

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Regular Meeting

**Thursday, September 20, 2018
12:00 PM**

**HACA Central Office
1124 S. IH 35 Austin, TX
Austin, TX**

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

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

Thursday, September 20, 2018

12:00 PM

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on July 19, 2018

ACTION ITEMS

2. Presentation, Discussion, and Possible Action regarding Resolution No. 107: 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 Pathways at Rosewood Courts (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's subsidiary limited liability company, Pathways at Rosewood Courts, LLC (the "Owner"), to own the Development;
3. Cause the Owner to enter into development 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.

3. Presentation, Discussion, and Possible Action regarding Resolution No. 108: 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 Pathways at Santa Rita Courts (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's subsidiary limited liability company, Pathways at Santa Rita Courts, LLC (the "Owner"), to own the Development;
3. Cause the Owner to enter into development 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.

4. Presentation, Discussion, and Possible Action regarding Resolution No. 109: 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 facilitate the rehabilitation and operation of the Pathways at Thurmond Heights
5. Presentation, Discussion, and Possible Action regarding Resolution No. 110: 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 facilitate the acquisition of the Northwest Hills Apartment Development
6. Presentation, Discussion, and Possible Action regarding Resolution No. 111: 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 facilitate the acquisition of the Terracina Apartment Development
7. Presentation, Discussion, and Possible Action regarding Resolution No. 112: 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 borrow an amount not to exceed \$5,000,000 from Plains Capital Bank

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. 551.087, 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.

REPORTS

The Board accepts the following reports:

- President's Report
- Other Staff Reports
- Commissioners' Reports/Questions to the Department Staff

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 esta reunión con una arma o pistola."

"En virtud de 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.

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

The Housing Authority of the City of Austin 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 HACA, please contact Nidia Hiroms at 512.477.4488 x2104.

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: September 20, 2018

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on July 19, 2018

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to review and approve the Board Minutes Summary for the Board Meeting held on July 19, 2018.

ATTACHMENTS:

- ▣ **20180719 AAHC Minutes Summary**

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

**JULY 19, 2018
SUMMARY OF MINUTES**

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, JULY 19, 2018, AND WAS HELD AT THE HACA CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TX

CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

The Board of Directors Regular Board Meeting of the Austin Affordable Housing Corporation, of July 19, 2018, was called to order by Carl S. Richie, Jr., HACA Chairperson, at 12:12 pm. The meeting was held at the HACA Central Office, 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present.

MEMBERS PRESENT:

Tyra Duncan-Hall, President
Edwina Carrington, Vice-President
Carl S. Richie, Jr., 2nd Vice-President
Mary Apostolou, Director

MEMBER(S) ABSENT

Charles Bailey, Director

STAFF PRESENT:

Ann Gass, Andrea Galloway, Beth Phillips, Lisa Garcia, Jimi Teasdale, Kelly Crawford, Martha Ross, Michael Cummings, Michael Gerber, Nidia Hiroms, Pilar Sanchez, Rodolfo Rodriguez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

ALSO IN ATTENDANCE:

Wilson Stoker, Cokinos, Bosien & Young
Bill Walter, Coats Rose

CITIZENS COMMUNICATION - NONE.

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 June 14, 2018

Vice-President Carrington moved to Approve the Board Minutes Summary for the Board Meeting held on June 14, 2018. **Director Apostolou** seconded the motion. The motion Passed (4-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: 105: 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:

- a. Facilitate the development of the Pathways at Goodrich Place, 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;
- b. Cause AAHC's wholly owned, subsidiary limited liability company, Pathways at Goodrich Place GP, LLC (the "General Partner") to execute an amended and restated agreement of limited partnership of Pathways at Goodrich Place, LP (the "Partnership") and other related documents;
- c. Cause the Partnership to enter into development financing for the Project; and
- d. 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

Resolution No: 105 is for the authorization for AAHC to execute any and all documents, or take any other action, to execute any and all documents, or take any other action, that is necessary or desirable to redevelop Goodrich Place Apartments. Pathways at Goodrich Place (Goodrich) will be a 120-unit property, developed in partnership with Atlantic Pacific Companies and Madhouse Development and financed using 9% Low Income Housing Tax Credits (LIHTC) through the Texas

Department of Housing and Community Affairs. Goodrich is the first 9%LIHTC award for HACA and is part of HACA's conversion to the Rental Assistance Demonstration (RAD) Program.

The families who live at Goodrich have already been relocated using Housing Choice Vouchers or to another HACA public housing property. All of those families will have the right to return to the newly redeveloped Goodrich. HACA staff has worked with the Resident Council to ensure that all residents understand their right to return. Staff will continue to meet with the Resident Council on a quarterly basis in an effort to maintain the sense of community that has developed as the residents prepared for the redevelopment of Goodrich.

President Duncan-Hall moved to Approve Resolution No: 105: authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to facilitate the development of the Pathways at Goodrich Place. **Director Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ITEM 3: Presentation, Discussion, and Possible Action regarding Resolution No. 106: 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 facilitate the acquisition and development of the Preserve at Wells Branch apartment development, helping to preserve and expand affordable housing in the City of Austin

Austin Affordable Housing Corporation was presented an opportunity to partner with Affordable Central Texas (ACT), a 501c(3), to purchase the Preserve at Wells Branch. ACT was formed to develop and manage a social impact, open ended, private equity fund (AHC) to preserve multifamily properties for Austin's workforce. AHC is targeting existing multifamily communities for investment that meet goals of proximity to jobs, schools, grocery stores and transit located across greater Austin. The fund was launched at the end of 2017 with a target to acquire \$100-\$150 million in properties per year.

The Preserve at Wells Branch is a 308-unit apartment complex (unit mix attached) built in 1984 and located at 1773 Wells Branch Parkway, in Austin, Texas. The property sits on 10.4 acres with direct access to the immediately adjacent Wells Branch Greenbelt and Hike and Bike Trail. Community amenities include a swimming pool with gazebo and an outdoor kitchen, a two-story clubhouse with a full kitchen and business center, and a 24-hour fitness center. The property is home to employees of several major employers, including IBM, National Instruments, St. David's North Austin Medical Center, Emerson, Dell Computer Headquarters and Time Warner/Spectrum.

AAHC will serve as General Partner and will have significant control over the project. The property will be purchased using a combination of equity from ACT and AAHC and debt provided by Bellwether. The current interest rate quoted was 4.55% using a 20-year amortization.

AAHC will contribute an amount not to exceed \$1,300,000.00 as equity to the deal. Final financing details are still ongoing and not finalized.

Vice-President Carrington moved to Approve Resolution No. 106: authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to facilitate the acquisition and development of the Preserve at Wells Branch Apartment development, an amount not to exceed \$1,300,000.00. **Director Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board did not recess into Executive Session.

REPORTS

None presented.

ADJOURNMENT

Director Apostolou moved to adjourn the meeting. **Vice-President Carrington** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 1:56 pm.

Michael G. Gerber, Secretary

Dr. Tyra Duncan-Hall, President

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 107

ITEM NO. 2.

MEETING DATE: September 20, 2018

STAFF CONTACT: Ann Gass, Director of RAD

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 107: 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 Pathways at Rosewood Courts (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's subsidiary limited liability company, Pathways at Rosewood Courts, LLC (the "Owner"), to own the Development;
3. Cause the Owner to enter into development 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.

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

Approval of Resolution No. 107: by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all document, or take any other action, that is desirable to facilitate the rehabilitation and operation of the Pathways at Rosewood Courts.

SUMMARY

Background:

The Rental Assistance Demonstration (RAD) Program was authorized by the Consolidated and Further Continuing Appropriations Act of 2012. 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, benefitting PHAs and their residents.

More importantly, the RAD program provides PHAs 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 for Rosewood Courts.

The conversion process to RAD will allow each property to address the needed repairs and renovations determined by a third party physical needs assessment. Rosewood Courts will receive updates to the Goodwill building including replacement of the following: air handler in the attic with service railing, roofs on the end of the building, exterior door, flooring, and cabinets and counters in the upstairs kitchen. The site work will also include a new door to the water softener room, reaffixing or removing porch poles as necessary and tree trimming throughout.

Staff Recommendation:

Resolution No. 107 asks the Board of Commissioners to allow AAHC to execute any and all documents and take any other action necessary to facilitate the closing for Pathways at Rosewood Courts.

RESOLUTION NO. 107

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 Pathways at Rosewood Courts (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's subsidiary limited liability company, Pathways at Rosewood Courts, LLC (the "Owner), to own the Development;**
- 3. Cause the Owner to enter into development 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 and rehabilitation of the Development;

WHEREAS, AAHC is the sole member of Owner;

WHEREAS, the Owner was formed for the purpose of owning, developing, managing, and otherwise dealing with 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 lease (“Ground Lease”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a loan with Greystone Servicing Corporation, Inc. (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$4,600,000 (“Greystone Loan”), in order to finance the acquisition, rehabilitation and operation of the Development;

WHEREAS, the Greystone Loan will be made pursuant to a loan agreement and a promissory note to be secured, *inter alia*, by a deed of trust, UCC financing statements, certificates, affidavits, directions, amendments, indemnifications, guaranties, 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 Greystone Loan (“Greystone 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 Development as RAD units, and with the receipt of HUD approval, HACA and the Owner desire to implement the RAD units pursuant to certain documents (“RAD Documents”) by and among HACA, HUD, and the Owner;

WHEREAS, in connection with the transactions contemplated herein, the Owner and AAHC are required to enter into various documents which will evidence a gap financing loan from AAHC to the Owner in a principal amount not to exceed \$2,000,000 (the "Gap Loan"), including, but not limited to a note, deed of trust, and other security agreements, subordinations, certificates, directions, approvals, waivers, notices, instruments and other communications as may be required by the parties in connection with the Gap Loan (the "Gap 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, RAD Documents, Greystone Loan Documents and the Gap 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 the 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 the Owner, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Development, 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, APPROVED AND ADOPTED this 20th day of September, 2018.

PRESIDENT

ATTEST:

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 108

ITEM NO. 3.

MEETING DATE: September 20, 2018

STAFF CONTACT: Ann Gass, Director of RAD

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 108: 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 Pathways at Santa Rita Courts (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's subsidiary limited liability company, Pathways at Santa Rita Courts, LLC (the "Owner"), to own the Development;
3. Cause the Owner to enter into development 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.

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

Motion to approve Resolution No. 108: Approval of a resolution by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all document, or take any other action, that is desirable to facilitate Items 1-4 above.

SUMMARY

Background:

The Rental Assistance Demonstration (RAD) Program was authorized by the Consolidated and Further Continuing Appropriations Act of 2012. 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, benefitting PHAs and their residents.

More importantly, the RAD program provides PHAs 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 for Santa Rita Courts.

The conversion process to RAD will allow each property to address the needed repairs and renovations determined by a third party physical needs assessment. Santa Rita Courts will receive 50 exterior doors and storm doors, updates to the common area bathroom, new stair treads to 40 units, removal of unused water softener, cleaning and repair of mailboxes, updates to the community room including new ceiling tile and paint, clean and wax floor, new storage lockers and common area furniture.

Staff Recommendation:

Resolution No. 108 asks the Board of Commissioners to allow AAHC to execute any and all documents and take any other action necessary to facilitate the closing for Pathways at Santa Rita Courts.

RESOLUTION NO. 108

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 Facilitate the development of Pathways at Santa Rita Courts

WHEREAS, AAHC is contemplating the acquisition and rehabilitation of the Development;

WHEREAS, AAHC is the sole member of Owner;

WHEREAS, the Owner was formed for the purpose of owning, developing, managing, and otherwise dealing with 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 lease (“Ground Lease”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a loan with Greystone Servicing Corporation, Inc. (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$3,700,000 (“Greystone Loan”), in order to finance the acquisition, rehabilitation and operation of the Development;

WHEREAS, the Greystone Loan will be made pursuant to a loan agreement and a promissory note to be secured, inter alia, by a deed of trust, UCC financing statements, certificates, affidavits, directions, amendments, indemnifications, guaranties, 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 Greystone Loan (“Greystone 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 Development as RAD units, and with the receipt of HUD approval, HACA and the Owner desire to implement the RAD units pursuant to certain documents (“RAD Documents”) by and among HACA, HUD, and the Owner;

WHEREAS, in connection with the transactions contemplated herein, the Owner and AAHC are required to enter into various documents which will evidence a gap financing loan from AAHC to the Owner in a principal amount not to exceed \$1,000,000 (the “Gap Loan”), including, but not limited to a note, deed of trust, and other security agreements, subordinations, certificates, directions, approvals, waivers, notices,

and other communications as may be required by the parties in connection with the Gap Loan (the "Gap 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, RAD Documents, Greystone Loan Documents and the Gap 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 the 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 the Owner, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Development, 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, APPROVED AND ADOPTED this 20th day of September, 2018.

ATTEST:

PRESIDENT

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 109

ITEM NO. 4.

MEETING DATE: September 20, 2018

STAFF CONTACT: Ann Gass, Director of RAD

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 109: 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 facilitate the rehabilitation and operation of the Pathways at Thurmond Heights

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board of Directors is being asked to approve Resolution No. 109, authorizing AAHC to execute any and all documents, or take any other action, that is desirable to facilitate the rehabilitation and operation of the Pathways at Thurmond Heights.

SUMMARY

Background:

The Rental Assistance Demonstration (RAD) Program was authorized by the Consolidated and Further Continuing Appropriations Act of 2012. 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, benefiting PHAs and their residents.

More importantly, the RAD program provides PHAs 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 conversion process to RAD will allow each property to address the needed repairs and renovations determined by a third party physical needs assessment.

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 for Thurmond Heights. Thurmond Heights will receive shade canopies for the playground as well as significant updates to the community room, including window replacements, adding an accessible path to the building entrance, adding a concrete pad under the mail drop, removing a wall in the manager’s office to make it accessible, abatement and replacement

flooring throughout the building, two storefront doors with a push button, painting throughout the building, lever knobs on bathroom sinks, a new water heater and steam cleaning and re-grouting of the bathrooms.

Staff Recommendation:

Staff recommends Board approval of Resolution 109 to allow AAHC to execute any and all documents and take any other action necessary to facilitate the closing for Pathways at Thurmond Heights.

RESOLUTION NO. 109

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:

- Facilitate the development of Pathways at Thurmond Heights (the "Development"),**
- 1. 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's subsidiary limited liability company, Pathways at Thurmond Heights, LLC (the "Owner"), to own the Development;**
 - 3. Cause the Owner to enter into development 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 and rehabilitation of the Development;

WHEREAS, AAHC is the sole member of Owner;

WHEREAS, the Owner was formed for the purpose of owning, developing, managing, and otherwise dealing with 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 lease (“**Ground Lease**”) with HACA for the Development;

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 Development as RAD units, and with the receipt of HUD approval, HACA and the Owner desire to implement the RAD units pursuant to certain documents (“**RAD Documents**”) by and among HACA, HUD, and the Owner;

WHEREAS, in connection with the transactions contemplated herein, the Owner and AAHC are required to enter into various documents which will evidence a loan from AAHC to the Owner in a principal amount not to exceed \$2,800,000.00 (the “**AAHC Loan**”), including, but not limited to a note, deed of trust, and other security agreements, certificates, directions, approvals, waivers, notices, instruments and other communications as may be required by the parties in connection with the AAHC Loan (the “**AAHC 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, RAD Documents, and the AAHC 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 the 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 the Owner, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Development, 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, APPROVED AND ADOPTED this 20th day of September, 2018.

PRESIDENT

ATTEST:

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 110

ITEM NO. 5.

MEETING DATE: September 20, 2018

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 110: 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 facilitate the acquisition of the Northwest Hills Apartment Development

BUDGETED ITEM: N/A

TOTAL COST: \$1,000,000

ACTION

Austin Affordable Housing Corporation (AAHC) has been presented an opportunity to partner with Community Development Trust (CDT), to purchase the Northwest Hills Apartments. AAHC and CDT have partnered to purchase Bridge at Tech Ridge and Bridge at Center Ridge and looks to expand their partnership with the acquisition of the Northwest Hills Apartments. AAHC and CDT are in discussions with the Austin Housing Conservancy (AHC) to include them as a third partner. AAHC and CDT wish to take advantage of this high opportunity area to to serve Austin’s nurses, entry level tech workers, teachers, and other individuals and families earning between 60% and 120% of median household income. Located within the boundaries of one of the strongest rated schools in Austin ISD, this property meets AAHC's goals of proximity to jobs, schools, grocers and transit.

SUMMARY

Background:

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. Through one of its goals, AAHC has committed to the creation of a portfolio of 4040 units by the year 2020 via acquisition and or development. Another goal of AAHC is to acquire and or develop affordable housing in high opportunity areas where housing choice vouchers do not exist and to offer low and moderate income families housing options in areas of better performing schools and services outside the City of Austin’s crescent of poverty.

Northwest Hills Apartments is a 314-unit apartment complex built in 1978. Located at 3600 Greystone Drive, the property is situated in one of the highest opportunity areas of Austin, Texas. Community amenities include two swimming pools with gazebos and outdoor kitchen, a large two story clubhouse with full kitchen and

business center, a 24-hour fitness center, a 24-hour laundry facility and covered parking. The property is in close proximity to many major employers in and around the area and feeds into the desirable NW Austin schools of Doss Elementary, Murchison Middle School and Anderson High School. This property will accept Housing Choice Vouchers upon acquisition.

Unit mix

28 studio units ranging from 420 square feet to 553 square feet

216 one bedroom one bath units ranging from 687 square feet to 828 square feet

70 two bedrooms and two baths units ranging from 1,026 square feet to 1226 square feet

Process:

The property will be purchased using a combination of equity from CDT and AAHC and debt provided by Freddie Mac. The current interest rate quoted was 4.72% using a 30 year amortization with an amount not to exceed \$36,000,000.

Staff Recommendation:

Resolution No. 110 authorizes Austin Affordable Housing Corporation (AAHC) to execute any and all documents, or take action that is necessary or desirable to facilitate the acquisition of the Northwest Hills Apartments.

ATTACHMENTS:

- ▣ **Exhibit 1 - Property Information Flyer**

RESOLUTION NO. 110

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 facilitate the acquisition and development of the Northwest Hills Apartment Development

WHEREAS, AAHC is contemplating the acquisition of the Northwest Hills Apartment Development (the “Development”);

WHEREAS, as part of the proposed ownership structure for the Development, AAHC desires to form a Texas limited liability company in partnership with an affiliate of the Austin Housing Conservancy to act as the owner (the “Owner”);

WHEREAS, AAHC will capitalize its ownership interest in the Owner in an amount not to exceed \$1,000,000;

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 lease (“Ground Lease”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a bridge loan and/or permanent loan with Bellwether Enterprise Real Estate Capital, LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$36,000,000 (“Loan”), in order to finance the 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 Loan (“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 Development, 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 Holding Company), 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, APPROVED AND ADOPTED** this 20th day of September, 2018.

PRESIDENT

ATTEST:

SECRETARY

AFFORDABLE LUXURY APARTMENTS
IN THE FAR WEST

FOR THOSE WHO KNOW WHAT THEY WANT
OUT OF LIFE, NORTHWEST HILLS OFFERS
AFFORDABLE LUXURY APARTMENT LIVING
WITHOUT COMPROMISE. SURROUND
YOURSELF IN THE NATURAL BEAUTY OF
AUSTIN WITH ALL OF ITS SHOPPING, DINING
AND ENTERTAINMENT OPTIONS JUST A
SHORT DRIVE AWAY. OUR ELEGANT, PET-
FRIENDLY APARTMENTS DELIVER A FULL
LIST OF ONSITE AMENITIES THAT WILL
KEEP YOU LIVING THE LIFESTYLE YOU
SERVE.

WINNER OF THE AUSTIN APARTMENT
ASSOCIATION'S PROPERTY OF THE YEAR
AWARD FOR 2009, NORTHWEST HILLS IS
MORE THAN JUST AN ADDRESS IT'S A
LIFESTYLE! LOCATED IN FAR WEST ON THE
1836 SHUTTLE ROUTE, OUR PARK-LIKE
SETTING AND SUPERIOR AMENITIES SET US
APART FROM THE REST... VISIT
NORTHWEST HILLS TODAY AND SEE WHAT
THE TALK IS ALL ABOUT!



HOURS

DAY	HOURS
MONDAY	10:00 - 6:00
TUESDAY	10:00 - 6:00
WEDNESDAY	10:00 - 6:00
THURSDAY	10:00 - 6:00
FRIDAY	10:00 - 6:00
SATURDAY	10:00 - 5:00
SUNDAY	CLOSED

NORTHWEST HILLS
APARTMENTS

ENHANCING LIVES THE CWS WAY

WWW.NORTHWESTHILLSAPARTMENTS.COM



NORTHWEST HILLS
APARTMENTS

3600 GREYSTONE DRIVE
AUSTIN, TX 78731

512-346-0384

WWW.NORTHWESTHILLSAPARTMENTS.COM

CONTACT US TODAY TO
FIND YOUR PERFECT
APARTMENT HOME

COMMUNITY AMENITIES

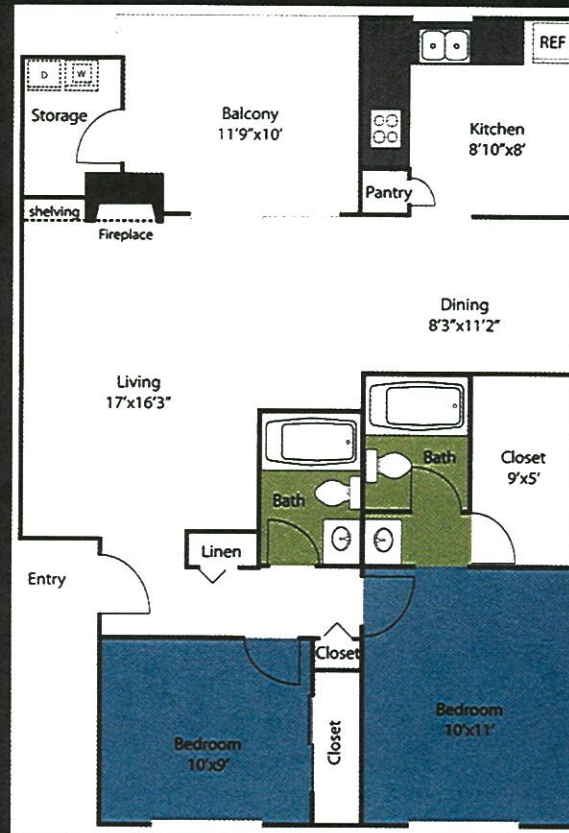
24 HOUR MAINTENANCE GUARANTEE
 30 DAY NO FAULT GUARANTEE
 SHORT TERM LEASES
 EXECUTIVE BUSINESS CENTER
 24 HOUR FITNESS CENTER
 24 HOUR LAUNDRY FACILITIES
 RESORT STYLE POOL
 COURTYARD
 COVERED PARKING
 SCENIC VIEWS
 PET FRIENDLY APARTMENTS

APARTMENT AMENITIES

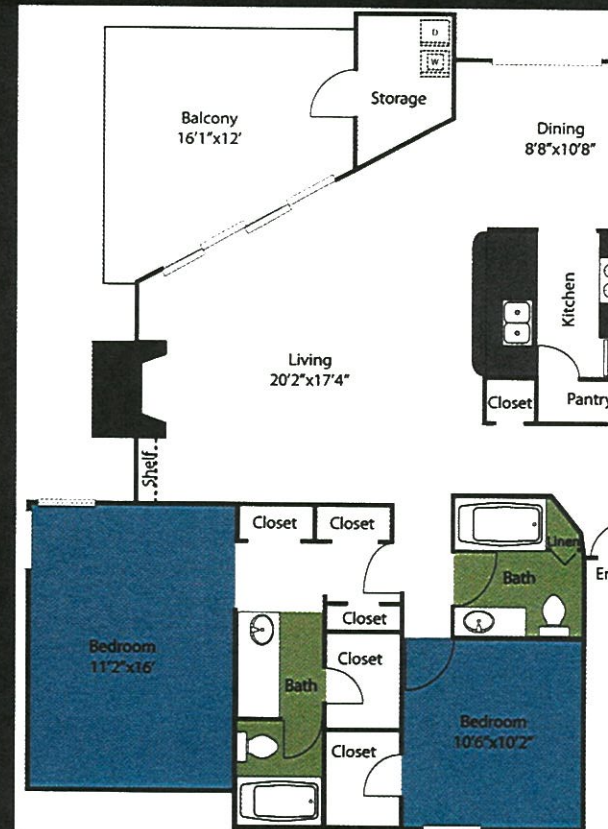
LARGE WALK-IN CLOSETS
 SPACIOUS LIVING AND BEDROOMS
 ISLAND BARS
 VAULTED CEILINGS *
 PRIVATE BALCONIES OR PATIOS
 DISHWASHERS
 FULL-SIZE W/D CONNECTIONS *
 FIREPLACES
 EXTRA STORAGE
 UPGRADED APARTMENTS AVAILABLE

* IN SELECT APARTMENTS

B1 - 1026 SQUARE FEET TWO BEDROOM/ TWO BATHROOM



B2 - 1226 SQUARE FEET TWO BEDROOM/TWO BATHROOM



CWS
 APARTMENT
 HOMES
 LLC

AFFORDABLE LUXURY
APARTMENTS IN FAR WEST

for those who know what they want out
of life, Northwest Hills offers Affordable
luxury apartment living without
compromise. Surround yourself in the
natural beauty of Austin with all of its
shopping, dining and entertainment
options just a short drive away. Our
elegant, pet-friendly apartments deliver
a full list of onsite amenities that will
keep you living the lifestyle you deserve.

Winner of the Austin Apartment
Association's Property of the Year award
for 2009, Northwest Hills is more than
just an address it's a lifestyle! Located in
the far west on the UT shuttle route, our
park-like setting and superior amenities
set us apart from the rest... visit
Northwest Hills today and see what the
hype is all about!



HOURS

Day	Hours
Monday	10:00 - 6:00
Tuesday	10:00 - 6:00
Wednesday	10:00 - 6:00
Thursday	10:00 - 6:00
Friday	10:00 - 6:00
Saturday	10:00 - 5:00
Sunday	Closed



NORTHWEST HILLS
APARTMENTS

Enhancing Lives the CWS Way

CWS
APARTMENT
HOMES
LLC

LITTON - PAPER

CONTACT US TODAY
TO FIND YOUR
PERFECT APARTMENT
HOME

NORTHWEST HILLS
APARTMENTS

3600 Greystone Drive
Austin, TX 78731

512-346-0384

www.northwesthillsapartments.com

www.northwesthillsapartments.com



Attachment 1
11/11/2015 - Page 9 of 10

COMMUNITY AMENITIES

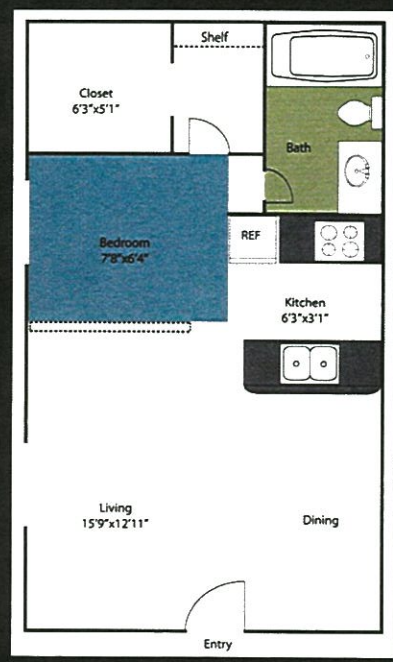
- 24 HOUR MAINTENANCE GUARANTEE
- 30 DAY NO FAULT GUARANTEE
- SHORT TERM LEASES
- EXECUTIVE BUSINESS CENTER
- 24 HOUR FITNESS CENTER
- 24 HOUR LAUNDRY FACILITIES
- RESORT STYLE POOL
- COURTYARD
- COVERED PARKING
- SCENIC VIEWS
- PET FRIENDLY APARTMENTS

APARTMENT AMENITIES

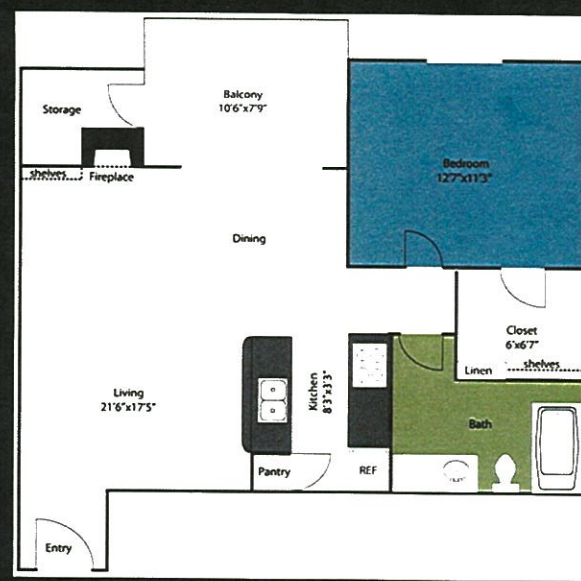
- LARGE WALK-IN CLOSETS
- SPACIOUS LIVING AND BEDROOMS
- ISLAND BARS
- VAULTED CEILINGS *
- PRIVATE BALCONIES OR PATIOS
- DISHWASHERS
- FULL-SIZE W/D CONNECTIONS *
- FIREPLACE *
- EXTRA STORAGE *
- UPGRADED APARTMENTS AVAILABLE

IN SELECT APARTMENTS

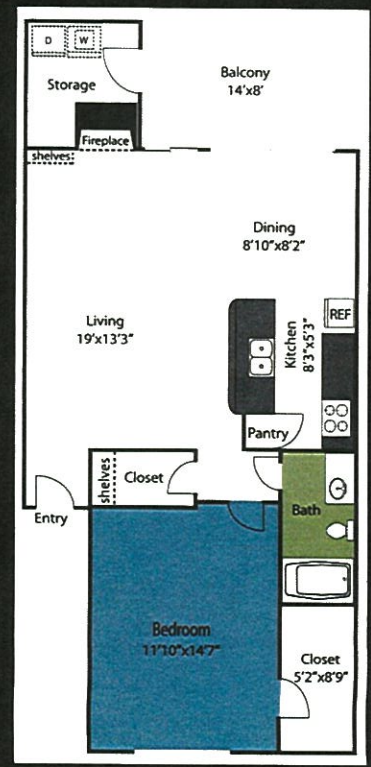
S1 - 420 SQUARE FEET
STUDIO



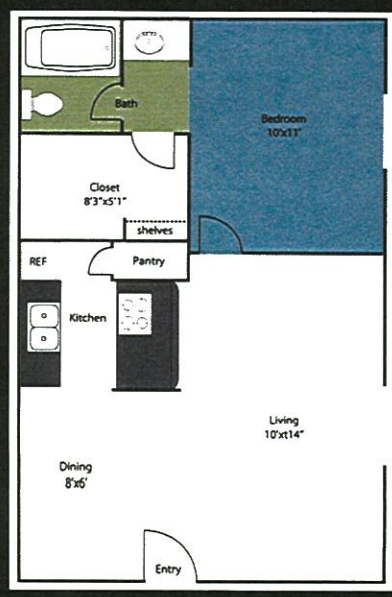
A2 - 687 SQUARE FEET
1 BEDROOM/1 BATHROOM



A3 - 828 SQUARE FEET
1 BEDROOM/ 1 BATHROOM



A1 - 553 SQUARE FEET
1 BEDROOM/1 BATHROOM



Northwest Hills 512-346-0384				
Unit Type	SqFt	Qty	Rent Rate	Price/Sqft.
S1- Studio	420	28	\$ 955.00	\$ 2.27
A1- 1/1	553	70	\$ 971.00	\$ 1.76
A2- 1/1	687	98	\$1,059.00	\$ 1.54
A3- 1/1	828	48	\$1,202.00	\$ 1.45
B1- 2/2	1,026	52	\$1,597.00	\$ 1.56
B2 - 2/2	1,226	18	\$1,773.00	\$ 1.45

Amenities
Scenic Views*
Resort Style Pool
24 hour Fitness Center
Laundry Facility
Business Center
Courtyard
24 Hour Maintenance
Covered Parking*
*notates in some units

Unit Amenities
Walk-In Closets*
Vaulted Ceilings*
Fireplace*
Island Bars
Private Patio/Balcony
Extra Storage*
Spacious bedrooms/living area
W/D Connections*
*notates in some units

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 111

ITEM NO. 6.

MEETING DATE: September 20, 2018

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 111: 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 facilitate the acquisition of the Terracina Apartment Development

BUDGETED ITEM: N/A

TOTAL COST: \$1,000,000

ACTION

The Board is being asked to approve a Resolution authorizing AAHC to take actions necessary to proceed with the acquisition of Terracina Apartments.

SUMMARY

Background:

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. Through one of its goals, AAHC has committed to the creation of a portfolio of 4040 units by the year 2020 via acquisition and/or development. Another goal of AAHC is to acquire and/or develop affordable housing in high opportunity areas where housing choice for Section 8 voucher holders does not typically exist and to offer low and moderate income families housing options in areas near better performing schools and services outside the City of Austin’s crescent of poverty.

AAHC has been presented an opportunity to partner with Enterprise Community Partners to purchase the Terracina Apartments. AAHC and Enterprise have previously partnered to purchase Bridge at Volente and Bridge at Sterling Springs and wish to expand their partnership with the acquisition of the Terracina Apartments. AAHC and Enterprise Community Partners are in discussions with the Austin Housing Conservancy (AHC) to potentially include them as a third partner. AAHC and Enterprise wish to take advantage of this high opportunity area to serve Austin’s nurses, entry level tech workers, teachers, and other individuals and families earning between 60% and 120% of median household income. Located within the boundaries of several of the strongest rated schools in Austin ISD, this property meets AAHC's goals of proximity to jobs, schools, grocers and transit.

Terracina Apartments is a 170-unit apartment complex built in 1971. Located at 8100 North Mopac Drive, the property is situated in one of the highest opportunity areas of Austin, Texas. Community amenities include two swimming pools with gazebos and outdoor kitchen, a large two story clubhouse with full kitchen and business center, a 24-hour fitness center, three 24-hour laundry facilities and covered parking. The property is in close proximity to many major employers in and around the area and feeds into the desirable Northwest Austin schools of Doss elementary, Murchison Middle School and Anderson High School. This property will accept Housing Choice Vouchers upon acquisition.

Unit mix

74 one bedroom one bath units ranging from 702 square feet to 759 square feet

96 two bedrooms two bath units ranging from 944 square feet to 1343 square feet

Process:

The property will be purchased using a combination of equity from Enterprise Community Partners and AAHC and debt provided by Freddie Mac. The current interest rate quoted was 4.72% using a 30 year amortization with an amount not to exceed \$14,500,000.

Staff Recommendation:

Staff recommends the approval of Resolution No. 111 which authorizes Austin Affordable Housing Corporation (AAHC) to execute any and all documents, or take action, that is necessary or desirable to facilitate the acquisition of the Terracina Apartments.

ATTACHMENTS:

▣ Exhibit 1 - Property Information

RESOLUTION NO. 111

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 facilitate the acquisition and development of the Terracina Apartment Development

WHEREAS, AAHC is contemplating the acquisition of the Terracina Apartment Development (the “Development”);

WHEREAS, as part of the proposed ownership structure for the Development, AAHC desires to form a Texas limited liability company to act as the owner (the “Owner”);

WHEREAS, AAHC will capitalize its ownership interest in the Owner in an amount not to exceed \$1,000,000;

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 lease (“Ground Lease”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a bridge loan and/or permanent loan with Bellwether Enterprise Real Estate Capital, LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$14,500,000 (“Loan”), in order to finance the 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 Loan (“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 Development, 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 Holding Company), 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, APPROVED AND ADOPTED this 20th day of September, 2018.

PRESIDENT

ATTEST:

SECRETARY

THE PLACE AT TERRACINA

A 170-Unit Value-Add Multifamily Community
8100 North MoPac Expressway, Austin, TX 78759
www.MC8-CBRE.com

A part of the MC8 Portfolio
Available Individually, as a Sub-Portfolio or a Portfolio

CBRE

Resident Clubhouse

THE OPPORTUNITY

The Place at Terracina presents investors the opportunity to acquire a 170-unit garden-style multifamily community with significant value-add potential. Located in the high-end Northwest Hills area of Austin, The Place at Terracina benefits from a highly visible location along MoPac Expressway, a major north-south highway arterial that serves as a key route to Downtown Austin, University of Texas and the high-end Domain outdoor shopping and entertainment district. Strong multifamily fundamentals in Austin continue to be supported by robust technology job growth and population growth. The Place at Terracina has a high barriers-to-entry location, supporting strong future rent growth and high occupancy levels. Multifamily opportunities in the Northwest Hills neighborhood rarely become available.

THE OFFERING

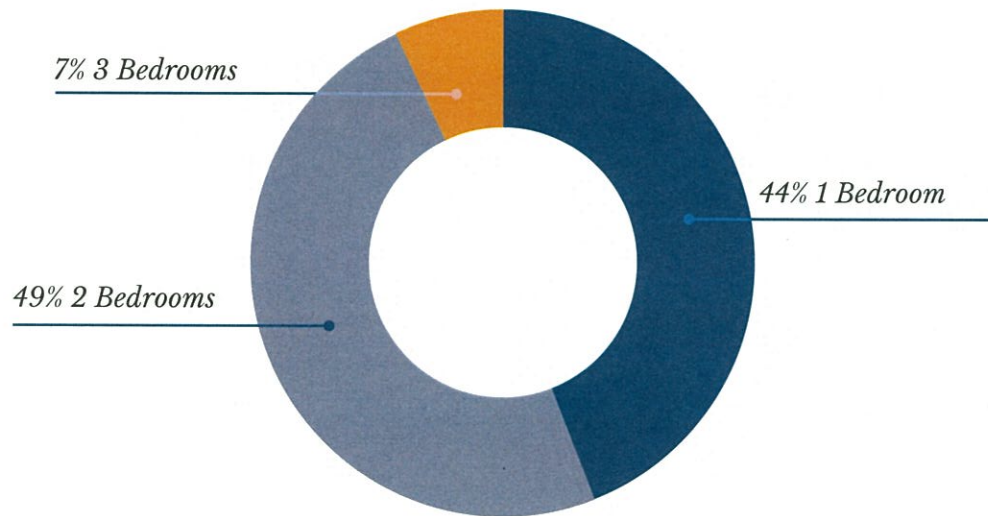
PRICE	Market Price
ADDRESS	8100 North MoPac Expressway Austin, TX 78759
NO. OF UNITS	170
YEAR COMPLETED	1970
AVG UNIT SF	±916 SF
TOTAL RENTABLE SF	±155,736
NET SITE ACREAGE	±7.35
NET SITE DENSITY	±23.12
TERMS	Cash

UNIT MIX SUMMARY

UNIT DESCRIPTION	# OF UNITS	% UNIT MIX	AVG UNIT SF	OCC.	TOTAL SF	MARKET RENT	
						UNIT	SF
1 Bed / 1 Bath	36	21%	702	83%	25,272	\$898	\$1.28
1 Bed / 1 Bath	18	11%	750	89%	13,500	\$909	\$1.21
1 Bed / 1 Bath	20	12%	759	100%	15,180	\$922	\$1.21
2 Bed / 1 Bath	36	21%	936	86%	33,696	\$1,088	\$1.16
2 Bed / 2 Bath	30	18%	944	80%	28,320	\$1,128	\$1.20
2 Bed / 2 Bath	18	11%	1,314	89%	23,652	\$1,292	\$0.98
3 Bed / 2 Bath	12	7%	1,343	67%	16,116	\$1,492	\$1.11
TOTAL/AVG.	170	100%	±916	85%	±155,736	\$1,056	\$1.15

*All square footages are approximate. Market Rents as of 05/25/18.

UNIT MIX PERCENTAGE





PROPERTY FEATURES

Community Amenities

- » Sparkling Pool & Spa
- » 24-Hour Fitness Center with Free Weights
- » BBQ Areas
- » Business Resource Center
- » Car2Go
- » Resident Clubhouse with Fireside Lounge
- » Game Room with Billiards & Shuffleboard
- » Dog Park with Dog Wash
- » On-site Laundry Facility

Interior Features

- » Nine-foot Ceilings
- » Air Conditioning
- » All Electric Kitchen with Black GE Appliances
- » Built-In Bookshelves
- » Crown Molding
- » Extra Storage
- » Faux Hardwood Flooring*
- » Private Patios & Balconies
- » Walk-In Closets

**Select Interiors*





ITEM NO.6 - Page 11 of 12



SITE MAP



↗ N, Not to Scale

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 112

ITEM NO. 7.

MEETING DATE: September 20, 2018

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 112: 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 borrow an amount not to exceed \$5,000,000 from Plains Capital Bank

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board of Directors is being asked to approve this Resolution No.112 in order to facilitate the timely and time sensitive conversion of Thurmond Heights under the RAD program.

SUMMARY

Background:

In order to facilitate the closing and conversion of Thurmond Heights Apartments to the Rental Assistance Demonstration Program (RAD), Austin Affordable Housing Corporation (AAHC) plans to borrow an amount not to exceed \$5,000,000 from Plains Capital Bank. AAHC will then lend these proceeds to Pathways at Thurmond Heights, LLC. These funds will be used to cover closing costs and initial replacement reserves required by the U.S. Department of Housing and Urban Development. Pathways at Thurmond Heights, LLC., will take back a note payable to AAHC for a term of 18 years at 4.72% interest with an amortization of 30 years.

Throughout the first phase of HACA's RAD rehab work, Thurmond Heights units have been utilized as relocation "hotel" units in order to minimize the impact on HACA families and keep relocation costs down. These "hotel" units remained in vacant status over an extended period to allow for the rotation of numerous temporarily relocated families from other properties. As a result, Pathways at Thurmond Heights, LLC., was unable to secure financing through Fannie Mae due to the number of units showing as vacant for underwriting purposes.

The loan by AAHC is intended to allow HACA to stay on schedule with its timeline for closing this development. The loan from AAHC can be paid back at any time in the future without prepayment penalties.

Process:

The note from Plains Capital Bank to Austin Affordable Housing Corporation will be secured by a first lien on Eastland Plaza at a term of 275 basis points above the 10 year Treasury for a term of ten years with no prepayment penalty and no loan origination fees. The loan will be amortized at 25 years.

Staff Recommendation:

Resolution No. 112 authorizes Austin Affordable Housing Corporation (AAHC) to execute any and all documents, or take action, that is necessary or desirable to borrow an amount not to exceed \$5,000,000 from Plains Capital Bank.

RESOLUTION NO. 112

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 borrow an amount not to exceed \$5,000,000 from PlainsCapital Bank

WHEREAS, AAHC owns the Eastland Plaza commercial development (the “Development”);

WHEREAS, the Housing Authority of the City of Austin (“HACA”) is currently converting its public housing portfolio to Rental Assistance Demonstration (“RAD”) assistance;

WHEREAS, HACA is currently converting the Pathways at Thurmond Heights, Pathways at Rosewood Courts and Pathways at Santa Rita Courts to RAD assistance (“RAD Properties”);

WHEREAS, AAHC desires to assist HACA with the financing of the rehabilitation and RAD conversions of the RAD Properties;

WHEREAS, AAHC desires to enter into a loan with PlainsCapital to refinance the Development, whereby AAHC will borrow a sum not to exceed \$5,000,000 (“Loan”), in order to provide a portion of the development financing for the RAD Properties;

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 AAHC 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 Loan (“Loan Documents”);

WHEREAS, AAHC desires to reloan a portion of the Loan proceeds in an amount not to exceed \$2,400,000 to the owner of the Pathways at Thurmond Heights to facilitate its conversion to RAD assistance;

NOW, BE IT RESOLVED, that all of the documents, instruments, or other writing executed by AAHC, in consummation of the transactions herein described, including, but not limited to, (i) the 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 to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC, 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, to execute and deliver all other documents and other writings of every nature whatsoever, 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 Holding Company), 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, 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, 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.

PASSED, APPROVED AND ADOPTED this 20th day of September, 2018.

PRESIDENT

ATTEST:

SECRETARY