, Inc. (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), for the purpose of assisting the Housing Authority of the City of Austin (the “Sponsor”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the corporate limits of the City of Austin, Texas (the “City”), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board of Directors of the Issuer (the “Board”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Revenue Bonds (Bridge at Cameron Apartments) Series 2017 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture, dated as of December 1, 2017 (the “Indenture”), between the Issuer and BOKF, NA, as trustee (the “Trustee”), for the purpose of lending the proceeds thereof to LDG Bridges at Cameron, LP, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition and development of the multifamily housing residential rental development to be known as the Bridge at Cameron Apartments, and as described more fully on Exhibit A attached hereto (the “Project”), all in accordance with the Constitution and laws of the State of Texas. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Indenture; and

WHEREAS, the Board, by resolutions adopted on March 24, 2016, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the acquisition, development and equipping of the Project, the Board has determined that the Issuer shall enter into a Loan Agreement (the “Agreement”), with the Borrower, pursuant to which (i) the Issuer will agree to make a loan funded with the proceeds of the Bonds (the “Loan”) to the Borrower to enable the Borrower to

finance costs of the acquisition, development and equipping of each Project and related costs, and (ii) the Borrower will execute and deliver a promissory note (the “Note”) in an aggregate original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreements; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”), the Issuer will require the Borrower to enter into a Land Use Restriction Agreement, dated as of December 1, 2017 (the “Regulatory Agreement”) with respect to the Project; and

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Bonds; and

WHEREAS, the Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement; and

WHEREAS, Section 147(f) of the Code requires that the Bonds be approved by the “applicable elected representative” (the “AER”) after a public hearing following reasonable public notice; and

WHEREAS, with respect to Bonds issued by the Issuer, the AER is the Mayor of the City; and

WHEREAS, notice of a public hearing with respect to the Bonds and the Project held by the Issuer on September 5, 2017, was published no less than 14 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard; and

WHEREAS, the Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, and the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN AFFORDABLE PFC, INC. THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on September 5, 2017; that notice of such public hearing was published no less than 14 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the

Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Bonds. The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or Treasurer and the Secretary of the Issuer are each hereby authorized to execute and attest to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Agreement), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Agreement.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest rate on the Bonds shall not exceed 5% per annum; (ii) the aggregate principal amount of the Bonds shall not exceed \$25,000,000; and (iii) the final maturity of the Bonds shall occur not later than December 1, 2022; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

Section 4.--Approval, Execution and Delivery of the Indenture and the Agreement. The officers of the Issuer are each hereby authorized to execute and deliver the Indenture and the Agreement each in form and substance approved by such officers, with such changes or additions thereto as may be approved by the President or Vice President of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery of the Indenture and the Agreement.

Section 5.--Approval, Execution and Delivery of the Regulatory Agreement. The officers of the Issuer are each hereby authorized to execute and deliver the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by the President or Vice President of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery of the Regulatory Agreement.

Section 6.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

Section 7.--Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 8.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such

revisions to this Resolution and in the form of the documents hereby approved, in the opinion of bond counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

Section 9.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete in all material respects and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 10.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 11.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices and for other valid public purposes.

Section 12.--Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the Sponsor, the State of Texas, the City or any other political subdivision or governmental unit.

Section 13.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of bond counsel with respect to the Bonds.

Section 15.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, a statement containing the information required by Section 149(e) of the Code.

Section 16.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED this 16th day of November, 2017.

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Chairman

ATTEST:

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Secretary

**Exhibit A**  
**PROJECT AND BORROWER**

Borrower: LDG Bridges at Cameron, LP, a Texas limited partnership

Project: 263-unit multifamily residential rental development to be known as Bridge at Cameron

This Project will be located at approximately 9201 Cameron Road, Austin, Texas 78754. It will consist of 1 building with approximately 277,987 net rentable square feet. The unit mix will consist of:

Number Units	Average Square Feet	Unit Type
20	728	1 Bedroom/1 Bath
159	961	2 Bedrooms/2 Bath
84	1,317	3 Bedrooms/2 Bath

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

**AGENDA ITEM NO. 3**

**Presentation, Discussion, and Possible Action on Resolution No. 39: Authorizing The Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments), Series 2017; 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**

**AUSTIN AFFORDABLE PFC, INC.**

**BOARD ACTION REQUEST**

**RESOLUTION NO. 39**

**MEETING DATE:** November 16, 2017

**STAFF CONTACT:** Ron Kowal

**ITEM TITLE:** Presentation, Discussion, and Possible Action on Resolution No. 39: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments), Series 2017; 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

**BUDGETED ITEM:** NA

**TOTAL COST:** \$26,000,000

**ACTION**

Motion to Approve Resolution 39: Authorizing the Issuance, Sale and Delivery of Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments), Series 2017; 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

**SUMMARY**

***Background:***

The Board of Commissioners of the Austin Affordable PFC, Inc., on December 15, 2016 passed Resolution No. 31 declaring its intent to issue bonds in the amount of \$26,000,00 to provide financing for a multifamily residential rental development for the Commons at Goodnight Apartments.

Austin Affordable Housing Corporation, will partner with the LDG Multifamily, LLC to develop a 12.04 acre tract of land located at 2022 Slaughter Lane in Austin, Texas. The project (Commons at Goodnight Apartments) will consist of 304 family 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 with a total project cost of approximately \$51,000,000. The planned development will consist of 24 one bedroom and one bath units, 153 two bedroom and two bath units, 123 three bedroom and two bath units and 4 four bedroom and two bath units. Amenities associated with this Planned Unit Development will provide residents with a pool, clubhouse, gazebo, computer lab and a playground. The master plan for this development will include two schools, (elementary and middle) commercial office space, major grocery and retail providers, dedicated parks and walking trails, single family homes with a community center and community pool and day care center. All units will be marketed to HACA's Housing Choice Voucher residents.

Resolution No. 39 authorizes the issuance, sale and delivery of Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments), Series 2017 by the Austin Affordable PFC, Inc., and authorizes the

execution and delivery of those documents necessary to carry out the financing of the multifamily residential development.

This will be the Board's final review and approval of this project prior to closing and construction. Construction of the Commons at Goodnight Apartments is expected to begin in Spring 2018.

## RESOLUTION NO. 39

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (COMMONS AT GOODNIGHT APARTMENTS) SERIES 2017; 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

WHEREAS, Austin Affordable PFC, Inc. (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), for the purpose of assisting the Housing Authority of the City of Austin (the “Sponsor”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the corporate limits of the City of Austin, Texas (the “City”), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board of Directors of the Issuer (the “Board”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Revenue Bonds (Commons at Goodnight Apartments) Series 2017 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture, dated as of December 1, 2017 (the “Indenture”), between the Issuer and BOKF, NA, as trustee (the “Trustee”), for the purpose of lending the proceeds thereof to Commons at Goodnight, LP, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition and development of the multifamily housing residential rental development to be known as the Commons at Goodnight Apartments, and as described more fully on Exhibit A attached hereto (the “Project”), all in accordance with the Constitution and laws of the State of Texas. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Indenture; and

WHEREAS, the Board, by resolutions adopted on December 15, 2016, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the acquisition, development and equipping of the Project, the Board has determined that the Issuer shall enter into a Loan Agreement (the “Agreement”), with the Borrower, pursuant to which (i) the Issuer will agree to make a loan funded with the proceeds of the Bonds (the “Loan”) to the Borrower to enable the Borrower to

finance costs of the acquisition, development and equipping of each Project and related costs, and (ii) the Borrower will execute and deliver a promissory note (the “Note”) in an aggregate original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreements; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”), the Issuer will require the Borrower to enter into a Land Use Restriction Agreement, dated as of December 1, 2017 (the “Regulatory Agreement”) with respect to the Project; and

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Bonds; and

WHEREAS, the Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement; and

WHEREAS, Section 147(f) of the Code requires that the Bonds be approved by the “applicable elected representative” (the “AER”) after a public hearing following reasonable public notice; and

WHEREAS, with respect to Bonds issued by the Issuer, the AER is the Mayor of the City; and

WHEREAS, notice of a public hearing with respect to the Bonds and the Project held by the Issuer on April 6, 2017, was published no less than 14 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard; and

WHEREAS, the Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, and the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN AFFORDABLE PFC, INC. THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on April 6, 2017; that notice of such public hearing was published no less than 14 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project

and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Bonds. The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or Treasurer and the Secretary of the Issuer are each hereby authorized to execute and attest to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Agreement), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Agreement.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest rate on the Bonds shall not exceed 5% per annum; (ii) the aggregate principal amount of the Bonds shall not exceed \$26,000,000; and (iii) the final maturity of the Bonds shall occur not later than December 1, 2022; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

Section 4.--Approval, Execution and Delivery of the Indenture and the Agreement. The officers of the Issuer are each hereby authorized to execute and deliver the Indenture and the Agreement each in form and substance approved by such officers, with such changes or additions thereto as may be approved by the President or Vice President of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery of the Indenture and the Agreement.

Section 5.--Approval, Execution and Delivery of the Regulatory Agreement. The officers of the Issuer are each hereby authorized to execute and deliver the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by the President or Vice President of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery of the Regulatory Agreement.

Section 6.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

Section 7.--Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 8.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such

revisions to this Resolution and in the form of the documents hereby approved, in the opinion of bond counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

Section 9.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete in all material respects and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 10.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 11.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices and for other valid public purposes.

Section 12.--Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the Sponsor, the State of Texas, the City or any other political subdivision or governmental unit.

Section 13.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of bond counsel with respect to the Bonds.

Section 15.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, a statement containing the information required by Section 149(e) of the Code.

Section 16.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED this 16<sup>th</sup> day of November, 2017.

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Chairman

ATTEST:

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Secretary

**Exhibit A**  
**PROJECT AND BORROWER**

Borrower: Commons at Goodnight, LP, a Texas limited partnership

Project: 304-unit multifamily residential rental development to be known as Commons at Goodnight

This Project will be located at approximately 2022 East Slaughter Lane, Austin, Texas 78747. It will consist of 8 buildings with approximately 342,044 net rentable square feet. The unit mix will consist of:

Number Units	Unit Type
24	1 Bedroom/1 Bath
153	2 Bedrooms/2 Bath
123	3 Bedrooms/2 Bath
4	4 Bedrooms/2 Bath

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

**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) §551.087, 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 PFC, INC.  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING**

**Adjournment**

November 16, 2017