

# **AUSTIN AFFORDABLE HOUSING CORPORATION**



## **BOARD OF DIRECTORS Regular Meeting**

**Thursday, April 16, 2020  
12:00 PM**

**Via Conference Call**  
872-240-3311, Access Code: 717-600-429

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

**TO BE HELD VIA  
Conference Call  
872-240-3311, Access Code: 717-600-429**

**Thursday, April 16, 2020**

**12:00 PM**

**CALL TO ORDER, ROLL CALL**

**CERTIFICATION OF QUORUM**

**Citizens Communication (Note: There will be a three-minute time limitation)**

**CONSENT ITEMS**

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on March 26, 2020

**ACTION ITEMS**

2. Presentation, Discussion and Possible Action on Resolution No. 00157 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Moonlight Garden, which consists of market and affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Moonlight Garden GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Moonlight Garden, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

**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 este 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.

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\*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 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 x 2104.

On March 16, 2020, the Governor of Texas suspended certain open meeting laws in response to the Coronavirus (COVID-19) disaster. This action allows governmental bodies, including the Housing Authority of the City of Austin and its subsidiaries, to conduct meetings by telephone or video conference to advance the public health goal of limiting face-to-face meetings to slow the spread of COVID-19.

Accordingly, the Housing Authority of the City of Austin (HACA) and its subsidiaries will be conducting their Regular Board Meeting via telephone conference at 12:00 PM on Thursday, April 16, 2020.

The public is invited to access and participate in the Board Meeting by dialing in using your phone. 872-240-3311, Access Code: 717-600-429

HACA will provide online written notice containing a public toll-free dial-in number, as well as an electronic copy of the agenda packet, in advance of the telephonic conference meetings at [www.hacanet.org/board](http://www.hacanet.org/board). The public will have a means to participate in the meetings through two-way audio connections. Additionally, HACA will post an audio recording of the meetings on our website.

**AUSTIN AFFORDABLE HOUSING CORPORATION**

**BOARD ACTION REQUEST**

**ITEM NO. 1.**

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**MEETING DATE:** April 16, 2020

**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 March 26, 2020

**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 March 26, 2020.

**ATTACHMENTS:**

- ▣ **20200326 AAHC Board Minutes Summary**

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

**MARCH 26, 2020**

**SUMMARY OF MINUTES**

**THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS ANNUAL PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, MARCH 26, 2020, AND WAS HELD VIA CONFERENCE CALL FROM THE HACA CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TX**

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

The Board of Directors Annual Board Meeting of the Austin Affordable Housing Corporation, of March 26, 2020, was called to order by Carl S. Richie, Jr., HACA Chairperson, at 12:17 p.m. The meeting was held via Conference Call from the HACA Central Office, 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present.

**MEMBERS PRESENT:**

Edwina Carrington, Chairperson  
Charles Bailey, Vice-Chairperson  
Mary Apostolou, 2<sup>nd</sup> Vice-Chairperson  
Carl S. Richie, Jr., Director  
Tyra Duncan-Hall, Director

**MEMBER(S) ABSENT:**

**STAFF PRESENT ON CALL:**

Andrea Galloway, Ann Gass, Gloria Morgan, Kelly Crawford, Martha Ross, Michael Cummings, Michael Gerber, Nidia Hiroms, Pilar Sanchez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

**ALSO IN ATTENDANCE:**

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

For the record, .HACA **Chairman Richie** read an excerpt of Governor Abbott's Order Suspending Certain Provisions of Open Meetings Act Due to Coronavirus (COVID-19).

On March 16, 2020, the Governor of Texas suspended certain open meeting laws in response to the Coronavirus (COVID-19) disaster. This action allows governmental bodies, including the Housing Authority of the City of Austin and its subsidiaries, to conduct meetings by telephone or video conference to advance the public health goal of limiting face-to-face meetings to slow the spread of COVID-19.

Accordingly, the Housing Authority of the City of Austin (HACA) and its subsidiaries will be conducting their Annual Board Meetings via telephone conference at 12:00 PM on Thursday, March 26, 2020.

The public is invited to access and participate in the Board Meetings by dialing in using your phone. 1 (646) 749-3122 Access Code: 283-714-653

HACA will provide online written notice containing a public toll-free dial-in number, as well as an electronic copy of the agenda packet, in advance of the telephonic conference meetings at [www.hacanet.org/board](http://www.hacanet.org/board). The public will have a means to participate in the meetings through two-way audio connections. Additionally, HACA will post an audio recording of the meetings on our website.

**CITIZENS COMMUNICATION** – Citizen communication was opened up during each item on the agenda. No one provided any communication during any of the items.

**CONSENT AGENDA**

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

**ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on February 26, 2020**

**2<sup>nd</sup> Vice-President Apostolou** moved to Approve the Board Minutes Summary for the Board Meeting held on February 26, 2020. **Chairperson Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00149: Approval to ratify all actions taken by the Board of Directors during FYE 2019-2020, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolutions**

Upon past advisement of legal counsel, Resolution No. 00149 was drafted to ensure all actions taken by the Board during FYE 2019-2020 be ratified, thus ensuring resolution of any irregularities during the voting process taken by the Directors. This action is presented for board action on an annual basis.

This Resolution resolves any irregularities in the voting process found in the Board meeting minutes and/or resolutions, and all actions taken during the 2019-2020 Fiscal Year by the Board of Directors are fully enforceable.

**2<sup>nd</sup> Vice-President Apostolou** moved to Approve the Resolution No. 00149: Approval to ratify all actions taken by the Board of Directors during FYE 2019-2020, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolutions. **Chairperson Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ACTION ITEMS**

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

**ITEM 3: Presentation, Discussion, and Possible Action regarding Resolution No. 00146: Election of new Officers for the Austin Affordable Housing Corporation**

With the recent re-appointment of three board members, the Board has the opportunity to elect new officers for the Austin Affordable Housing Corporation Board of Directors.

The Board of Directors for the Austin Affordable Housing Corporation approved new board officers: Edwina Carrington, Chairperson; Charles Bailey, Vice-Chairperson and Mary Apostolou, 2nd Vice-Chairperson.

**2<sup>nd</sup> Vice-Chairperson Apostolou** moved to Approve Resolution No. 00146: Election of new Officers for the Austin Affordable Housing Corporation. The Board approved: Edwina Carrington, Chairperson; Charles Bailey, Vice-Chairperson and Mary Apostolou, 2nd Vice-Chairperson.. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00150 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Turtle Creek**

Austin Affordable Housing Corporation was presented with an opportunity to partner with the Journeyman Group for the second time on a 3.32 acre tract of land located at 735 Turtle Creek Boulevard, Austin, Texas 78745. The project (Bridge at Turtle Creek) will consist of 310 family apartment units serving tenants at or below 60% of median family income. The nearest properties in AAHC's current portfolio are Urban Oaks and Bridge at South Point to the southeast.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$66,000,000. The planned development will consist of 233 one bedroom and one bath units, and 77 two bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will return to the Board in future months on progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$44,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, Bridge at Turtle Creek meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

**Vice-Chairperson Bailey** moved to Approve Resolution No. 00150 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Turtle Creek, in an amount not to exceed \$44,000,000. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 5: Presentation, Discussion and Possible Action on Resolution No. 00151 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Henderson on Reinli**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 2.7428 acre tract of land located at the southeast corner of Reinli Street and Sheridan Avenue, Austin, Texas 78723 in north Austin. The

project (The Henderson on Reinli) will consist of 318 family apartment units serving tenants at or below 60% of median family income. The nearest properties in AAHC's current portfolio include Pathways at Gaston Place to the east, and Estates at Norwood and Pathways at Coronado Hills to the northeast.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$68,500,000. The planned development will consist of 157 one bedroom and one bath units, 161 two bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will return to the Board in the future months to report on the progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$45,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Henderson on Reinli meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

**Director Duncan-Hall** moved to Approve Resolution No. 00151 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Henderson on Reinli, in an amount not to exceed \$45,000,000. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 6: Presentation, Discussion and Possible Action on Resolution No. 00152 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Matador**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 3.396 acre tract of land located at Southwest corner of South Congress Avenue and Little Texas Lane, Austin, Texas 78745 in south Austin. The project (The Matador) will consist of 285 family apartment units serving tenants at or below 60% of median family income. The nearest properties in AAHC's current portfolio are Urban Oaks and Bridge at South Point to the south and Pathways at Shadowbend to the southwest.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$62,300,000. The planned development will consist of 126 one bedroom and one bath units, 159 two bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will return to the Board in the future months to report on the progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$50,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Matador meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

**Chairperson Carrington** moved to Approve Resolution No. 00152 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Matador, in an amount not to exceed \$50,000,000. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 7: Presentation, Discussion and Possible Action on Resolution No. 00153 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Conrad**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 3.391 acre tract of land located at the northwest corner of Onion Creek Parkway and S IH-35 Frontage Road, Austin, Texas 78748. The project (The Conrad) will consist of 280 family apartment units serving tenants at or below 60% of median family income. The nearest property in AAHC's current portfolio is Bridge at Asher which is north east.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$60,500,000. The planned development will consist of 121 one bedroom and one bath units, 159 two bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the

initial process to submit applications for tax credits and bond approval. Staff will be presenting back to the Board in the future months on the progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$45,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Conrad meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

2<sup>nd</sup> **Vice-Chairperson Apostolou** moved to Approve Resolution No. 00153 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Conrad, in an amount not to exceed \$45,000,000. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 8: Presentation, Discussion and Possible Action on Resolution No. 00154 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Park at Decker Lake**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 14.99 acre tract of land located at northwest corner of Decker Lane and Daffan Lane, Austin, Texas 78724 located in the Austin extraterritorial jurisdiction (ETJ). The project (The Park at Decker Lake) will consist of 264 family apartment units serving tenants at or below 60% of median family income. The nearest property in AAHC's current portfolio is Bridge at Loyola Lofts which is southwest of the property.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$62,200,000. The planned development will consist of 36 one bedroom and one bath units, 120 two bedroom and two bath units, 96 three bedroom and two bath units, and 12 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will be presenting back to the Board in the future months on the progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$45,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Park at Decker Lake meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

2<sup>nd</sup> **Vice-Chairperson Apostolou** moved to Approve Resolution No. 00154 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 participate in the housing tax credit application for The Park at Decker Lake, in an amount not to exceed \$45,000,000. **Chairperson Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 9: Presentation, Discussion and Possible Action on Resolution No. 00155 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Ridge at East Village**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 28 acre tract of land located at the southwest corner of Yager Lane and Parmer, Austin, Texas 78653 in the Austin extraterritorial jurisdiction (ETJ). The project (The Ridge at East Village) will consist of 300 family apartment units serving tenants at or below 60% of median family income. The nearest property in AAHC's current portfolio is Harris Branch Senior which is northeast.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$67,600,000. The planned development will consist of 24 one bedroom and one bath units, 144 two bedroom and two bath units, 120 three bedroom and two bath units, and 12 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will be presenting back to the Board in the future months on the progress and specifically any and all



agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$50,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Ridge at East Village meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

**Director Duncan-Hall** moved to Approve Resolution No. 00155 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Ridge at East Village, in an amount not to exceed \$50,000,000. **Chairperson Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**ITEM 10: Presentation, Discussion and Possible Action on Resolution No. 00156 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Kingswood**

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 23.054 acre tract of land located at southeast corner of FM Road 812 and Burklund Farms Road, Austin, Texas 78617 in the Austin extraterritorial jurisdiction (ETJ). The project (Kingswood) will consist of 328 family apartment units serving tenants at or below 60% of median family income. The nearest properties in AAHC's current portfolio are Pointe and Villages of Ben White to the northwest.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$65,000,000. The planned development will consist of 48 one bedroom and one bath units, 132 two bedroom and two bath units, 124 three bedroom and two bath units, and 24 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will return to the Board in future months to report on progress and specifically any and all agreements and approvals.

HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$50,000,000. At the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, The Ridge at East Village meets these targeted affordability goals.

Board Approval allows AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2020 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

**2<sup>nd</sup> Vice-Chairperson Apostolou** moved to Approve Resolution No. 00156 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 participate in the housing tax credit application for Kingswood, in an amount not to exceed \$50,000,000. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

**THE BOARD DID NOT RECESS INTO EXECUTIVE SESSION.**

**ADJOURNMENT**

**2<sup>nd</sup> Vice-Chairperson Apostolou** moved to Adjourn the meeting. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

The meeting adjourned at 3:02 p.m.

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**Michael G. Gerber, Secretary**

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**Edwina Carrington, Chairperson**

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00157

#### ITEM NO. 2.

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**MEETING DATE:** April 16, 2020

**STAFF CONTACT:** Suzanne Schwertner, Director of Development

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00157 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Moonlight Garden, which consists of market and affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Moonlight Garden GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Moonlight Garden, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### ACTION

The Board is being asked to approve Resolution No. 00157 authorizing AAHC to proceed with any actions necessary to proceed with development of Moonlight Garden.

#### SUMMARY

***Background:***

Austin Affordable Housing Corporation is being presented with an opportunity to partner with LDG Multifamily on a certain 10.33 acre tract of land located at 8901 Nuckols Crossing Road, Austin, Texas 78747. This project is in the same masterplanned community, Goodnight Ranch PUD as our other project with LDG Multifamily, Goodnight Commons. This project (Moonlight Garden) will consist of 264 family apartment units. Fifty percent of the units will be affordable to tenants earning 80% median family income (MFI) and 50% will be affordable to tenants earning greater than 80% MFI. This will allow tenants living in Goodnight Commons (4% tax credit property affordable to tenants with 60% MFI and below) that become over income to stay in the area and rent at Moonlight Garden if they so choose. This will also allow us to serve future tenants that earn too much to rent at Goodnight Commons.

***Process:***

After over a year of work with LDG, Moonlight Gardens has received its firm commitment from HUD for debt financing and is ready to start the closing process. The development will use HUD debt financing originated by Mason Joseph and then a combination of LDG Multifamily and AAHC equity. At closing, AAHC will make a \$1,000,000 capital investment. Through the 24-month construction period AAHC will make additional capital installments equaling \$2,822,955. In addition to the capital installments made at closing and during construction, AAHC will reinvest its General Contractor Fee and Developer Fee throughout construction and stabilization, which will total \$1,512,275. These investments will equal \$5,335,230 when all installments are complete. The planned development will consist of 48 one bedroom and one bath units, 120 two bedroom and two bath units, and 96 three bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents.

The project will be part of a 700-acre master planned development, Goodnight Ranch PUD. This community is planning an "educational village" in which all schools are connected by sidewalks. Blazier Elementary was the first to be built and received the highest 6-star TEA rating. Additional land has been closed on and planning for the middle school is taking place. The next phase will include a new Austin ISD high school. Goodnight Ranch was planned to have a variety of products for all stages of life. Included in this plan are townhouses with duplex units, a senior community (Nightingale at Goodnight) which will be mixed-income, as well as other market rate single family residences. It will also include a community pool and 300 acres of walking trails in the Onion Creek Metropolitan Park.

Unit Breakdown:                   48 1-bedroom/1-bath units  
  120 2-bedroom/2-bath units  
  96 3-bedroom/2-bath units

***Staff Recommendation:***

Board Approval will allow AAHC to complete the development transaction, execute all necessary financing documents and begin construction.

**ATTACHMENTS:**

- ▣ **Moonlight Attachment**

**RESOLUTION NO. 00157**

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

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

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

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

**WHEREAS**, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with the Moonlight Garden, a 264-unit apartment complex (the “**Project**”) under development on a parcel of land located in Austin, Travis County, Texas (the “**Land**”);

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

**WHEREAS**, AAHC, the General Partner and Partnership desire to enter into certain equity documents for the purpose of admitting AAHC, as investor limited partner to the Partnership (“**ILP**”), and Moonlight Garden SLP, LLC, a Texas limited liability company (“**SLP**”), as special limited partner to the Partnership, including an Amended and Restated Agreement of Limited Partnership for the Partnership (the “**Partnership Agreement**”);

**WHEREAS**, AAHC, as ILP, will capitalize its ownership interest in the Partnership in an amount not to exceed \$3,850,000;

**WHEREAS**, the Partnership desires to obtain a construction and permanent loan from Mason Joseph Company, Inc. (the “**HUD Lender**”) in an amount not to exceed \$40,000,000 (the “**FHA Loan**”) to be insured by HUD under Section 221(d)(4) program pursuant to a commitment for insurance of advances issued to HUD Lender, as amended (HUD Project No. 115-35868), and in connection therewith enter into, execute, and deliver a Note, a first lien Deed of Trust on the Project, a Regulatory Agreement for Multifamily Projects, and any other documents evidencing, securing, or necessary or convenient in connection with the FHA Loan (collectively, the “**FHA Loan Documents**”, and together with the Partnership Agreement and the Ground Lease, the “**Financing Documents**”);

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

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

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

**RESOLVED**, that any officer of AAHC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or General Partner and/or the Partnership, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Project, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the General Partner), executing same, his/her approval of each such instrument to be

conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or General Partner and/or Partnership, effective as of the date such action was taken; and it is further

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

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

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

**PASSED, APPROVED AND ADOPTED** this 16th day of April, 2020.

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Chair

Attest:

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Secretary

*[End of Resolution.]*



# Moonlight Gardens—

8901 Nuckols Crossing Road, Austin, TX 78747

- Partnership with LDG Multifamily
- 50% of units servicing tenants at 80% Area Median Family Income (AMFI) and below; 50% of units serving tenants over 80% AMFI
- Housing Choice Vouchers will be accepted
- 10.33 acre tract of land
- Unit breakdown – 264 units:
  - 48 – 1 bedroom/1 bath
  - 120 – 2 bedroom/2 bath
  - 96 – 3 bedroom/2 bath



# Moonlight Gardens—

8901 Nuckols Crossing Road, Austin, TX 78747

## Goodnight Ranch Master Plan

- 700 acres
- “Education Village” – all schools within walking distance
  - Blazier Elementary – Received 6-star TEA Rating
  - Blazier Middle School – Closed on land in planning stage
  - Blazier High School – Proposed
- Variety of products for all ages of life
  - Single family homes
  - Townhouses (duplex unit style)
  - Senior Community (Nightingale At Goodnight)
  - Goodnight Commons – AAHC/LDG Tax Credit Apartment – 304 units servicing tenants at 60% AMFI and below
- Onion Creek Metropolitan Park – 30 acres with walking trails
- Community pool





# Moonlight Gardens—

8901 Nuckols Crossing Road, Austin, TX 78747

## 15 Year ProForma (assumes 93% occupancy)

	1	2	3	4	5	6	7	8	9
	Const. Yr 1	Const. Yr 2	Const. Yr 3	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Total Cashflow	\$0	\$0	\$0	\$1,493,074	\$1,550,025	\$1,607,799	\$1,666,404	\$1,725,847	\$1,786,135
AAHC - 50%	\$0	\$0	\$0	\$ 746,537	\$ 775,013	\$ 803,900	\$ 833,202	\$ 862,924	\$ 893,068
LDG - 50%	\$0	\$0	\$0	\$ 746,537	\$ 775,013	\$ 803,900	\$ 833,202	\$ 862,924	\$ 893,068
	9	10	11	12	13	14	15	16	17
Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
\$1,786,135	\$1,847,273	\$1,909,269	\$1,972,129	\$2,035,858	\$2,100,463	\$2,165,948	\$2,232,320	\$2,299,583	\$2,367,742
\$ 893,068	\$ 923,637	\$ 954,635	\$ 986,065	\$1,017,929	\$1,050,232	\$1,082,974	\$1,116,160	\$1,149,792	\$1,183,871
\$ 893,068	\$ 923,637	\$ 954,635	\$ 986,065	\$1,017,929	\$1,050,232	\$1,082,974	\$1,116,160	\$1,149,792	\$1,183,871



# Moonlight Gardens— 8901 Nuckols Crossing Road, Austin, TX 78747



Moonlight Gardens

8901 Nuckols Crossing Road

Blazier Elementary

Goodnight Commons

Goodnight Commons Apartments

Slaughter Lane

