

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Regular Meeting

**Thursday, October 15, 2020
12:00 PM**

Via Video Conference Call
1 (408) 650-3123 ; Access Code: 872-473-861
Austin, TX

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

**TO BE HELD AT
Via Video Conference Call
1 (408) 650-3123 ; Access Code: 872-473-861**

Thursday, October 15, 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 September 17, 2020

ACTION ITEMS

2. Presentation, Discussion, and Possible Action on Resolution No. 00166 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 acquisition of the improvements located at 1124 South Interstate 35, Austin, Texas 78704 (the “Building”); (ii) cause AAHC’s subsidiary limited liability company, AAHC HACA Central, LLC (the “Owner”) to own the Building; and (iii) cause AAHC and/or the Owner to execute such further documentation as necessary or desirable to allow the consummation of the transactions described hereunder
3. Presentation, Discussion, and Possible Action no Resolution No. 00167 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) participate in the ownership of Melrose Trail Apartments (the “Project”) which consists of mixed-income housing units and associated amenities developed upon property to be leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Melrose Trail, LLC (the “Managing Member”) to acquire the managing member interest in LR Apartments, LLC, a Texas limited liability company (the “Company”), and to execute an amended and restated operating agreement of the Company and other related documents for the admission of the Managing Member to the Company; (iii) cause the Company to enter into development financing for the Project; and (iv) cause AAHC and/or the Managing Member and/or the Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.
4. Presentation, Discussion and Possible Action Regarding Resolution No: 00168: 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: i. Facilitate the development of the Pathways at Chalmers Courts West, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; ii. Cause AAHC's wholly owned, subsidiary limited liability company, Pathways at Chalmers Courts West GP, LLC (the "General Partner") to execute an amended and restated agreement of limited partnership of Pathways at Chalmers Courts West, 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.

*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.

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: October 15, 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 September 17, 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 September 17, 2020.

ATTACHMENTS:

- ▣ **20200917 AAHC Minutes Summary**

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

SEPTEMBER 17, 2020

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS REGULAR PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, SEPTEMBER 17, 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 Regular Board Meeting of the Austin Affordable Housing Corporation, of September 17, 2020, was called to order by Edwina Carrington, AAHC Chairperson, at 1:52 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, 2nd Vice-Chairperson
Tyra Duncan-Hall, Director
Carl S. Richie, Jr., Director

MEMBER(S) ABSENT:

ALSO ON THE CALL:

Wilson Stoker, Cokinos, Bosien & Young
Barry Palmer
Sarah Scott
Will Henderson

STAFF PRESENT ON THE CALL:

Andrea Galloway, Ann Gass, Michael Gerber, Nidia Hiroms, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

CITIZENS COMMUNICATION – CITIZENS COMMUNICATION

NONE.

CONSENT AGENDA

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on July 16, 2020

Director Richie moved to Approve the Board Minutes Summary for the Board Meeting held on July 16, 2020. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ACTION ITEMS

ITEM 2: Presentation, Discussion and Possible Action on Resolution No. 00162 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 Walnut Trace Apartments

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on 9.88 acre tract of land located within the Austin ETJ at Highway 183 & FM 969, Austin, TX 78725. The project (Walnut Trace Apartments) will consist of 236 family apartment units serving tenants at 50%, 60% and 70% of median family income using income averaging where the sum of all units will equal an average of 60% area median family income. This property will serve the following schools: Norman Elementary, Martin Middle School, and LBJ High School. The project is located in a Qualified Census Tract (QCT) which makes it eligible for a 30% boost in the calculation of tax credits. The nearest property in AAHC's current portfolio is Reserve at Springdale 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 \$76,000,000. The planned development will consist of 91 one bedroom and one bath units, 80 two bedroom and two bath units, 63 three bedroom and two bath units, and 2 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents.

HACA, through its Public Facility Corporation is requesting the approval of an issuance of tax-exempt bonds in an amount not to exceed \$45,000,000. 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 for any and all agreements and approvals.

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 2019 TDHCA Qualified Allocation Plan (QAP). Staff will bring this matter back to the Board for final approval to proceed.

Vice-Chairperson Bailey moved to Approve Resolution No. 00162 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 Walnut Trace Apartments in an amount not to exceed \$45,000,000. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00163 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 Belmont Apartments

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 8.08 acre tract of land located within the Austin city limits at 9100 Brown Lane, Austin, TX 78754. This will be a phase II of the Bridge at Cameron. The project (Belmont Apartments) will consist of 144 family apartment units serving tenants at 50%, 60% and 70% of median family income using income averaging where the sum of all units will equal an average of 60% area median family income. This property will serve the following schools: Pioneer Crossing Elementary, Decker Middle School, and Manor High School. The nearest property in AAHC's current portfolio is Bridge at Cameron located next door to the West.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$34,000,000. The planned development will consist of 48 one bedroom and one bath units, 52 two bedroom and two bath units, 36 three bedroom and two bath units, and 8 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. HACA, through its Public Facility Corporation is requesting the approval of an issuance of tax-exempt bonds in an amount not to exceed \$30,000,000. 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 the progress and specifically for any and all agreements and approvals.

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 2019 T DHC A Qualified Allocation Plan (Q AP). 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.

2nd Vice- Chairperson Apostolou moved to Approve Resolution No. 00163 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 Belmont Apartments in an amount not to exceed \$30,000,000. **Vice-Chairperson Bailey** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 4: Presentation, discussion and possible action on Resolution No. 00164 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 Cypress Creek at Howard Lane Apartment Community

Austin Affordable Housing Corporation was being presented with an opportunity to partner with Bonner Carrington LLC for the first time on a 23.76 acre tract of land located within the Austin city limits at approximately 1401 W Howard Lane, Austin, TX 78753. The project (Cypress Creek at Howard Lane Apartment Community) will consist of 362 family apartment units serving tenants at 60% of median family income. This property will be served by Pflugerville IS D in the following schools: John B Connally High School, Westview Middle School and Parmer Lane Elementary School. The nearest property in AAHC's current portfolio is Heritage Estates at Owen Tech located to the North.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$71,000,000. The planned development will consist of 118 one bedroom and one bath units, 188 two bedroom and two bath units, 40 three bedroom and two bath units, and 16 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. HACA, through its Public Facility Corporation is requesting the approval of an issuance of tax-exempt bonds in an amount not to exceed \$50,000,000. 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 the progress and specifically for any and all agreements and approvals.

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 2019 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 Richie moved to approve Resolution No. 00164 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 Cypress Creek at Howard Lane Apartment Community, in an amount not to exceed \$50,000,000. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion and Possible Action on Resolution No. 00165 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: (i) facilitate the acquisition of Montecito Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company (the “Owner”) to own the Development; (iii) cause the Owner to assume existing development financing for the Development; and (iv) cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

Austin Affordable Housing Corporation was been presented with 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.

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.

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.

The purchase price for the Montecito Apartments 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% MF I and below. AAHC and Belveron have committed to not raising rents for the next 12 months and are committed to leasing to HC V voucher holders. The property will be managed by Apartment Management Professionals. The property is currently 96% occupied and shows that 100% of its current residents are under 80% of the area median family income.

Board approval allows AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of the Montecito Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company (the “Owner”) to own the Development; (iii) cause the Owner to assume existing development financing for the Development; and (iv) cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

Director Richie moved to Resolution No. 00165 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: (i) facilitate the acquisition of Montecito Apartments, which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company to own the Development; (iii) cause the Owner to assume existing development financing for the Development; and (iv) cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

THE BOARD DID NOT RECESS INTO EXECUTIVE SESSION.

THE BOARD TOOK A BREAK AT 2:43 PM AND RETURNED AT 2:53 PM.

ADJOURNMENT

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

The meeting adjourned at 3:01 p.m.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00166

ITEM NO. 2.

MEETING DATE: October 15, 2020

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

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 00166 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 acquisition of the improvements located at 1124 South Interstate 35, Austin, Texas 78704 (the “Building”); (ii) cause AAHC’s subsidiary limited liability company, AAHC HACA Central, LLC (the “Owner”) to own the Building; and (iii) cause AAHC and/or the Owner to execute such further documentation as necessary or desirable to allow the consummation of the transactions described hereunder

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00166 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of the improvements located at 1124 South Interstate 35, Austin, Texas 78704 (the “Building”); (ii) cause AAHC’s subsidiary limited liability company, AAHC HACA Central, LLC (the “Owner”) to own the Building; and (iii) cause AAHC and/or the Owner to execute such further documentation as necessary or desirable to allow the consummation of the transactions described hereunder.

SUMMARY

Background:

The Housing Authority of the City of Austin purchased an office building in 2005. Located at 1124 S. IH 35, this location became the headquarters for the Housing Authority and all its subsidiaries.

In September of 2020, the Housing Authority made its last payment to Texas Capital Bank and the building is now free and clear of all liens. In order to obtain financing on the building in the future, the lender will typically require that the improvements be owned by a single purpose entity. Additionally, on advice from counsel, it’s preferable to have HACA incur debts through its affiliates, as opposed to directly.

Staff Recommendation:

Board approval will allow AAHC to execute any and all documents, or take any other action, that is necessary

or desirable to: (i) facilitate the acquisition of the improvements located at 1124 South Interstate 35, Austin, Texas 78704 (the “Building”); (ii) cause AAHC’s subsidiary limited liability company, AAHC HACA Central, LLC (the “Owner”) to own the Building; and (iii) cause AAHC and/or the Owner to execute such further documentation as necessary or desirable to allow the consummation of the transactions described hereunder

RESOLUTION NO. 00166

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: (i) facilitate the acquisition of the improvements located at 1124 South Interstate 35, Austin, Texas 78704 (the “Building”); (ii) cause AAHC’s subsidiary limited liability company, AAHC HACA Central, LLC (the “Owner”), to own the Building; and (iii) cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

WHEREAS, AAHC is contemplating the acquisition of the Building;

WHEREAS, as part of the proposed ownership structure for the Building, AAHC desires to form the Owner, and AAHC shall serve as the sole member of the Owner;

WHEREAS, as sole member of the Owner, AAHC will enter into an operating agreement of the Owner (the “**Operating Agreement**”);

WHEREAS, in connection with the acquisition and operation of the Building, the Owner desires to obtain ownership of the improvements comprising the Building pursuant to a bill of sale and other conveyance documents (collectively, the “**Conveyance Documents**”), and to obtain site control of the land comprising the site of the Building (the “**Land**”) from the Housing Authority of the City of Austin (“**HACA**”), by entering into a ground lease (“**Ground Lease**”) with HACA for the Land;

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

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

delivery thereof; and it is further

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

RESOLVED, that any officer of AAHC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or Owner, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Development, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the Owner), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or Owner, effective as of the date such action was taken; and it is further

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

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

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

[End of Resolution]

PASSED, APPROVED, and ADOPTED this 15th day of October, 2020.

CHAIRPERSON

ATTEST:

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00167

ITEM NO. 3.

MEETING DATE: October 15, 2020

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

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 00167 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) participate in the ownership of Melrose Trail Apartments (the “Project”) which consists of mixed-income housing units and associated amenities developed upon property to be leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Melrose Trail, LLC (the “Managing Member”) to acquire the managing member interest in LR Apartments, LLC, a Texas limited liability company (the “Company”), and to execute an amended and restated operating agreement of the Company and other related documents for the admission of the Managing Member to the Company; (iii) cause the Company to enter into development financing for the Project; and (iv) cause AAHC and/or the Managing Member and/or the Company 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. 00167 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) participate in the ownership of Melrose Trail Apartments (the “Project”) which consists of mixed-income housing units and associated amenities developed upon property to be leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Melrose Trail, LLC (the “Managing Member”) to acquire the managing member interest in LR Apartments, LLC, a Texas limited liability company (the “Company”), and to execute an amended and restated operating agreement of the Company and other related documents for the admission of the Managing Member to the Company; (iii) cause the Company to enter into development financing for the Project; and (iv) cause AAHC and/or the Managing Member and/or the Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

Austin Affordable Housing Corporation (AAHC), has been presented an opportunity to partner with Veritas Family Partners, to joint venture a 183-unit apartment complex called the Melrose Trail Apartments. The complex is located at 13005 Heinemann Dr, Austin, Texas 78727, in the ever changing Milwood market.

Veritas Family Partners, Ltd and the Austin Housing Conservancy Fund will be partnering with AAHC on Melrose Trail. An affiliated entity of Veritas Family Partners is the current owner of the property and will remain as part of the ownership structure allowing them to defer capital gains taxes. Veritas is wholly owned by the Brock Family with over 1,875 multifamily units owned during their existence with an additional 100 acres of land they plan to develop with an affordable housing component. The Austin Housing Conservancy Fund is already partners with AAHC on the Preserve at Wells Branch Parkway, The Bridge at Terracina and The Bridge at Northwest Hills. Melrose Trail will be their fourth acquisition.

Melrose Trail was built in 1986 and sits on 6.53 acres. About 80% of the units have gone through renovation/improvement and the current ownership has spent more than \$2,200,000 on renovations. The property has a newly installed dog park, along with a swimming pool and a completely renovated clubhouse. The property is one mile away from the current and new Apple campus at McNeil Dr and Parmer Lane. The location provides great access to retail shops, grocery stores and tech job providers. Below is a breakdown of the many variations of unit sizes.

44 1-bedroom/1-bath	550 square feet
25 1-bedroom/1-bath	650 square feet
42 1-bedroom/1-bath	650 square feet
46 2-bedroom/2 bath	810 square feet
26 2-bedroom/2 bath	900 square feet

Process:

The purchase price/market value for the Melrose Trail is \$26,108,000. Veritas will be investing 25% cash to the purchase (approximately \$6.4 MM) as a down payment/legacy equity. In addition, Austin Housing Conservancy will place up to an additional \$1,000,000.00 for future capital needs. The property will serve residents at 80% median family income and below. The property will be managed by Apartment Management Professionals. The property is currently 96% occupied, and 100% of the residents are under 80% of the area median income.

Staff Recommendation:

Staff recommends Board approval of Resolution 00167.

ATTACHMENTS:

- **Melrose Trail Map**

RESOLUTION NO. 00167

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. Participate in the ownership of the Melrose Trail Apartments, which consists of mixed-income housing units and associated amenities developed upon property to be leased from the Housing Authority of the City of Austin;**
- 2. Cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Melrose Trail, LLC (the “Managing Member”) to acquire the managing member interest in LR Apartments, LLC, a Texas limited liability company (the “Company”), and to execute an amended and restated operating agreement of the Company and other related documents for the admission of the Managing Member to the Company;**
- 3. Cause the Company to enter into modifications to the development financing for the Project; and**
- 4. Cause AAHC and/or the Managing Member and/or the Company 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 Managing Member;

WHEREAS, the Managing Member desires to be the sole managing member of the Company;

WHEREAS, the Company was formed for the purpose of owning, developing, managing, and otherwise dealing with Melrose Place Apartments, a 183-unit apartment complex (the “**Project**”) located on a parcel of land located in Austin, Travis County, Texas (the “**Land**”), and intended for rental primarily to persons of low and moderate income;

WHEREAS, in connection with the Managing Member’s admission to the Company, the Company desires to convey the Land to the Housing Authority of the City of Austin (“**HACA**”), and thereafter the Company desires to obtain site control of the Land from HACA, by entering into a ground lease (“**Ground Lease**”) with HACA for the Project;

WHEREAS, AAHC, the Managing Member and Company desire to enter into certain equity documents for the purpose of admitting the Managing Member as a managing member to the Company, including an Amended and Restated Operating Agreement for the Company (the “**Operating Agreement**”) and any other documents necessary to evidence the Managing

Member's acquisition of an interest in the Company, including, without limitation, any certificates or other instruments required by the other members of the Company (together with the Operating Agreement, collectively referred to as the "**Interest Transfer Documents**");

WHEREAS, the Company desires to enter into a bridge loan and/or permanent loan with Bellwether Enterprise Real Estate Capital, LLC (or an affiliate thereof) (the "**Lender**"), whereby the Company will borrow a sum not to exceed \$21,000,000 (the "**Loan**"), in order to finance the operation and renovation of the Project;

WHEREAS, the Loan will be made pursuant to a promissory note to be secured, inter alia, by a deed of trust, UCC financing statements, certificates, affidavits, directions, amendments, indemnifications, notices, requests, demands, waivers, and any other assurances, instruments, or other communications executed in the name of and on behalf of the Company as may be deemed to be necessary or advisable in order to carry into effect or to comply with the requirements of the instruments approved or authorized by these resolutions in connection with the Loan (collectively, the "**Loan Documents**");

NOW, BE IT RESOLVED, that all of the documents, instruments, or other writing executed by AAHC (both individually and in a representative capacity as identified in these resolutions), in consummation of the transactions herein described (both individually and in a representative capacity as identified in these resolutions), including, but not limited to, (i) the Loan Documents, (ii) the Interest Transfer Documents, and (iii) 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, Company and/or Managing Member to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or Managing Member and/or the Company, 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 Managing Member and/or the Company, 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 Managing Member), 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 Managing Member and/or Company, 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 Managing Member and/or the Company, 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 Company be promptly notified in writing by the Secretary or any other officer of AAHC of any change in these resolutions, and until it has actually received such notice in writing, the Company is authorized to act in pursuance of these resolutions.

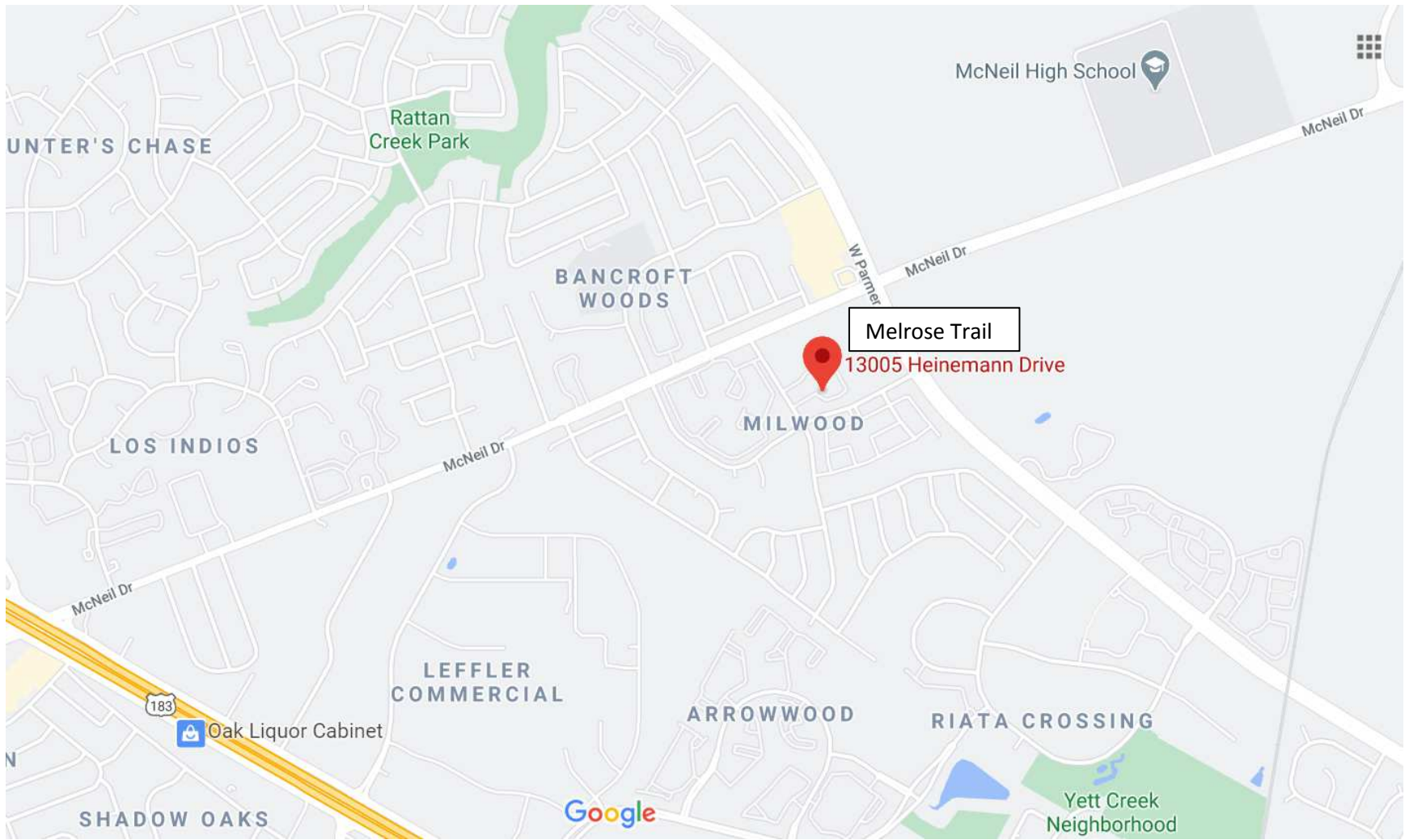
[End of Resolution]

PASSED, APPROVED, and ADOPTED this 15th day of October, 2020.

ATTEST:

CHAIR PERSON

SECRETARY



AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00168

ITEM NO. 4.

MEETING DATE: October 15, 2020

STAFF CONTACT: Ann Gass, Interim Chief Financial Officer

ITEM TITLE: Presentation, Discussion and Possible Action Regarding Resolution No: 00168: 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: i. Facilitate the development of the Pathways at Chalmers Courts West, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; ii. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Chalmers Courts West GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Chalmers Courts West, 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 a resolution to authorize AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- i. Facilitate the development of the Pathways at Chalmers Courts West, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin;
- ii. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Chalmers Courts West GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Chalmers Courts West, 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.

SUMMARY

Background:

Pathways at Chalmers Courts West (Chalmers West) is the final phase of the three-phase redevelopment of

Chalmers Courts. Chalmers West will be a 156-unit property, developed in partnership with Carleton Companies and financed using 9% Low Income Housing Tax Credits (LIHTC) through the Texas Department of Housing and Community Affairs. In addition to the 78 Project Based Rental Assistance (PBRA) and Project Based Vouchers (PBV) units that will replace the current 78 public housing units, HACA will project-base an additional 50 Housing Choice Vouchers at Chalmers West. Eight of those will be VASH vouchers that will serve homeless veterans.

The redevelopment of Chalmers Courts marks a milestone for HACA, as this is one of the three original public housing developments built in 1939. To honor this rich history, staff is also working with residents and the design team to incorporate Chalmers' history into the new property through exploration of the use of photos and reclaimed building materials.

Chalmers West is the final project in HACA's conversion to the Rental Assistance Demonstration (RAD) Program. The Rental Assistance Demonstration (RAD) Program was authorized by the Consolidated and Further Continuing Appropriations Act of 2012. RAD is a tool that enables Public Housing Authorities to convert public housing subsidies into long-term, Section 8 rental assistance subsidy. This is beneficial to PHAs because historically public housing subsidies and funding for capital projects have been unpredictable and fluctuate annually due to federal budget cuts. The project based rental assistance program provides a much more stable and predictable annual subsidy, benefitting PHAs and their residents. More importantly, the RAD program provides PHAs an opportunity to make substantial physical improvements to its properties, resulting in a higher quality of life for residents. Additionally, provisions with RAD ensure that existing residents are protected and enjoy more choices on where they wish to reside. The Housing Authority of the City of Austin (HACA) has successfully converted seventeen properties through RAD. Chalmers West is the last project to convert.

Process:

The families who currently live at Chalmers West will be relocated using Housing Choice Vouchers or to another HACA subsidized property. Most of the families have chosen to relocate to the new Chalmers East, adjacent to the current site of Chalmers Courts. All families will have the right to return to the newly redeveloped Chalmers West. HACA staff has worked closely with the residents to ensure that all residents understand their right to return. Staff will continue to meet with the residents regularly in an effort to maintain the sense of community that has developed as the residents prepared for the redevelopment of Chalmers.

Staff Recommendation:

HACA recommends that the Board approve Resolution No. 00168 in order to proceed with the development of Chalmers West.

RESOLUTION NO. 00168

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 Pathways at Chalmers Courts West, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin;**
- 2. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Chalmers Courts West GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Chalmers Courts West, LP (the “Partnership”) and other related documents, including any development and purchase option and right of first refusal agreements;**
- 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 Pathways at Chalmers Courts West, a 156-unit apartment complex (the “**Project**”) under development on a parcel of land located in Austin, Travis County, Texas (the “**Land**”), and intended for rental to persons of low and moderate income;

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 an affiliate of National Equity Fund, Inc., as an investor limited partner to the Partnership (the “**Limited Partner**”), including an Amended and Restated Agreement of Limited Partnership for the Partnership (the “**Partnership Agreement**”);

WHEREAS, HACA has submitted an application with the United States Department of Housing and Urban Development (“**HUD**”) for approval under the Rental Assistance

Demonstration (“**RAD**”) Program to designate certain units within the Project as RAD units, and with the receipt of HUD approval, HACA and the Partnership desire to implement the RAD units pursuant to certain documents (“**RAD Documents**”) by and among HACA, HUD, and the Partnership;

WHEREAS, HACA has submitted a proposal with HUD for approval for the placement of certain project-based voucher (“**PBV**”) assistance in certain of the units within the Project, and with the receipt of HUD approval, HACA and the Partnership desire to implement the PBV units pursuant to certain documents including an agreement to enter into housing assistance payments contract and, upon completion, a housing assistance payments contract (“**PBV Documents**”) by and among HACA, HUD, and the Partnership;

WHEREAS, the Partnership desires to borrow from BBVA USA (“**BBVA**”), a construction loan in an amount not to exceed \$27,000,000 and a permanent loan in an amount not to exceed \$16,000,000 (the “**BBVA Loans**”) pursuant to the terms of a Credit Support and Funding Agreement between the Partnership and BBVA (the “**BBVA Loan Agreement**”), and evidenced by a Promissory Note (the “**BBVA Loan Note**”) executed by the Partnership and payable to BBVA, which will be secured by a Multifamily Construction and Permanent Deed of Trust, Assignment of Rents and Security Agreement and Fixture Filing (the “**BBVA DOT**”) made by the Partnership in favor of BBVA and, in connection with locking the interest rate for the permanent financing, a Delivery Assurance Note (the “**BBVA Delivery Assurance Note**”);

WHEREAS, in connection with the permanent financing, AAHC will provide recourse against non-recourse carve-outs which shall be set forth in the BBVA Loan Note;

WHEREAS, pursuant to the BBVA Loan Agreement, the General Partner will, in its individual capacity, in its capacity as general partner of the Partnership and/or on behalf of the Partnership, as applicable, assign rights to various agreements and items related to the Project, including without limitation an Assignment of Construction Contract, an Assignment of Architectural Agreements and Plans and Specifications, an Assignment of Accounts (Security Agreement), an Assignment of Management Agreement, assignment of agreement to enter into housing assistance payments contract and housing assistance payments contract, and any consent of HUD and HACA necessary in connection with such assignment, and subordination agreements (collectively, the “**Project Document Assignments**”), and indemnify BBVA regarding certain environmental matters related to the Project (the “**BBVA Indemnity Agreement**”, and together with the BBVA Loan Agreement, the BBVA Loan Note, the BBVA DOT, the BBVA Delivery Assurance Note, the Project Document Assignments, UCC-1 financing statements, and all other documents referenced therein or contemplated thereby, the “**BBVA Loan Documents**”);

WHEREAS, in connection with the transactions contemplated herein, the Partnership, General Partner and AAHC are required to enter into various documents which will evidence a construction-to-permanent loan from AAHC to the Partnership in a principal amount not to

exceed \$5,000,000, including, but not limited to a note, deed of trust, and other security agreements, certificates, directions, approvals, waivers, notices, instruments, subordination agreements and other communications as may be required by the parties (the “**AAHC Construction Loan Documents**”);

WHEREAS, in connection with the transactions contemplated herein, the Partnership, General Partner and AAHC are required to enter into various documents which will evidence a permanent loan from AAHC to the Partnership in a principal amount not to exceed \$2,000,000, including, but not limited to a note, deed of trust, and other security agreements, certificates, directions, approvals, waivers, notices, instruments, subordination agreements and other communications as may be required by the parties (the “**AAHC Permanent Loan Documents**,” and together with the Partnership Agreement, the Ground Lease, the RAD Documents, the PBV Documents, the BBVA Loan Documents and the AAHC Construction Loan Documents, 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 including any guarantees to the Limited Partner and any lender described 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 15th day of October, 2020.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson