

**THE HOUSING AUTHORITY
OF THE CITY OF AUSTIN**



BOARD OF COMMISSIONERS

Chairperson - Carl S. Richie, Jr.

Vice-Chairperson - Charles Bailey

2nd Vice-Chairperson - Mary Apostolou

Commissioner - Dr. Tyra Duncan-Hall

Commissioner - Edwina Carrington

Michael G. Gerber, President & CEO

**BOARD OF COMMISSIONERS
Regular Meeting**

Thursday, September 17, 2020

12:00 PM

Via Conference Call

1 (646) 749-3122; Access Code: 541-121-477

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
OF THE HOUSING AUTHORITY OF THE CITY OF AUSTIN**

**TO BE HELD AT
Via Conference Call
1 (646) 749-3122; Access Code: 541-121-477**

**Thursday, September 17, 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 July 16, 2020

ACTION ITEMS

2. Update on HACA's actions related to the Coronavirus (COVID-19) and update on HACA's Resident and Client Support Center
3. Presentation, Discussion, and Possible Action regarding Resolution No. 02666: An amendment to the HACA annual budget to provide additional funding to ensure HACA families can fully participate in at-home and other distance learning by using digital inclusion interventions to combat negative impacts resulting from the coronavirus
4. Update on AAHC's acquisition and development programs
5. Presentation, Discussion, and Possible Action on Resolution No. 02667: Resolution authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Montecito Apartments (the "Development") in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution
6. Presentation, Discussion and Possible Action of Resolution No. 02665: Approval for Purchase of an Energy Recovery Unit and Related Engineering Services for Installation at HACA's Central Office
7. Presentation, Discussion, and Possible Action regarding Resolution No. 02668: A statement of support for a ballot measure for the Project Connect Initial Investment, to address long term community transit needs, including funding for affordable housing and anti-displacement strategies along proposed transit corridors

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:

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.

*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.

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

**EXECUTIVE
ITEM NO. 1.**

MEETING DATE: September 17, 2020

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on July 16, 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 July 16, 2020.

ATTACHMENTS:

- ▣ **20200716 HACA Board Minutes Summary**

**THE HOUSING AUTHORITY OF THE CITY OF AUSTIN
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

July 16, 2020

SUMMARY OF MINUTES

THE HOUSING AUTHORITY OF THE CITY OF AUSTIN (HACA) BOARD OF COMMISSIONERS REGULAR BOARD MEETING NOTICE WAS POSTED FOR 12:00 P.M. ON THURSDAY, JULY 16, 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 Commissioners Regular Board Meeting of the Housing Authority of the City of Austin, of July 16, 2020, to order, at 12:08 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:

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

MEMBER(S) ABSENT:

ALSO ON THE CALL:

Wilson Stoker, Cokinos, Bosien & Young

STAFF PRESENT ON THE CALL:

Andrea Galloway, Barbara Jackson, Becky Summerset, Catherine Crago, Gloria Morgan, Isra Elkhazin, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Martha Ross, Michael Gerber, Michael Roth, Nidia Hiroms, Nora Velasco, Pilar Sanchez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

CITIZENS COMMUNICATION

Zenobia Joseph, citizen, thanked the Board for adding Javier Ambler to the June 18, 2020 Board Minutes and reported that she had sent a legislative request to Representative Donna Howard to use the HACA virtual meeting notice model for statewide legislation to sponsor clean up legislation for H.B. 2840 which permits the public to speak before action is taken. **Ms. Joseph** indicated it would be helpful to access past Board Meeting audio files on the HACA website. In addition, **Ms. Joseph** provided testimony on fair housing, transportation, and land use restrictions.

Citizen Communication was also opened up during each item on the agenda. No one provided any additional 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 June 18, 2020

Vice-Chairperson Bailey moved the Approval of the Board Minutes Summary for the Board Meeting held on June 18, 2020. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ACTION ITEMS

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS

ITEM 2: Update on HACA's actions related to the Coronavirus (COVID-19) and update on HACA's Resident and Client Support Center

Updates on HACA's actions related to the Coronavirus (COVID-19) were provided. **Michael Gerber**, HACA President and CEO, reported that HACA is making every effort to re-open the HACA Central Office front desk so that clients can safely come into the office to drop off paperwork and interact with staff face-to-face. **Pilar Sanchez**, HACA Vice President of Austin Pathways, reported that, in June, the HACA Resident & Client Support Center completed over 1,700 contacts with HACA residents. In June, while over 600 inbound contacts were completed by phone, email and SMS, staff conducted outbound calls to assess remote learning needs, check on resident well-being, encourage residents to register to vote and complete the Census.

July 16, 2020

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Catherine Crago, HACA Head of Strategic Initiatives, also reported on the Resident & Client Support Center actions. In April and May, the HACA Resident & Client Support Center began to contact families to provide information and support for children to participate in “teacher-led” and “student-led” learning. In June, the AP team was able to provide the following:

- **Support Youth in Summer School and Prevent Summer Slide.** (1) Communities in Schools deployed 65 WiFi connected tablets for online camp participants. (2) Boys and Girls Club opened at Meadowbrook and is currently serving 11 youth whose parents are working. (3) Creative Action provided STEAM based online modules for HACA youth.
- **Ensure Family Homes and HACA Community Rooms can Function as a Classroom.** In June, staff investigated models and safety requirements to use community rooms as remote classrooms. Necessary space and adult supervision may fit an afterschool program model most effectively. We continue to develop a program based on remote support to parents and students provided by certified resident para-educators. The para educators will assist with both technology and learning challenges.
- **Provide Parents with Tools & Resources to Provide 1:1 In-Home Classroom; Help Parents Continue to Work Remotely from Home.** (1) In June, AISD & CapMetro committed extend WiFi access (WiFi buses) through August 16 at all family properties; (2) Requesting Data from partners to inform prioritization of device deployments; (3) a K-12 Connectivity Pulse Point Survey was launched; about 150 families have been surveyed.

ITEM 3: Presentation, Discussion, and Possible Action regarding Resolution No. 02661: Update of Travel Policy, ratified effective Fiscal Year 2020

HACA Finance developed a software-enabled tool and process in-house in fiscal year 2019. In collaboration with the HACA Travel Coordinator and a cross-functional pilot group of users, the new workflow was tested in fiscal year 2020. This new process improved efficiency (less resources, faster review, centralized data, standardized review and added internal controls).

A key component of the new travel advance and reimbursement process was to go paperless. Our external independent auditors recommend we update our Travel Policy to accept paperless (scanned, electronic) receipts to pair with the process improvement. Previously, original paper-based receipts were required.

The proposed change to allow electronic receipts (scanned receipts, or cell phone copies of receipts) would be ratified and made effective fiscal year 2020. The traveler either takes a smartphone picture of the receipt in a legible clear manner, or scans paper receipts when they arrive home using a copier/scanner. All travel related forms are attached to the event (that one trip) in a project software tool, which is used for electronic workflow and routing of approvals. After the 2019/2020 pilot period for the new process, HACA will have a transition period where Travelers will continue to send the original paper receipt to Finance for a period of two years, to allow for internal and external audit to compare original receipts to the electronic receipts. During this same time frame, we will ask all stakeholders, grantors, partners to amend contract renewals to allow for electronic receipts for expense support and periodic audit.

Additional Travel Policy updates are planned for later in fiscal year 2021; this electronic receipt amendment was the only update requested and proposed at this time.

Commissioner Carrington moved the Approval of the Resolution No. 02661: Update of Travel Policy, ratified effective Fiscal Year 2020. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion, and Possible Action regarding Resolution No. 02662: Approval of updates to the Capitalization Policy

An update to Capitalization Policy, Resolution No. 1784, adopted November 14, 2001 is proposed. To clarify the policy, three amendments are proposed to ratify historical practice with respect to capitalization:

- {1) This policy applies to HACA and all Subsidiaries (Blended Component Units), unless super-ceded by third party agreements (e.g., properties co-owned with investors and managed by others).
- {2) The policy would now show asset lives. *The asset lives define the estimated useful life of the asset. For example, if an asset costs \$10,000, we typically pay cash in full when purchased (\$10,000), but for GAAP financial accounting, we are required to show an asset with a life of 10 years with a "depreciation expense" of \$1,000 per year for 10 years (\$10,000 asset cost divide by 10 years equals \$1,000 expense per year). Of note, depreciation is a "non-cash" expense and is disregarded in our budget, department reports and debt service calculations, but is required to be shown in our annual audit report. Also of note, financial accounting asset lives are different than asset lives allowed per the IRS for taxable depreciation. Each organization gets to determine their own asset lives and asset classes within reason.*
- {3) HACA performs a physical inventory of assets at least biennially (every other year). *Performing a physical inventory is required by HUD, is expected financial practice, and ensures asset values are fairly represented in our financials. Most of our asset value is in buildings which we can readily see and "inventory", as well as fleet (automobiles) as they are serviced regularly. We also inventory equipment, furniture, fixtures, etc. and other items not capitalized as assets, due to value less than \$2,500 (like computers / laptops).*

The current threshold for accounting Capitalization (calling an item an "asset" on the Balance Sheet, rather than "expense" in the Budgeted Revenues versus Expenses), is expenditures over \$2,500 with a life over one year. If an item is less than \$2,500 OR has a life less than one year, it is fully expensed in that year's budget for that department. Otherwise, the cash is paid out in year one on the Balance Sheet, but the items is "expensed" over time on the financials, to match the assets contribution against revenues earned over time.

2nd Vice-Chairperson Apostolou moved the Approval of the Resolution No. 02662: Approval of updates to the Capitalization Policy. Commissioner Carrington seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion, and Possible Action regarding Resolution No. 02663: Action Plan for Family Self-Sufficiency (FSS) Program for Project Based Rental Assistance (PBRA)

HACA has an established track record of successfully administering the Family Self Sufficiency program created by HUD's Office of Public and Indian Housing (PIH). HACA has transitioned from public housing to PBRA under HUD's Office of Multifamily Housing. Until fairly recently, the FSS Program was not an available program for residents served through the PBRA program.

Owners of HUD-assisted multifamily housing can now operate a voluntary FSS program at their housing sites (Multifamily Notice H-2016-08). Families entering the FSS program develop goals toward self sufficiency within a 5-year period. These goals are laid out in the Individual Training and Service Plans (ITSP). Families sign a contract of participation (CoP) with the owner, for up to five years.

The owner establishes an interest-bearing escrow account for all FSS families, with separate accounting for each participating family. The escrow account is funded by HUD through adjustments to rental subsidy payments to the owner. When the family meets its goals and successfully completes its FSS contract, the family becomes eligible for the funds in their escrow account.

HACA will designate two existing staff to implement the FSS program for PBRA. Each of the two FSS Coaches will build a caseload of 20 FSS participants during the initial phase of the program. Pathways properties to be served in this initial phase include Booker T. Washington, Santa Rita, Rosewood, Meadowbrook and Bouldin Oaks. Partners and services will be very similar to the HCV/PH FSS program and will include participation in the existing FSS Program Coordinating Committee. This new PBRA FSS program will be budget neutral.

- a. FSS Coaches – Funded by owner/HACA. HACA plans to implement FSS utilizing existing staff. This will be budget neutral, adding no additional cost in staffing or support services. Owners are required by HUD to make a 5-year commitment to fund the FSS Coach or Coordinator positions.
- b. Escrow: The escrow account is funded by HUD through adjustments to rental subsidy payments to the owner (same process as is currently in place for formerly Public Housing residents that transitioned to PBRA with RAD and were allowed to continue with FSS.)

A committee of representatives from Austin Pathways, Low Income Housing Department, and Assisted Housing reviewed the *Family Self-Sufficiency Program Guidebook for Owners of Project-Based Section 8 Developments* and drafted an Action Plan based on recommendations in the *Guidebook* and provisions set forth in Notice H-2016-08. Notice H-2016-08 authorizes owners of HUD-assisted multifamily developments with a Section 8 contract to establish a voluntary Family Self-Sufficiency (FSS) program at one or more of their properties. Notice H-2016-08 also describes the basic rules that apply to FSS programs that serve residents.

A Draft of the FSS for PBRA Action Plan was presented to the CEO and COO. The draft Action Plan was approved for posting for public comment.

On June 16, 2020, the FSS Action Plan for PBRA was posted on the HACA website for public comment.

A final version of the FSS for PBRA Action Plan will be sent to HUD for approval. Within 60 days of HUD approval, Austin Pathways will begin recruiting and enrolling families from the five initial sites and executing the Contract of Participation. Up to 40 families will be enrolled in this initial period.

After the pilot program with 40 participants over the five initial sites proves successful, Austin Pathways will seek to expand the program to more families and additional PBRA properties, contingent upon securing the necessary funding to expand.

HUD recently announced that the forthcoming opportunity to apply for FSS Coordinator funding will also allow for PBRA owners to submit funding applications. Austin Pathways plans to aggressively pursue this long-awaited funding opportunity.

2nd Vice-Chairperson Apostolou moved to approve Resolution No. 02663: Action Plan for Family Self-Sufficiency (FSS) Program for Project Based Rental Assistance (PBRA). Commissioner Duncan-Hall seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 6: Presentation, Discussion, and Possible Action regarding Resolution No. 02659: Awarding a Contract for Agency Wide Ground Maintenance Services HACA-19-P-0234

A request for proposal for Agency wide ground maintenance was issued on November 24, 2019. This service contract will provide timely, planned, safe ground maintenance of HACA's Project Based Rental Assistance (PBRA - formerly public housing) and Tax Credit-blended portfolio, including office buildings. Mandatory responsibilities as per scope of work include but not limited to mowing, edging, flower bed maintaining, trimming, and debris clean up. Drip system maintenance and plant mulching will be optional services as needed at an additional cost.

It was advertised twice consecutively on Sunday, November 24th and again on December 1st, 2019 in the Austin American Statesman Public Notice Section. The proposal was available for download on our HACA's website under Business Opportunities. It was also faxed to the specified small/minority organization for distribution as per our Procurement Policy. The request for proposal had a deadline of January 6, 2020. Thirty proposals were mailed, emailed, and picked up. Six proposals were received for consideration.

An evaluation committee was created and led by Frank Garcia, HACA Central Community Director, to review and score submitted proposals. The Committee included Jim Mershdorf, Property Manager at Booker T. Washington, Stephane Lambour, Inspections Manager, and Phillip Schaffino, Lead Maintenance at Shadowbend/Manchaca Village. Proposals were evaluated based on various factors, including cost effectiveness, multi-family & past experience, overall capability, and minority business status.

Staff's recommendation is to award the contract to Unity Contractor Services in the amount of \$292,100.00 per year. HACA reserves the option to renew for up to a total of five years. Unity is not requesting a yearly cost increase, per its proposal.

Unity has been a long-time contractor in good standing with HACA. This vendor has many years of experience and satisfactory performance of this scope with HACA.

Commissioner Carrington moved to approve **Resolution No. 02659: Awarding a Contract for Agency Wide Ground Maintenance Services HACA-19-P-0234** to Unity Contractor Services in the amount of \$292,100.00 per year. **Commissioner Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 7: Presentation, Discussion, and Possible Action on Resolution No. 02657 by the Board of Commissioners of the Housing Authority of the City of Austin (the "Authority") approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Governmental Note (Franklin Park), Series 2020 (the "Note") and to take such other actions necessary or convenient to facilitate the development of Franklin Park

Austin Affordable Housing Corporation was presented with an opportunity to partner with Dominion Group in 2019 to become the General Partner in an existing development located at 4509 East Saint Elmo Road, Austin, Texas 78744. This property had been built using tax credits and reached its 15 year compliance period expiration. The project (Franklin Park) consists of 163 family apartment units serving residents between 30% and 80% Area Median Income. The Board saw this project originally in February of 2019 for two resolutions to add AAHC as the General Partner and then in June of 2019 for an inducement resolution and tax credit application resolution to apply for a new issuance of bonds/tax credits. This property is located immediately northwest of Woodway Village which is located at 4600 Nuckols Crossing Road, Austin, TX 78744.

The development will use a mix of 4% tax credits and bonds to finance the rehab with a total project cost of approximately \$25,000,000. The development currently consists of 101 two bedroom/one bath units, 49 three bedroom/two bath units and 13 four bedroom/two bath units. Twenty-six units are affordable to tenants earning 30% AMFI and below; 53 units are at 40% AMFI and below; 52 units are at 50% AMFI and 32 units are at 80% AMFI and below. As with all AAHC properties, all units will be marketed to HACA's Housing Choice Voucher families.

HACA, through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$15,000,000. In 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 between 30% and 80% Area Median Income, Franklin Park meets these targeted affordability goals.

Rehab will include converting a three-bedroom unit to an Accessible unit and converting one three-bedroom and one four-bedroom unit to Audio-Visual impaired units. In addition, the following amenities will be added: a new outdoor bus shelter, new outdoor pavilions, new outdoor pool and pool deck with fabric shade canopies, new outdoor sod play field, new outdoor playground with fabric shade canopies, two new outdoor trash enclosures, four new outdoor charcoal BBQ grill stations and two new monument signs. Renovations to apartment buildings include: improvements to existing interior and exterior fixtures, equipment and appliances.

Due to the limited interior scope of work, rehab will be complete with tenants in place following strict COVID-19 guidelines.

WNC & Associates, Inc. will provide Equity. JP Morgan Chase will provide the construction loan and an equity bridge loan. Bellwether Enterprise Real Estate Capital, LLC will provide permanent financing.

Board approval allows Austin Affordable PFC, Inc. to issue Multifamily Housing Governmental Note (Franklin Park), Series 2020 and to take such other actions necessary or convenient to facilitate the development of Franklin Park.

Commissioner Carrington moved to approve Resolution No. 02657 by the Board of Commissioners of the Housing Authority of the City of Austin approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Governmental Note (Franklin Park), Series 2020 and to take such other actions necessary or convenient to facilitate the development of Franklin Park in an amount not to exceed \$15,000,000. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 8: Presentation, Discussion, and Possible Action on Resolution No. 02664: Resolution authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Arbors at Tallwood Apartments (the “Development”) in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution

Austin Affordable Housing Corporation (AAHC), was presented with an opportunity to partner with Belveron Corporation, to purchase a 120 unit apartment complex called the Arbors at Tallwood. The complex is located at 8810 Tallwood Drive, Austin, Texas 78759, in the Northwest Central market in the very high opportunity area of Northwest Hills.

AAHC’s proposed partner, Belveron Corporation, prides itself on long term preservation of workforce housing. Located out of San Francisco, Belveron, is a privately held investment firm with a current portfolio of more than 25,000 units across the United States. Founded in 2006, Belveron has invested in more than 200 properties in 32 states. AAHC is working with Managing partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner.

The Arbors at Tallwood was built in 1972 and sits on 5.76 acres. 78% of the units have gone through renovation and improvement and the current ownership has spent more than \$600,000 on exterior work. The property has a newly installed dog park along with a swimming pool and clubhouse and is equipped with several remodeled laundry rooms throughout the site. The property feeds in to several of the strongest performing schools within AISD; property residents are assigned to Hill Elementary School, Murchison Middle School and Anderson High School. The property’s proximity to Loop 1 (Mopac) and Highway 183 provides easy access to many employers, retail shops, grocery stores and medical providers.

The purchase price for the Arbors at Tallwood is \$17,825,000. Belveron will be investing 30% cash to the purchase (approximately \$5.4 MM) as a down payment. In addition, Belveron will place an additional \$1,800,000.00 for future capital needs. Belveron has also committed to place in escrow an additional reserve amount equal to 1 full year of mortgage payments to ease any future rental issues due to the Covid-19 virus. AAHC will not have any liability and will not be responsible for any guarantees required by the lender. The property will serve residents at 80% MFI and below. AAHC and Belveron have committed to not raising rents for the next 12 months and are committed to leasing to HCV voucher holders. The property will be managed by Apartment Management Professionals.

Board approval allows the Housing Authority of the City of Austin to take the following actions with regard to the Arbors at Tallwood Apartments in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution.

Commissioner Carrington moved to approve Resolution No. 02664: Authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Arbors at Tallwood Apartments in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 9: Update on AAHC's acquisition and development programs

Ron Kowal provided an update to the Board regarding progress with AAHC's Portfolio.

THE BOARD DID NOT RECESS INTO EXECUTIVE SESSION.

REPORTS

The Board accepts the following reports from the President:

- There will not be a Board Meeting in August. The next Board Meeting will be September 17th.
- Mr. Gerber discussed providing staff with a one-time monetary incentive to assist with any hardships they may be experiencing due to COVID-19. The incentive would be given in the month of August sometime.

2nd Vice-Chairperson Apostolou moved to adjourn the meeting. **Commissioner Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

The meeting adjourned at 3:03 p.m

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

EXECUTIVE

ITEM NO. 2.

MEETING DATE: September 17, 2020

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Update on HACA's actions related to the Coronavirus (COVID-19) and update on HACA's Resident and Client Support Center

BUDGETED ITEM: N/A

TOTAL COST: N/A

ATTACHMENTS:

- ▣ **COVID-19 Division Reports**
- ▣ **HACA's Resident and Client Support Center**

AUGUST-SEPTEMBER 2020, COVID-19 DIVISION ACTIONS

This report reflects HACA and its subsidiaries' actions taken to date in response to the Corona virus (COVID-19). Although all actions are not listed, below you will find the top five actions from each division.

ADMISSIONS-LAURA BODAI

1. Continue to conduct PBRA applicant eligibility processing remotely (21 accepted unit offers made in August).
2. Continue to operate HACA's front desk remotely (Collectively, remote call receptionists answered 3,512 calls in August).
3. Currently developing procedures to conduct the first remote HCV eligibility interviews in September, 2020 with the goal to remotely issue vouchers in October, 2020.

ASSISTED HOUSING-LISA GARCIA

1. The Assisted Housing department received an additional \$2,518,726 in CARES Act HAP funding for the Housing Choice Voucher program. These additional funds have taken us out of shortfall status so we can provide relocation vouchers to residents of Chalmers West and execute an agreement (AHAP) to project base housing choice vouchers at Chalmers West.
2. On August 1, CARES Act funds provided an additional \$670,602 for the Mainstream program to provide vouchers to 65 non-elderly disabled homeless individuals in need of stable housing. The Special Programs team is working hard to issue these new vouchers.
3. The HQS division is developing procedures to complete virtual annual HQS inspections and will start scheduling and completing annual inspections using the GoToMeeting platform.
4. Launched DocuSign. This new tool will allow the Assisted Housing department to automate signatures and receipt of documents for almost all department processes. This should allow for greater efficiencies throughout the department and make it easier for tenants and property owners to sign and submit documents.

AUSTIN AFFORDABLE HOUSING CORPORATION-RON KOWAL

1. Construction teams being screened for temperature and symptoms before they are let on job sites.
2. Construction sites have multiple hand washing sites. Crews wear masks and social distance.
3. Property management slowly opening offices. Every tenant must wear mask. Limit on how many people are in the office depending on size. Everything wiped down after each visitor.
4. Still encouraging virtual tours. Starting to show units by prospective tenant touring unit as leasing agent stands outside. Everything wiped down after each showing.
5. Regular maintenance starting slowly. Maintenance fully equipped with PPE. Tenant must answer if anyone in household has been sick or exposed to someone testing positive. If yes, maintenance will be delayed.

AUSTIN PATHWAYS/COMMUNITY DEVELOPMENT-PILAR SANCHEZ

1. To address food insecurity, Austin Pathways staff is coordinating with HEB, Central Texas Food Bank, Capital Metro, United Healthcare, AISD, Good Apple & Hope Food Bank, and the Boys&Girls Club who are providing food to our residents.
2. AP continues to operate the HACA Support Center Monday - Friday. The hours changed to 7:30am-5:30pm. Residents can call to request assistanc and get referrals to services available to them in their area. HACA staff answer the calls and lend a friendly ear to residents, who may be experiencing difficulties due to COVID-19.
3. HACA is contracting with the Boys & Girls Club to open a new club at BTW, HACA's largest site, by the second week in September. Catherine Crago is negotiating with Internet Service Providers to provide long-term Internet service at bulk rates to HACA. As a short-term solution, AP is working with AISD to release hotspots to HACA for HACA to distribute to our families. AISD has agreed to release computer devices, ready for AISD student use, to HACA for HACA to deploy to every HACA/AISD child on the AISD waitlist. Our Senior Director is participating in an AISD task force to ensure HACA has the latest plans for the next school year. The Board of Commissioners approved \$250K in May and \$300K in June to implement programming that will assist our kids with distance learning and parents with tech tools and training to support their children.
4. Although Austin Public Health (APH) had intended to test for COVID at multiple HACA sites, APH has only tested residents and staff at Lakeside. APH's most recent offer is to explore Gaston Place as a pilot property for COVID-19 onsite testing, followed by Rosewood/Salina. PPE equipment will be provided at Gaston (face maks, hand sanitizers, disposable gloves). PPE will be provided at Rosewood/Salina to also include baby diapers and female sanitary pads. APH is determining whether they have enough doctors and nurses to adminster the swab tests.

5.	Austin Pathways has received the following grants related to COVID-19 since March: \$10,000 United Way Aging Populations Grant, \$10,000 Texas Capital Bank, \$6,000 St. David's Foundation, \$20,000 Austin Public Health RISE Grant, \$15,00 United Way Critical Needs grant.
COMMUNICATIONS-KEN BODDEN	
1.	Twenty-five media mentions for RENT 2.0
2.	Top Facebook Post; August 17th announcing RENT 2.0 (reached 5,237)
3.	Moderated Q&A during three live webinars for RENT 2.0
4.	Finished 25th virtual tour video for future residents
5.	Completed the 2019-2020 HACA Annual Report
FINANCE-ANN GASS	
1.	We continued reallocating work and developing new controls for use during this extended COVID period. In August, we interviewed and hired two new staff, a Senior Accountant and an Accounts Payable staffer, who will start in early September.
2.	We are adjusting the methodology for the budget amendment process to allow for remote collaboration on each department's budget.
3.	Most staff continue to work from home. Some Accounts Receivable and Accounts Payable functions need to be done in person. Staff is observing all safety protocols when they have to be in the office.
HUMAN RESOURCES-GLORIA MORGAN	
1.	The Human Resources department continues to conduct New Employee Orientation virtually, via GoToMeeting. This month New Hire orientation was conducted for Deneshia Brown, Transfer Specialist for the Assisted Housing Department. With the conversion of the new hire packet into a digital format, using DocuSign, the process of obtaining forms that require the employee's signature has been seamless.
2.	The Human Resources department also continued to conduct virtual New Hire Benefits Enrollment via GoTo Meeting. The necessary forms required to conduct this process were previously converted into a digital format using DocuSign. The process of obtaining new employees information to properly enroll them into benefit has been successful.
LOW INCOME HOUSING - MICHAEL ROTH & NANCY MCILHANEY	
1.	Property management offices, playgrounds and community spaces remain closed to all face to face contact. Property Management staff is working from home, with one staff member coming to the office each day to check the drop box and address issues.
2.	Maintenance staff have returned to completing all work orders. Staff is required to wear face masks at all times on property and full PPE when entering a resident unit.
3.	HACA submitted requests to receive supplemental payments from HUD for COVID-19 related expense totaling \$323,581.43. This covers expenses from March 27, 2020 through July 31, 2020. While we continue to incur many of these expenses, there is currently no mechanism to request reimbursements for any expenses incurred after August 1.
4.	Property management continues to complete socially distant move-ins to fill vacancies. Resident interim and annual recertifications are being completed via a primarily virtual process. All 16 PBRA HAP vouchers are current and received through September 1.
5.	HACA submitted a first batch of Special Claims for vacancy loss to recover a portion of rent loss due to COVID related vacancies. The \$17,437 claim covers 17 units across 6 properties. A second batch covering additional properties and units is in process.
OPERATIONS & PROCUREMENT-NORA MORALES	
1.	Building staff continues to run bulk trash three times-Monday/Wednesday/Friday. On Tuesday and Thursday they perform preventative building maintenance, recycling of items picked up during bulk trash pick-up. They are also working with contractors in getting the building in compliance of the CDC recommendations for a "return to work" plan.
2.	Procurement staff continues to work from home. Processing purchasing request and submitting invoice to Finance for payment. We are now shipping site supplies to central to avoid cancellation of orders for non-acceptance of delivery at the properties. OPS now mans the acceptance of maintenance supplies and makes sure they get to the end user. The availability of PPE equipment is becoming available and we are ensuring all maintenance staff has the supplies needed.

3.	OPS staff continues to fine tune the Laserfiche files for all documents ie Contracts, Fleet vehicles, Building Inspections, Contractor Insurance and Certifications.
4.	We started working with P/D and other departments to create a "back to work" task force.
5.	We will explore online or virtual training possibilities to all OPS staff to enhance skills and become cross trained. Prepping for the transition to the new software, Yardi. Building partnerships with new vendors to provide PPE. Adjusting to the new normal of HACA Operations. Operating paperless and electronically more now than ever before.
PLANNING & DEVELOPMENT-JIMI TEASDALE	
1.	Completed HQ bldg. hvac ION Kit retrofits, ERV replacement project (softly) underway, with contract approval request on 9/17 Board agenda (>100k)
2.	Consulting firm was contracted, HQ bldg. assessment completed, and draft report in review for options/recommendations, to assist HACA with BTW plans and strategies.
3.	Assisting CD with idea of Distance Learning Labs at select developments-equip needs, other MOD's protocols, etc. HVAC ION Kits scoped and quoted at 4 remote sits (SRC/BTW/Bouldin/Thurmond) and setting up install dates.
4.	Assisting with HQ Lobby re-opening construction for divider glass panels, revirewing equipment/supplies needed for opening HQ operations, i.e., stickers, decals, posters, etc.
5.	Still implementing some selective work with work crews using PPE, and distanced from residents and staff, and keeping the work moving that is possible to do, in safest ways we can.
QUALITY CONTROL-KELLY CRAWFORD	
1.	In addition to the standard ways the Compliance has adapted to working from home, staff is actively engaged in overseeing the RENT 2.0 program, including conducting quality assurance of our sub-contractors' work.
RAD-ANN GASS	
1.	We have held virtual meetings with Chalmers West residents who will relocate later this year. We continue to support residents who are relocated from Chalmers East via phone and email. The last returning resident moved back in to Goodrich in June.
2.	Construction continues at Chalmers East, with social distancing in place.
3.	Planning for HACA's final RAD conversion, Chalmers West, continues uninterrupted at this time.
4.	We are taking steps to restart the RAD rehabilitation work at Lakeside. The first project to be undertaken will be the elevator work.
5.	All staff working from home.
SOUTHWEST HOUSING COMPLIANCE CORPORATION-MICHAEL CUMMINGS	
1.	<p>Management and Occupancy Reviews (MORs) were suspended by HUD effective March 13, 2020. On May 22, 2020, HUD lifted the suspension and authorized Contract Administrators the option to conduct some or all previously scheduled MORs. In doing so, HUD also made temporary safety modifications to MORs by suspending the resident unit inspection portion of the MOR. Confirmation of unit conditions and past deficiency/repair corrections are now allowed through direct resident contact (phone or email) rather than entering units prior to resuming. Based on this development, SHCC resumed MORs the week of June 22, 2020. Almost simultaneously, a rapid increase in COVID-19 cases were being reported in Texas and Arkansas and SHCC began to receive confirmation of COVID-19 cases among residents and staff at number of properties we were planning to visit. As a result, SHCC implemented a self-imposed suspension effective June 29, 2020.</p> <p>SHCC has now chosen to resume MORs effective September 1, 2020 based on improving COVID conditions as well as improved remote capability modifications to MORs by HUD. Staff will again be equipped with masks, hand sanitizer, and disinfectant wipes for each MOR and has been provided safety training specific to COVID-19 travel. Additionally, SHCC has performed outreach to owner/agents to ensure the MOR can be performed with proper space for social distancing and that owner/agents will reciprocate in the use of PPE. We will continue to monitor state and local COVID-19 conditions to ensure a reasonably safe travel and performance environment. For further details please see the SHCC</p>

2.	At HUD's request, SHCC staff successfully processed 252 COVID Supplemental Payments (CSP) applications totaling approximately \$1.2 million on behalf of Owner/Agents in the SHCC portfolio. These efforts will result in approximately \$38,000 in additional fee income.
3.	SHCC continues to perform updates to its work in progress tracking systems and overall policies and procedures to continue to prepare for the procurement of the SHCC contracts now expected sometime in 2021.
4.	All staff continue to work successfully from home. All HUD performance deadlines have been met and 100% of fees earned.
TECHNOLOGY MANAGEMENT & INNOVATION-ANDREA GALLOWAY	
1.	Started DocuSign implementation in HCV to assist in external document collection.
2.	Issuing new laptops to LIH staff for added flexibility working from home and in the office.
3.	Held one on one technology trainings for HCV staff on various technology topics.
4.	Working on an automated evaluation process with HR.
5.	Continued support of staff in their work from home needs



Housing Authority of the City of Austin

Established in 1937

HACA Resident and Client Support Center

In August, the HACA Resident & Client Support Center completed over **1,572 contacts with HACA residents**. In August, over **300 inbound contacts** were completed by phone, email and SMS; about **100 of those calls required significant staff attention and care**.

Staff conducted outbound calls to encourage residents to **register to vote** and **complete the 2020 Census**. Staff continued to coordinate services, such as **450 household food box recipients**.

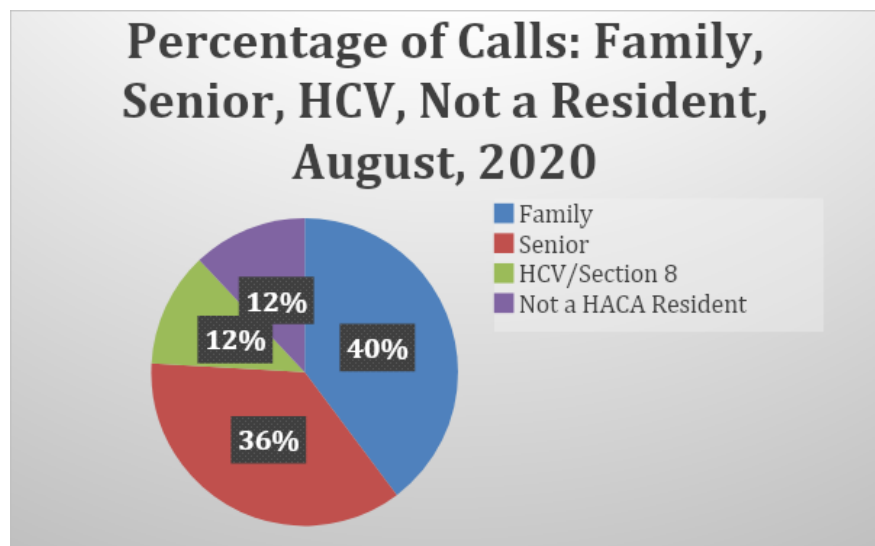
In July and August, the contact center attempted to contact almost 650 families and successfully contacted and surveyed 380 surveys for Back to School assessments. Then in August, more than 1,000 outbound texts helped provide Back to School referral information and to notify families about school supply distribution schedules.

Families and Seniors each make up about half of subsidized public housing inbound contacts, however seniors, who are 25% of HACA residents make 36% of calls in. Overall there has been a decrease in calls for Section 8 and RENT 1.0; a slight increase in the number of calls for RENT 2.0.

In late August, the contact center determined to record the number of RENT 2.0 calls, but not to complete caller documentation for RENT 2.0 calls.

“God Bless you! She needs a computer and school supplies. I can only text at work.”

Resident who works two jobs and who completed a needs assessment by text over a period of two days.



HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02666

AUSTIN PATHWAYS

ITEM NO. 3.

MEETING DATE: September 17, 2020

STAFF CONTACT: Pilar Sanchez, Vice President of Housing and CD

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 02666: An amendment to the HACA annual budget to provide additional funding to ensure HACA families can fully participate in at-home and other distance learning by using digital inclusion interventions to combat negative impacts resulting from the coronavirus

BUDGETED ITEM: No

TOTAL COST: \$300,000

ACTION

The Board is being asked to approve Resolution No. 02666: An amendment to the HACA annual budget to provide additional funding to support digital inclusion services, devices and support to combat negative impacts resulting from the coronavirus crisis.

SUMMARY

Background:

The coronavirus has upended educational and economic pathways and our way of life. Austin Pathways' Unlocking the Connection program focused on closing the homework gap, ensuring children in households had access to one or more computers and a low-cost internet connection. Because the City of Austin and Travis County have issued a Stay at Home order that ends in December, and because schools may not open physically to all students or parents may wish their children to learn at home, families now require a fully-connected at-home classroom. This includes Internet infrastructure, internet service, computing devices of all kinds and digital literacy education and programming.

Process:

Austin Pathways is working closely with a number of educational service providers including Austin Independent School District and a variety of charter schools to identify gap needs for HACA resident families. Austin Pathways will identify short- medium- and long-term solutions that best help families achieve their educational and economic goals in spite of coronavirus.

Staff Recommendation:

It is staff's recommendation to provide supplemental funding to provide funding to ensure HACA families can

fully participate in educational and economic life in the face of the coronavirus pandemic.

ATTACHMENTS:

- ▣ **HACA Youth at Home**

RESOLUTION NO. 02666

WHEREAS, in response to the coronavirus pandemic, the City of Austin and Travis County extended the “Stay Home, Mask, and Otherwise Be Safe” Orders through December 15, 2020 and disruption may continue throughout the school year; and

WHEREAS, without digital inclusion intervention HACA families on the wrong side of the digital divide are often necessarily exempted from participation in many aspects of educational and economic life; and

WHEREAS, previous to the coronavirus pandemic, Austin Pathways’ Unlocking the Connection program success closing the homework gap for children must now pivot to more intensively closing the at-home distance learning gap for families; and

WHEREAS, closing the at-home learning gap may require indirect or direct provision of internet services, computing devices of all kinds and educational programming; and

WHEREAS, internet infrastructure and service, provision of devices and digital literacy programming must now be deployed in new ways to safely support HACA families and staff.

NOW, THEREFORE BE IT RESOLVED, the Housing Authority of the City of Austin wishes to ensure every HACA family has the digital inclusion services and resources it needs to continue achieving its educational and economic goals; and

BE IT FURTHER RESOLVED, HACA Board of Commissioners approves \$300,000 in funding to ensure that all HACA families can equitably participate in all aspects of digital life, especially in education. The Board of Commissioners grant the CEO and COO authority to authorize spending of these funds based on greatest need and partnership negotiations. The CEO will maximize the use of the approved funds.

PASSED, APPROVED, and ADOPTED this 17th of September, 2020.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson



Housing Authority of the City of Austin

Established in 1937

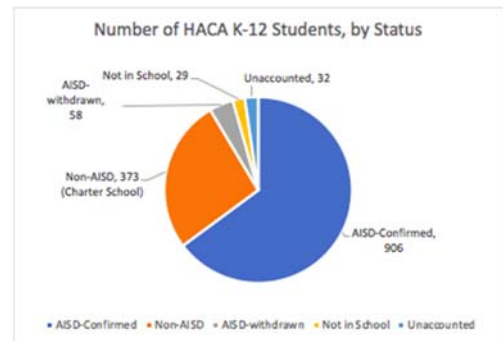
HACA At-Home Learning Program Preventing COVID-19 Youth Academic Slide

Austin Pathways is committed to support resident children and parents to experience success in both “teacher-led” and “student-led” learning. In June, the AP team established three goals:

- **Support Youth in Summer School and Prevent Summer Slide.** (1) Communities in Schools (CIS) conducted “porch visits” to assist families with school registration and learning choices. CIS will meet with youth at HACA sites in Sept. (2) Boys and Girls Club is open at Meadowbrook with 20 youth participating. Chalmers Club will open September 8 with space for 15 youth. Priority is given to youth with working parents. Boys and Girls Club is opening at BTW September 14 with room for 30 students.
- **Ensure Family Homes and HACA Community Rooms can support remote learning.** In July, staff investigated models and safety requirements to use community rooms as remote classrooms. Necessary space and adult supervision may fit an afterschool program model most effectively. Our response is centered on remote support to families provided by certified resident para-educators who receive additional training in remote learning tools.
- **Provide Parents with Tools & Resources to Provide 1:1 In-Home Classroom; Help Parents Continue to Work Remotely from Home.** (1) In June, AISD & CapMetro committed to providing Wi-Fi buses through August 16 at all family properties; (2) Data sharing requests to inform prioritization of device deployments; (3) a K-12 Connectivity Pulse Point Survey was launched; about 150 families have been surveyed.

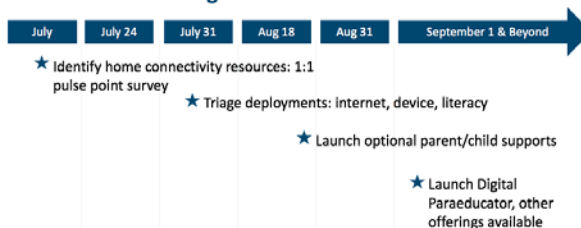
Ensuring Families have a Connected 1:1 Home Classroom.

A connected home classroom ensures every child and parent has their own internet connected devices and the digital literacy skills to use them. At right, 30% of HACA youth attend a non-AISD school. School-provided laptops are often locked to the school’s learning management system (LMS). Parents need their own devices and know-how to help children using different LMS. In July, 95% of families will be surveyed and triaged for support; by late-August, most will have received devices and referrals to internet and digital literacy supports.



AP partnered with AISD and on-AISD schools to align; AP pitched more than \$150K in grants to support.

HACA Home Learning: Timeline



HOUSING AUTHORITY OF THE CITY OF AUSTIN
BOARD ACTION REQUEST
AUSTIN AFFORDABLE HOUSING CORPORATION
ITEM NO. 4.

MEETING DATE: September 17, 2020

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

ITEM TITLE: Update on AAHC's acquisition and development programs

BUDGETED ITEM: N/A

TOTAL COST: N/A

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02667

AUSTIN AFFORDABLE HOUSING CORPORATION

ITEM NO. 5.

MEETING DATE: September 17, 2020

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

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 02667: Resolution authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Montecito Apartments (the “Development”) in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 02667 authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Montecito Apartments (the “Development”) in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution.

SUMMARY

Background:

Austin Affordable Housing Corporation (AAHC), has been presented an opportunity to partner with Belveron Corporation, to purchase a 268 unit apartment complex called the Montecito Apartments. The complex is located at 3111 Parker Lane, Austin, Texas 78741, in the ever changing Riverside Drive market.

AAHC’s proposed partner, Belveron Corporation, prides itself on long term preservation of workforce housing. Located out of San Francisco, Belveron, is a privately held investment firm with a current portfolio of more than 25,000 units across the United States. Founded in 2006, Belveron have invested in more than 200 properties in 32 states. AAHC is working with Managing partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner.

The Montecito was built in 1984 and sits on 10.37 acres. About 50% of the units have gone through renovation and improvement and the current ownership has spent more than \$3,000,000 on exterior work. The property has a newly installed dog park along with a swimming pool and clubhouse and is equipped with several remodeled laundry rooms throughout the site. The property backs up to the Mabel Davis District Park

featuring an Olympic size swimming pool, fishing piers, trails and a skate park. The property's location is minutes away from the Riverside corridor, where many affordable units are now being displaced by newer market rate developments. The location provides great access to retail shops, grocery stores and medical providers. Below is a breakdown of the many variations of unit sizes.

32 1-bedroom/1-bath	474 square feet
16 1-bedroom/1-bath	510 square feet
48 1-bedroom/1-bath	564 square feet
60 1-bedroom 1 bath	648 square feet
32 1-bedroom/1 bath	728 square feet
20 2-bedroom/2 bath	832 square feet
48 2-bedroom/2-bath	948 square feet
12 2-bedroom/2-bath	1,080 square feet

Process:

The purchase price for the Montecito is \$34,740,000. Belveron will be investing 30% cash to the purchase (approximately \$10.4 MM) as a down payment. In addition, Belveron will place an additional \$2,500,000.00 for future capital needs. Belveron has also committed to place in escrow approximately reserve amount equal to 1 full year of mortgage payments to ease any future rental issues due to the Covid-19 virus. AAHC will not have any liability and will not be responsible for any guarantees required by the lender.

The property will serve residents at 80% MFI and below. AAHC and Belveron have committed to not raising rents for the next 12 months and is committed to leasing to HCV voucher holders. The property will be managed by Apartment Management Professionals. The property is currently 96% occupied and 100% of its current residents are under 80% of the area median family income.

Staff Recommendation:

Board approval will allow Housing Authority of the City of Austin to take the following actions in regard to The Montecito Apartments (the "Development") in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution.

RESOLUTION NO. 02667

Resolution authorizing the Housing Authority of the City of Austin to take the following actions with regard to the Montecito Apartments (the “Development”) in Austin, Texas: (A) acquire the site of the Development; (B) lease the Development site to the owner of the Development; and (C) such other actions necessary or convenient to carry out this Resolution.

Whereas, Austin Affordable Housing Corporation (“**AAHC**”) has agreed to participate in the acquisition and rehabilitation of the Development;

Whereas, in connection therewith, the Housing Authority of the City of Austin (“**HACA**”) has agreed to acquire certain real property in Austin, Texas (the “**Land**”), which constitutes the site for the Development, and to simultaneously lease the Land to Montecito Apartments, LLC, a Delaware limited liability company the managing member of which is an affiliate of AAHC (the “**Owner**”), under a long-term ground lease (the “**Ground Lease**”);

Whereas, in connection with the Owner’s acquisition of the improvements comprising the Development, the Owner desires to (i) assume an existing permanent loan from PNC Bank (or an affiliate thereof) (the “**Lender**”) in the approximate principal amount of \$18,900,000 (the “**Existing Loan**”) pursuant to certain modification loan documents required by the Lender (the “**Existing Loan Documents**”), and (ii) borrow a supplemental loan from Lender in the approximate principal amount of \$8,300,000 (the “**Supplemental Loan**”, and together with the Existing Loan, the “**Loans**”) pursuant to certain loan documents (the “**Supplemental Loan Documents**”, and together with the Existing Loan Documents, the “**Loan Documents**”);

Now, therefore, the Board of Commissioners of HACA hereby approves and adopts the following resolutions, and hereby authorizes its Chief Executive Officer (or the Chief Executive Officer’s designee) to do the following:

1. Acquire the Land and enter into the Ground Lease with the Owner.
2. Enter into certain Loan Documents in order to subordinate HACA’s interest in the Ground Lease and/or for purposes of securing Lender’s liens against the Land.
3. Review, execute and approve the Ground Lease and all such other documents necessary to effectuate the acquisition of the Land, execution of the Ground Lease and Owner’s acquisition of the Development, including but not limited to such security instruments and estoppel certificates as any lender involved with the Development may require, all on such terms and containing such provisions as the Chief Executive Officer (or his designee) shall deem appropriate, and the approval of the terms of each such instrument shall be conclusively evidenced by his execution and delivery thereof.

This resolution shall be in full force and effect from and upon its adoption.

[End of Resolution]

PASSED, APPROVED, and ADOPTED this 17th day of September, 2020.

CHAIRMAN

ATTEST:

SECRETARY

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02665

PLANNING AND DEVELOPMENT

ITEM NO. 6.

MEETING DATE: September 17, 2020

STAFF CONTACT: Jimi Teasdale, Planning & Development Director

ITEM TITLE: Presentation, Discussion and Possible Action of Resolution No. 02665: Approval for Purchase of an Energy Recovery Unit and Related Engineering Services for Installation at HACA's Central Office

BUDGETED ITEM: No

TOTAL COST: \$151,000.00

ACTION

The Board is being asked to approve an award of contract for Heat Transfer Solutions, LLC. (HTS), including third party engineering costs, for the full replacement of an existing Energy Recovery Unit, on the rooftop of the HACA Central Administration Building.

SUMMARY

Background:

In response to the best guidance available on defense against the current COVID 19 pandemic, HACA is making Indoor Air Quality (IAQ) improvements to some of its facilities, with regard to HVAC and air circulation systems. In planning and implementing IAQ improvements to its facilities, HACA engaged a leader in the HVAC technology industry, Heat Transfer Solutions, LLC (HTS), to assist us with making modifications to our existing HVAC systems.

One of the key components of IAQ is the ability to circulate air in a given space, as well as the ability to provide the space with fresh air, continuously. While HVAC units cool or heat air and provide it to the spaces, it is then returned to the unit for re-cooling and then redistribution to the space again. For good IAQ, that cycle should really dispose of some of that returned air, and provide for a flush of fresh air that is then mixed with the conditioned return air, before being re-distributed in a building. This process, called 'air exchange', can be done in a way that keeps a percentage of the already conditioned air, to mix with the fresh air intake. The new fresh air passes over a desiccant, or "drying" wheel, that removes the humidity from the fresh air. In this process, energy is also saved by re-using a portion of already conditioned air, as it is not having to be cooled or heated. A mechanical unit that performs this process is referred to as an Energy Recovery Unit (ERU). The HACA Central Administration HQ Building has an ERU that is non-functional and must be replaced to allow for this healthy air exchange process.

Process:

The ERU replacement work was already planned for next year, but the pandemic has caused a need to expedite the project. Additionally, having the building empty provides an optimal window of time to complete the project while not disrupting ongoing office daily business.

Due to difficulty working under the COVID 19 pandemic, the tight time frame required for completing this work, and the specialized services needed, HACA utilized the State of Texas Buy Board Cooperative Purchasing Program for procurement. This enabled us to move quickly into a contracting scenario that would allow us to meet our timelines for project completion and facility re-opening.

Staff Recommendation:

HTS has previously assisted HACA with other improvements to all of its HVAC systems at HQ, and we have confidence in their ability to assist us in full replacement of the existing rooftop Energy Recovery Unit (ERU). Staff recommends award of contract to Heat Transfer Solutions, LLC.

RESOLUTION NO. 02665

**APPROVING THE AWARD OF CONTRACT FOR
REPLACEMENT OF ENERGY RECOVERY UNIT AT THE
HACA CENTRAL ADMINISTRATION BUILDING**

WHEREAS, in June of 2020, the Housing Authority of the City of Austin identified the need for Indoor Air Quality Improvements to be made to its existing Central Administration facility, in order to provide safer and healthier workspaces for its workforce, due to the threat of the COVID 19 pandemic; and

WHEREAS, the Housing Authority needed to engage consultants to expeditiously assist the agency with completing equipment reviews, designs and physical improvements necessary to replace an existing fresh air supply unit, to supplement its mechanical HVAC systems; and

WHEREAS, it is the recommendation of the President & CEO that the proposal from Heat Transfer Solutions, LLC, in the amount of \$151,000, be accepted as responsible and responsive to the agency's needs;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Authority of the City of Austin Board of Commissioners authorizes the President & CEO to accept the proposal as submitted by Heat Transfer Solutions, LLC and award such contract.

PASSED, APPROVED AND ADOPTED this 17th day of September, 2020.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02668

EXECUTIVE

ITEM NO. 7.

MEETING DATE: September 17, 2020

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 02668: A statement of support for a ballot measure for the Project Connect Initial Investment, to address long term community transit needs, including funding for affordable housing and anti-displacement strategies along proposed transit corridors

BUDGETED ITEM: N/A

TOTAL COST: N/A

RESOLUTION NO. 02668

A STATEMENT OF SUPPORT FOR A BALLOT MEASURE FOR THE PROJECT CONNECT INITIAL INVESTMENT, TO ADDRESS LONG TERM COMMUNITY TRANSIT NEEDS, INCLUDING FUNDING FOR AFFORDABLE HOUSING AND ANTI-DISPLACEMENT STRATEGIES ALONG WITH PROPOSED TRANSIT CORRIDORS

WHEREAS, as Austin approaches its 200th anniversary, Imagine Austin declares “Austin is a beacon of sustainability, social equity, and economic opportunity; where diversity and creativity are celebrated; where community needs and values are recognized; where leadership comes from its citizens, and where the necessities of life are affordable and accessible to all”; and

WHEREAS, housing and transportation are inextricably intertwined, and residents of the Housing Authority of the City of Austin in subsidized, affordable and market-rate housing are disproportionately affected by the financial and temporal costs of housing and transportation; and

WHEREAS, transportation has historically illustrated the economic and social divides that can keep the most vulnerable Austin residents from full and equitable access to opportunity; and

WHEREAS, the Project Connect plan aims to offer more transit options through an expanded system that helps link people, employers and neighborhoods, especially neighborhoods and communities that are historically marginalized; and

WHEREAS, Project Connect promises to connect the entire city while building Austin's transportation and increase equitable access to major rail lines, transportation hubs that help eliminate food deserts and offer opportunities to work, and lower total cost of transportation;

WHEREAS, Project Connect has actively engaged in its design process HACA Smart City Ambassadors, who fully support the project especially because Project Connect aims to collect data and monitor metrics that ensure people in all kinds of affordable housing can keep their homes, reduce transportation costs and increase access to opportunity;

NOW, THEREFORE BE IT RESOLVED, the HACA Board of Commissioners recognizes the extensive public process conducted by Project Connect staff and supports the conclusions of the process that increase affordability, fight displacement and create access to opportunity for Austin’s most vulnerable residents;

BE IT FURTHER RESOLVED, the HACA Board of Commissioners firmly supports a ballot measure for the initial Project Connect investment.

PASSED, APPROVED AND ADOPTED this 17th day of September, 2020.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson