

**SOUTH CONGRESS
PFC**

**BOARD OF DIRECTORS
Regular Meeting**

**Thursday, June 18, 2020
12:00 PM**

**Via Conference Call
Austin, TX**

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF DIRECTORS
REGULAR BOARD MEETING
OF THE SOUTH CONGRESS PFC**

**TO BE HELD AT
Via Conference Call
Austin, TX
(512.477.4488)**

**Thursday, June 18, 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. 00004 by the Board of Directors of South Congress Public Facility Corporation (“PFC”) to execute any and all documents, or take any other action, that is necessary or desirable to: (i) acquire a leasehold interest in certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Vega Multifamily (the “Project”); (ii) sublease the Land to Vega Avenue Apartments Owner LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project

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 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.

SOUTH CONGRESS PFC
BOARD ACTION REQUEST
ITEM NO. 1.

MEETING DATE: June 18, 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.

**SOUTH CONGRESS PFC
BOARD OF DIRECTORS
ANNUAL BOARD MEETING**

March 26, 2020

SUMMARY OF MINUTES

SOUTH CONGRESS PFC (HACA) BOARD OF DIRECTORS ANNUAL BOARD MEETING NOTICE WAS POSTED FOR 12:00 P.M. 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

Carl S. Richie, Jr., HACA Chairperson called the Board of Directors Annual Board Meeting of South Congress PFC, of March 26, 2020, to order, 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 on the call.

MEMBERS PRESENT:

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

MEMBER(S) ABSENT:

ALSO ON THE CALL:

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

STAFF PRESENT ON THE 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

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 South Congress PFC 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, South Congress PFC (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. 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 September 19, 2019

Director Apostolou moved the Approval of the Board Minutes Summary for the Board Meeting held on September 19, 2019. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 003: 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

The Board was asked to approve Resolution No. 003: which ratifies all actions taken by the Board of Directors during the 2019-2020 Fiscal Year, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Commissioners as reflected within the approved minutes and resolutions.

Upon past advisement of legal counsel, Resolution No. 003 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 is an action that will be 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.

Director Apostolou moved the Approval of Resolution No. 003: Ratification of all actions taken by the Board of Directors during the 2019-2020 Fiscal Year, 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. **Director Duncan-Hall** 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. 002: Election of new board officers for South Congress PFC

With the recent re-appointment of three board members, the board has the opportunity to elect new board officers for the South Congress PFC Board of Directors.

The Board of Directors for the South Congress PFC approved new board officers: Edwina Carrington, Chairperson; Charles Bailey, Vice-Chairperson and Mary Apostolou, 2nd Vice-Chairperson.

Director Duncan-Hall moved the Approval Resolution No. 003: Election of new board officers for South Congress PFC. **Director Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

THE BOARD DID NOT RECESS INTO EXECUTIVE SESSION.

REPORTS

None.

Director Apostolou moved to adjourn the meeting. **Director Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

The meeting adjourned at 12:33 p.m.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

SOUTH CONGRESS PFC
BOARD ACTION REQUEST
RESOLUTION NO. 00004
ITEM NO. 2.

MEETING DATE: June 18, 2020

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 00004 by the Board of Directors of South Congress Public Facility Corporation (“PFC”) to execute any and all documents, or take any other action, that is necessary or desirable to: (i) acquire a leasehold interest in certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Vega Multifamily (the “Project”); (ii) sublease the Land to Vega Avenue Apartments Owner LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00004 to execute any and all documents, or take any other action, that is necessary or desirable to: (i) acquire a leasehold interest in certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Vega Multifamily (the “Project”); (ii) sublease the Land to Vega Avenue Apartments Owner LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project.

SUMMARY

Background:

Austin Affordable Housing Corporation has been presented an opportunity to partner with the NRP Group to develop a property on Vega Avenue and Southwest Parkway called Vega Multifamily next to St. Andrew’s Episcopal School. AAHC and NRP have previously partnered three times, one property being SOCO II which is currently under construction and is located on South Congress Avenue. Once built, 50% of the Vega Multifamily’s units will target individuals and families making 80% area median family income and below. Located in a high opportunity area, this property meets AAHC’s goals of providing housing in proximity to

jobs, schools, grocers and transit. The property as with all AAHC's properties will accept Housing Choice Vouchers upon completion.

Vega Multifamily will provide 330 units: 43 studios (650 sq ft), 165 one bedroom/one bath (725-917 sq ft), 107 two bedroom/two bath (1093-1330 sq ft) and 15 three bedroom/two bath (1431 sq ft). Located at 5313 Vega Avenue, Austin, TX 78735 (southeast corner of Southwest Parkway and Vega Avenue). Community amenities will include resort style pool with cabanas, 7,000+ square foot clubhouse and co-working space, state of the art fitness studio with yoga/spin rooms, secondary courtyard with movie viewing area and BBQ areas, dog spa, and 4th floor indoor/outdoor amenity deck with downtown views.

The site is adjacent to St. Andrew's Episcopal School (Austin's #2 ranked private school) and is directly across the street from Regents School (#1 ranked private school in Austin). NXP (4,000 employees), AMD (1,900 employees), Arm Ltd (700 employees), and YETI's new corporate headquarters all reside within one mile of the property.

Lantana Place Shopping Center, located approximately one mile to the west of the site is one of Austin's newest mixed-use retail centers. The district has over 100,000 square feet of retail and restaurant space, anchored by Moviehouse & Eatery cinema, Orangetheory Fitness and Marriott's AC boutique hotel.

Process:

The PFC financing structure will facilitate a lease of both the land and the improvements to a newly formed partnership. South Congress PFC will lease the land from St. Andrew's Episcopal School on a 99 year ground lease. South Congress PFC will then turn around as landlord and sublease both the land and the improvements to the partnership for 99 years. At the end of the 99 years both the land and improvements will revert back to St. Andrew's Episcopal School.

The property will be developed using a combination of equity from NRP and JP Morgan Chase and conventional debt through Zions Corporation, N.A. DBA Amegy Bank. The anticipated close and construction start is July/August of 2020.

Unit Breakdown:	43 Studio	650 sq ft
	165 1-bedroom/1-bath	725-917 sq ft
	107 2-bedroom/2-bath	1093-1330 sq ft
	15 3-bedroom/2-bath	1431 sq ft

Staff Recommendation:

Board approval will allow South Congress PFC, Inc. to execute any and all documents, or take any other action, that is necessary or desirable to: (i) acquire a leasehold interest in certain real property located in Austin, Texas (the "Land") on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Vega Multifamily (the "Project"); (ii) sublease the Land to Vega Avenue Apartments Owner LP (the "Partnership") to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project.

ATTACHMENTS:

Description

- **Vega Multifamily Map**

RESOLUTION NO. 00004

Certificate as to RESOLUTIONS AND INCUMBENCY (SOUTH CONGRESS PUBLIC FACILITY CORPORATION)

I certify that I am the duly qualified and acting secretary of South Congress Public Facility Corporation, a Texas nonprofit public facility corporation ("PFC"), and as follows:

1. Attached hereto as Exhibit A is a true and complete copy of a resolution adopted by PFC pertaining to the Vega Apartments. The resolution has not been amended or modified in any manner and remains in full force and effect as of the date hereof.
2. I further certify that the following individuals are officers of PFC, authorized to act on behalf of PFC:

<u>NAME</u>	<u>TITLE</u>
Edwina Carrington	Chairperson
Charles Bailey	Vice-Chairperson
Mary Apostolou	2nd Vice-Chairperson
Michael Gerber	Secretary

In witness whereof, I have hereunto set my hand as of June 18, 2020.

By: _____
Michael Gerber
Secretary

Attachments:

Exhibit A

