

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Annual Meeting

**Thursday, March 25, 2021
12:00 PM**

Via Video Conference Call
+1 (571) 317-3122; Access Code: 320-742-061
Austin, TX

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

**TO BE HELD AT
Via Video Conference Call**

Please join from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/320742061> You can also dial in using your phone. United States: +1 (571) 317-3122 Access Code: 320-742-061

**Austin, TX
(512.477.4488)**

Thursday, March 25, 2021

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 February 18, 2021
2. Presentation, Discussion, and Possible Action regarding Resolution No. 00180: Approval to ratify all actions taken by the Board of Directors during FYE 2021, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolution

ACTION ITEMS

3. Presentation, Discussion and Possible Action on Resolution No. 00177 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Fox Hollow
4. Presentation, Discussion and Possible Action on Resolution No. 00178 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Clovis at McKinney Falls
5. Presentation, Discussion and Possible Action on Resolution No. 00181 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 refinancing of The Pointe at Ben White, which consists of affordable housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Ben White Development GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Ben White Development, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into 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

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: March 25, 2021

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 February 18, 2021

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 February 18, 2021.

ATTACHMENTS:

- ▣ **20210218 AAHC Minutes Summary**

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

FEBRUARY 18, 2021

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS REGULAR PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, FEBRUARY 18, 2021, 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 February 18, 2021, was called to order by Edwina Carrington, AAHC Chairperson, at 12:02 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
Tyra Duncan-Hall, Director
Carl S. Richie, Jr., Director

MEMBER(S) ABSENT:

Mary Apostolou, 2nd Vice-Chairperson

ALSO ON THE CALL:

Wilson Stoker, Cokinos, Bosien & Young

STAFF PRESENT ON THE CALL:

Andrea Galloway, Ann Gass, Barbara Jackson, Catherine Crago, Jimi Teasdale, Gloria Morgan, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Michael Cummings, Michael Gerber, Michael Roth, Monica Loera, Nora Velasco, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

CITIZENS COMMUNICATION – CITIZENS COMMUNICATION

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

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

CONSENT ITEMS

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on December 17, 2020

Director Duncan-Hall moved to Approve the Board Minutes Summary for the Board Meeting held on December 17, 2020. **Vice-Chairperson Bailey** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ACTION ITEMS

ITEMS WERE PRESENTED OUT OF ORDER

ITEM 2: Presentation, Discussion and Possible Action on Resolution No. 00177 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Fox Hollow

This item was tabled until the March 2021 Board Meeting.

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00178 by the Board Of Directors Of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Clovis at McKinney Falls

This item was tabled until the March 2021 Board Meeting.

ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00179 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 James on South First Apartments (the “Development”), which consists of multifamily housing units and associated amenities in

Austin, Texas to be groundlease 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 enter into acquisition and 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 (AAHC), was presented with an opportunity to partner with Belveron Corporation, to purchase a 250 unit apartment complex called the James on South First. The complex is located at 8800 South 1st Street, Austin, Texas 78748, just north of Slaughter Lane.

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. This would be AAHC's fourth acquisition with the Belveron team.

The James was built in 2016 and sits on 13.25 acres. Some of the property amenities include a sparkling swimming pool with lounge seating and a poolside cabana, outdoor kitchen with 2 gas grills, 24-hour athletic center, an elegant clubhouse with entertainment spaces and a big screen TV and a large dog park with agility equipment, package lockers and a spacious private business center. All units come with full size washer and dryers. Other amenities include a number of attached garages and private pet yards. The property feeds into Casey Elementary School, Bedichek Middle School and Akins High School. The property's location provides fantastic access to many employers, retail shops, grocery stores and medical providers. Below is a breakdown of the many variations of unit sizes. The property is currently 97% occupied and rents currently range from \$1,190 for a 1 bedroom to \$1,798 for a 3 bedroom.

The purchase price for the James on South First is \$50,000,000. Belveron will be investing approximately \$10MM as a down payment. In addition, Belveron will place an additional \$1,200,000.00 for future capital needs. Fannie Mae will carry the debt of approximately \$40 MM at a rate of 2.97%. Belveron has also committed to place in escrow an additional reserve amount equal to 1 full year of mortgage payments to ease any potential 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. 86% of the property currently serves residents earning below 80% Area Median Income (AMI). AAHC and Belveron have committed to not raising rents for the next 12 months and to leasing to HCV voucher holders. AAHC and Belveron have agreed to restrict 10% of all units reserved for affordability to 60% of AMI. This will result in 25 units receiving significant rent reductions. The property will be managed by Apartment Management Professionals.

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 James on South First Apartments, which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-lease 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 enter into acquisition and 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 moved to Approve Resolution No. 00179 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 James on South First Apartments, which consists of multifamily housing units and associated amenities in Austin, Texas to be ground lease 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 enter into acquisition and 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** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ADJOURNMENT

Vice-Chairperson Bailey moved to Adjourn the meeting. **Director Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 12:44 p.m.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00180

ITEM NO. 2.

MEETING DATE: March 25, 2021

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00180: Approval to ratify all actions taken by the Board of Directors during FYE 2021, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolution

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00180: which ratifies all actions taken by the Board of Directors during the 2020-2021 Fiscal Year, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolutions.

SUMMARY

Background:

Upon past advisement of legal counsel, Resolution No. 00180 was drafted to ensure all actions taken by the Board during FYE 2021 be ratified, thus ensuring resolution of any irregularities during the voting process taken by the Directors. This is an action that will be presented for board action on an annual basis.

This Resolution resolves any irregularities in the voting process found in the Board meeting minutes and/or resolutions, and all actions taken during the 2020-2021 Fiscal Year by the Board of Directors are fully enforceable.

Staff Recommendation:

Staff recommends Board approval of Resolution No. 00180 to ratify all actions taken by the Board of Directors during the 2020-2021 Fiscal Year.

RESOLUTION NO. 00180

APPROVAL TO RATIFY ALL ACTIONS TAKEN BY THE BOARD OF DIRECTORS DURING FYE 2021, IN ORDER TO RESOLVE ANY IRREGULARITIES WHICH MAY HAVE OCCURRED REGARDING A QUORUM OR VOTE BY THE DIRECTORS AS REFLECTED WITHIN THE APPROVED MINUTES AND RESOLUTIONS

WHEREAS, in the event that there were any irregularities in any action or vote taken by Austin Affordable Housing Corporation Board of Directors during the 2020-2021 Fiscal Year, the Austin Affordable Housing Corporation desires to ratify and affirm all of the actions and votes taken by the Board of Directors regardless of the irregularity, as each action and vote taken represents the true intention of a quorum or more of the Austin Affordable Housing Corporation Board of Directors.

WHEREAS, the purpose of this resolution is to give full legal force and effect to each action or vote of the Board of Directors taken during the 2020-2021 Fiscal Year as if each action was taken by a quorum of the board without any irregularity, and therefore, every action taken by the Board of Directors during the 2020-2021 Fiscal Year is fully enforceable.

NOW, THEREFORE, IT IS HEREBY RESOLVED, the Austin Affordable Housing Corporation Board of Directors hereby ratifies and affirms all actions and votes taken by the Board of Directors during 2020-2021 Fiscal Year.

PASSED, APPROVED AND ADOPTED on this 25th day of March 2021.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00177

ITEM NO. 3.

MEETING DATE: March 25, 2021

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00177 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Fox Hollow

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00177 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 Fox Hollow.

SUMMARY

Background:

Austin Affordable Housing Corporation is being presented with an opportunity to partner with LDG Multifamily LLC on a certain 26.05 acre tract of land located within the Austin city limits at 2117 Brandt Road, Austin, TX 78744. The project (Fox Hollow) will consist of 241 family apartment units serving tenants at 50% 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: Blazier Elementary, Paredes Middle School and Akins High School. The nearest properties in AAHC’s current portfolio are Goodnight Commons and Moonlight Garden located East on Slaughter Lane.

Process:

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$56,000,000. The planned development will consist of 54 one bedroom and one bath units, 108 two bedroom and two bath units, 54 three bedroom and two bath units, and 25 four bedroom and two bath units. All units will be marketed to HACA’s Housing Choice Voucher recipients. 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 be presenting back to the Board in future months on the progress and specifically any and all agreements and approvals.

Staff Recommendation:

Board approval will allow 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 Fox Hollow.

ATTACHMENTS:

- ▣ **Fox Hollow Map**

RESOLUTION NO. 00177

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 participate in the housing tax credit application for Fox Hollow

WHEREAS, AAHC is the sole member of AAHC Fox Hollow GP, LLC, a Texas limited liability company (the “**General Partner**”);

WHEREAS, the General Partner shall be the sole general partner of LDG Fox Hollow, LP, a Texas limited partnership (the “**Partnership**”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with Fox Hollow, a 241-unit multifamily affordable apartment complex (the “**Project**”) to be developed on a parcel of land located approximately 2117 Brandt Road 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 plans to submit or has submitted a 4% housing tax credit application to the Texas Department of Housing and Community Affairs (the “**Application**”);

WHEREAS, in connection with the Partnership’s preparation and submission of the Application, AAHC desires to participate as nonprofit sponsor, developer, and as sole member of the General Partner;

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 Application and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “**Application 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 the authorization of AAHC, Partnership and/or General Partner to enter into the Application 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 Application Documents, in the form as so executed and delivered is hereby approved, ratified

and confirmed; and it is further

RESOLVED, that Ron Kowal, Vice President of AAHC, and any other 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 Application 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 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.

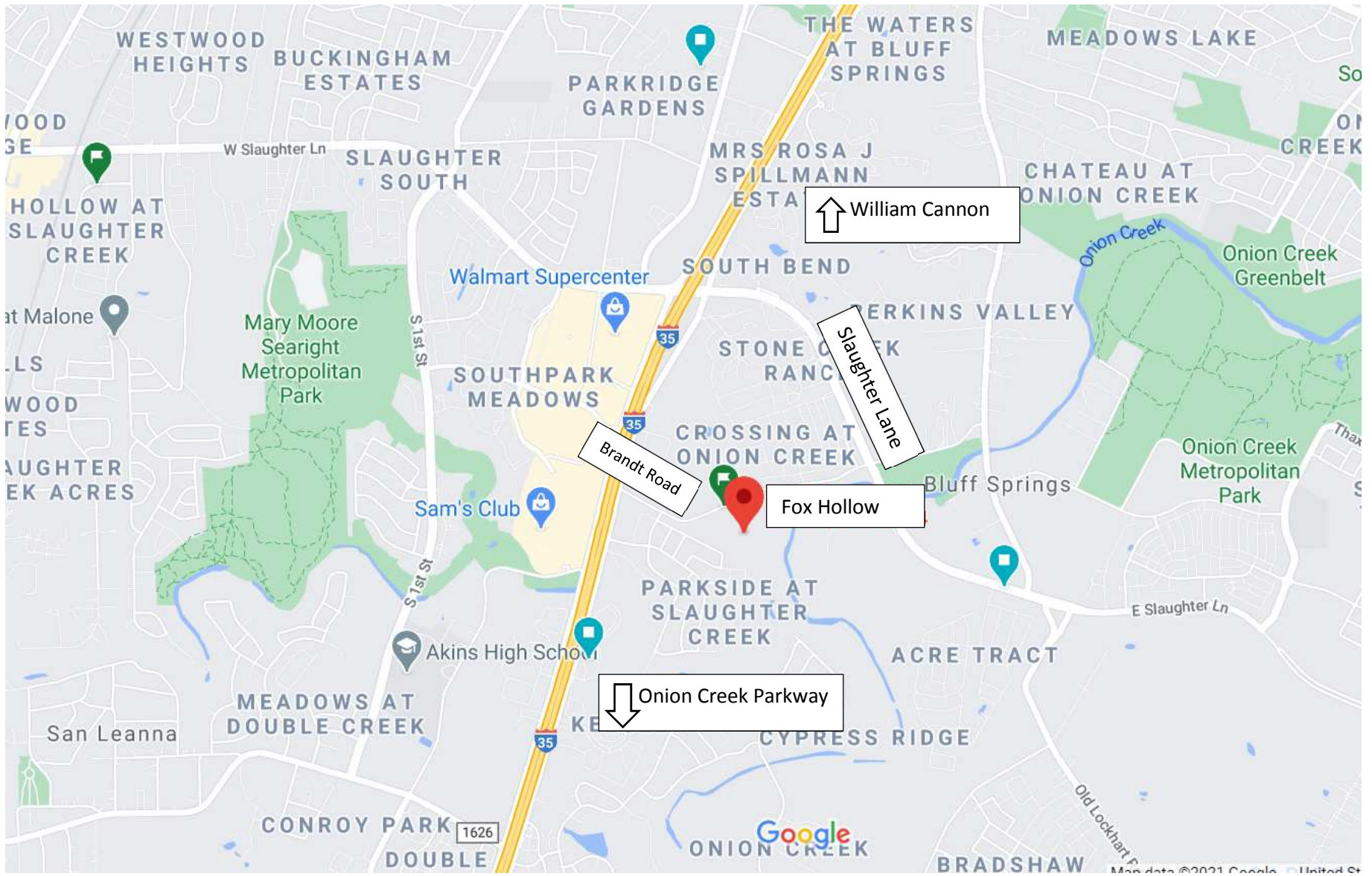
[End of Resolution]

PASSED, APPROVED AND ADOPTED this 25th day of March, 2021.

Chairman

ATTEST:

Secretary



AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00178

ITEM NO. 4.

MEETING DATE: March 25, 2021

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00178 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Clovis at McKinney Falls

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00178 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 Clovis at McKinney Falls.

SUMMARY

Background:

Austin Affordable Housing Corporation is being presented with an opportunity to partner with LDG Multifamily LLC on a certain 15.12 acre tract of land located within the Austin Extraterritorial Jurisdiction (ETJ) at 6507 McKinney Falls Parkway, Austin, Texas 78744. The project (The Clovis at McKinney Falls) will consist of 264 family apartment units serving tenants at or below 60% of median family income. This property will serve the following schools: Collins Elementary, Ojeda Middle School and Del Valle High School. The nearest properties in AAHC’s current portfolio are Franklin Park, Woodway Village and the Ben White properties to the north.

Process:

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$60,000,000. The planned development will consist of 36 one bedroom and one bath units, 108 two bedroom and two bath units, 108 three bedroom and two bath units, and 12 four bedroom and two bath units. All units will be marketed to HACA’s Housing Choice Voucher residents. 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 be presenting back to the Board in future months on the progress and specifically any and all agreements and approvals.

Staff Recommendation:

Board approval will allow 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 Clovis at McKinney Falls.

ATTACHMENTS:

- ▣ **The Clovis at McKinney Falls Map**

RESOLUTION NO. 00178

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 participate in the housing tax credit application for The Clovis at McKinney Falls

WHEREAS, AAHC is the sole member of AAHC The Clovis at McKinney Falls GP, LLC, a Texas limited liability company (the “**General Partner**”);

WHEREAS, the General Partner shall be the sole general partner of LDG The Clovis at McKinney Falls, LP, a Texas limited partnership (the “**Partnership**”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with The Clovis at McKinney Falls, a 264-unit multifamily affordable apartment complex (the “**Project**”) to be developed on a parcel of land located approximately 6507 McKinney Falls Parkway 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 plans to submit or has submitted a 4% housing tax credit application to the Texas Department of Housing and Community Affairs (the “**Application**”);

WHEREAS, in connection with the Partnership’s preparation and submission of the Application, AAHC desires to participate as nonprofit sponsor, developer, and as sole member of the General Partner;

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 Application and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “**Application 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 the authorization of AAHC, Partnership and/or General Partner to enter into the Application 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 Application Documents, in the form as so executed and delivered is hereby approved, ratified

and confirmed; and it is further

RESOLVED, that Ron Kowal, Vice President of AAHC, and any other 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 Application 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 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.

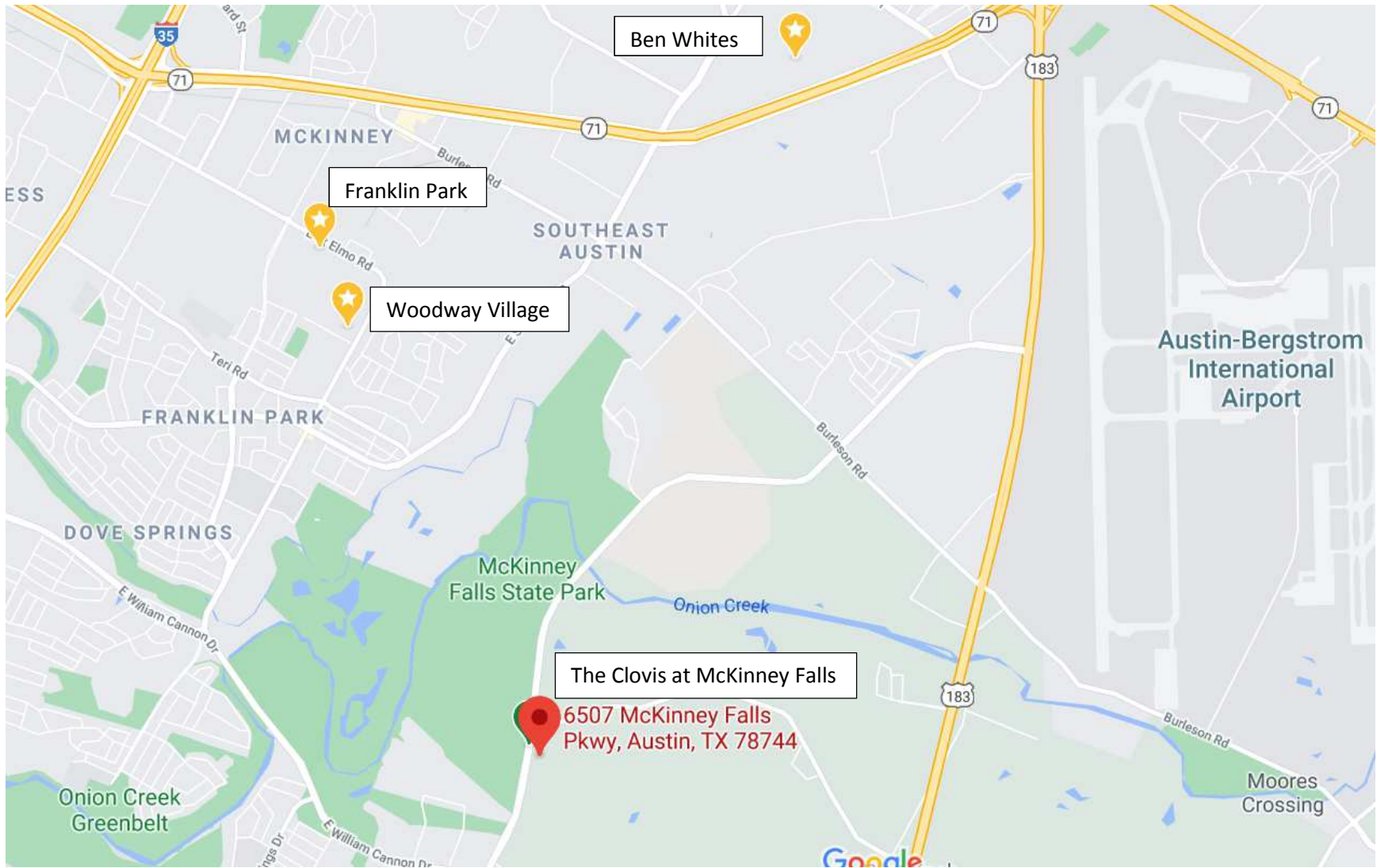
[End of Resolution]

PASSED, APPROVED AND ADOPTED this 25th day of March, 2021.

Chairman

ATTEST:

Secretary



AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00181

ITEM NO. 5.

MEETING DATE: March 25, 2021

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00181 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 refinancing of The Pointe at Ben White, which consists of affordable housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Ben White Development GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Ben White Development, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00181 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the refinancing of The Pointe at Ben White, which consists of affordable housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Ben White Development GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Ben White Development, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into 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:

The Pointe at Ben White is located at 6934 Ben White Boulevard, Austin, Texas 78741. This was the very first new construction AAHC ventured into and the first property on which AAHC partnered with LDG Development, LLC. This is also the first 4% Tax Credit/Bond transaction we ever completed. This family property closed in August 2014 and construction was completed in February 2016. The property has 250

units with a mix of 24 one bedroom/one bath, 130 two bedroom/two bath and 96 three bedroom/two baths. The property is located off Ben White Boulevard/Highway 71 between Montopolis Drive and Riverside Drive. All units are affordable to families with incomes at and below 60% Area Median Family Income (AMFI).

The area continues to be very attractive to renters. This property leased up in 30 days and has held steady in the mid-to-high 90% occupancy rate ever since. This property serves Del Valle ISD (Smith Elementary, John P Ojeda Middle School, and Del Valle High School). We currently have 23 Housing Choice Voucher holders leasing units and will continue to market extensively to HCV clients.

Unit Breakdown:

24 one bedroom/one bath	(\$1098 monthly rent)
130 two bedroom/two bath	(\$1318 monthly rent)
96 three bedroom/two bath	(\$1523 monthly rent)

Process:

The Pointe at Ben White will be refinanced with Mason Joseph (Lender) using the HUD 223F program to take advantage of a very attractive low-interest environment. The market value of the property has increased from \$35 million upon construction completion to a \$48 million current market value. The current interest rate is 3.99% and the new interest rate is projected to be 2.40%, which will result in significant savings to the partnership. In addition to lowering the interest rate, some rehabilitation will be completed on the property. This includes exterior building paint, replacing concrete paving and walks, resurfacing swimming pool decks, painting fencing along retaining walls, painting exterior stairs, handrails and balcony railings, power washing exterior concrete stairs at each building, replacing carpets, and replacing various bathroom vanity doors.

The current loan amount is \$20,622,580. We will refinance at a loan amount not to exceed \$29,380,000. The result of the refinance will be to: (1) pay off the current loan; (2) make repairs mentioned in the previous paragraph; (3) set up a reserve account equal to 9-months of debt service (\$986,000); (4) set up an owner reserve for future capital needs (\$1,000,000); (5) pay the investor a fee to refinance (\$573,000); (6) provide cash to AAHC (\$2,120,100); and (7) provide cash to LDG (\$2,037,000). The refinance has been approved by both the Lender (Mason Joseph) and Investor (Enterprise and Bank of America). AAHC will set up a separate account with our portion of the cash proceeds to use on future investments and projects.

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 refinancing of The Pointe at Ben White, which consists of affordable housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC's wholly owned, subsidiary limited liability company, Ben White Development GP, LLC (the "General Partner") to execute an amendment to the amended and restated agreement of limited partnership of Ben White Development, LP (the "Partnership") and other related documents; (iii) cause the Partnership to enter into 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.

ATTACHMENTS:

- ▣ **Income and Rent Chart**
- ▣ **Refinance Information**

RESOLUTION NO. 00181

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 refinancing of The Pointe at Ben White, which consists of affordable housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin;**
- 2. Cause AAHC’s wholly owned, subsidiary limited liability company, Ben White Development GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Ben White Development, LP (the “Partnership”) and other related documents;**
- 3. Cause the Partnership to enter into 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 Pointe at Ben White, a 250-unit apartment complex (the “**Project**”) developed on a parcel of land located in Austin, Travis County, Texas (the “**Land**”);

WHEREAS, the Partnership leases the Land from the Housing Authority of the City of Austin (“**HACA**”), pursuant to a ground lease (“**Ground Lease**”) with HACA for the Project;

WHEREAS, the Partnership is governed by a First Amended and Restated Agreement of Limited Partnership (as amended, the “**Partnership Agreement**”);

WHEREAS, the General Partner desires to enter into an amendment to the Partnership Agreement with the limited partners of the Partnership (the “**LPA Amendment**”);

WHEREAS, the Partnership desires to obtain a permanent loan from Mason Joseph Company, Inc. (the “**HUD Lender**”) in an amount not to exceed \$30,000,000 (the “**FHA**”);

Loan") to be insured by HUD under Section 223(f) program pursuant to a commitment for insurance of advances issued to HUD Lender, as amended (HUD Project No. 115-11338, and in connection therewith enter into, execute, and deliver a Note, a first lien Deed of Trust on the Project, a Regulatory Agreement for Multifamily Projects, and any other documents evidencing, securing, or necessary or convenient in connection with the FHA Loan (collectively, the "**FHA Loan Documents**", and together with the LPA Amendment, the "**Financing Documents**");

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

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

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

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

other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or General Partner and/or Partnership, effective as of the date such action was taken; and it is further

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

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

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

[End of Resolution.]

PASSED, APPROVED AND ADOPTED this 25TH day of March, 2021.

Edwina Carrington, Chairperson

ATTEST:

Michael Gerber, Secretary

INCOME LIMITS

2020 Area Median Income:

\$97,600

AMFI %	Number of Household Members							
	1	2	3	4	5	6	7	8
20	\$ 13,680	\$ 15,620	\$ 17,580	\$ 19,520	\$ 21,100	\$ 22,660	\$ 24,220	\$ 25,780
30	\$ 20,520	\$ 23,430	\$ 26,370	\$ 29,280	\$ 31,650	\$ 33,990	\$ 36,330	\$ 38,670
40	\$ 27,360	\$ 31,240	\$ 35,160	\$ 39,040	\$ 42,200	\$ 45,320	\$ 48,440	\$ 51,560
50	\$ 34,200	\$ 39,050	\$ 43,950	\$ 48,800	\$ 52,750	\$ 56,650	\$ 60,550	\$ 64,450
60	\$ 41,040	\$ 46,860	\$ 52,740	\$ 58,560	\$ 63,300	\$ 67,980	\$ 72,660	\$ 77,340
70	\$ 47,880	\$ 54,670	\$ 61,530	\$ 68,320	\$ 73,850	\$ 79,310	\$ 84,770	\$ 90,230
80	\$ 54,720	\$ 62,480	\$ 70,320	\$ 78,080	\$ 84,400	\$ 90,640	\$ 96,880	\$ 103,120
120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RENT LIMITS

AMFI %	Number of Bedrooms						
	0	1	2	3	4	5	
20	\$342	\$366	\$439	\$507	\$527	\$625	
30	\$513	\$549	\$659	\$761	\$849	\$937	
40	\$684	\$732	\$879	\$1,015	\$1,133	\$1,250	
50	\$855	\$915	\$1,098	\$1,269	\$1,416	\$1,562	
60	\$1,026	\$1,098	\$1,318	\$1,523	\$1,699	\$1,875	
65							
70	\$1,197	\$1,281	\$1,538	\$1,777	\$1,982	\$2,187	
80	\$1,368	\$1,465	\$1,758	\$2,031	\$2,266	\$2,500	

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
Effective Gross Income (assumes 95% occupancy)	\$ 3,411,773	\$ 3,480,008	\$ 3,549,608	\$ 3,620,600	\$ 3,693,012	\$ 4,077,384	\$ 4,501,762
Operating Expenses	\$ 1,167,603	\$ 1,202,631	\$ 1,238,710	\$ 1,275,872	\$ 1,314,148	\$ 1,523,457	\$ 1,766,105
Replacement Reserves	\$ 81,250	\$ 83,688	\$ 86,198	\$ 88,784	\$ 91,448	\$ 106,013	\$ 122,898
Total Expenses	\$ 1,248,853	\$ 1,286,319	\$ 1,324,908	\$ 1,364,656	\$ 1,405,595	\$ 1,629,470	\$ 1,889,002
Net Operating Income (Effective Gross Income <i>minus</i> Total Expenses)	\$ 2,162,920	\$ 2,193,689	\$ 2,224,700	\$ 2,255,944	\$ 2,287,417	\$ 2,447,914	\$ 2,612,760
Current Debt: \$20,622,580 Loan-to-Value 43%							
Total Debt Service	\$ 1,169,997	\$ 1,169,997	\$ 1,169,997	\$ 1,169,997	\$ 1,169,997	\$ 1,169,997	\$ 1,169,997
Cash Flow (Net Operating Income <i>minus</i> Total Debt Service)	\$ 992,923	\$ 1,023,692	\$ 1,054,703	\$ 1,085,947	\$ 1,117,420	\$ 1,277,917	\$ 1,442,763
Debt Service Coverage (Net Operating Income <i>divided by</i> Total Debt Service)	1.85	1.87	1.90	1.93	1.96	2.09	2.23

Net Operating Income	\$ 2,162,920	\$ 2,193,689	\$ 2,224,700	\$ 2,255,944	\$ 2,287,417	\$ 2,447,914	\$ 2,612,760
Refinanced/New Debt: \$29,380,000 Loan-to-value 60%							
Total Debt Service (new)	\$ 1,313,934	\$ 1,313,934	\$ 1,313,934	\$ 1,313,934	\$ 1,313,934	\$ 1,313,934	\$ 1,313,934
Cash Flow (Net Operating Income <i>minus</i> Total Debt Service)	\$ 848,986	\$ 879,755	\$ 910,766	\$ 942,010	\$ 973,483	\$ 1,133,980	\$ 1,298,826
Debt Service Coverage (Net Operating Income <i>divided by</i> Total Debt Service)	1.65	1.67	1.69	1.72	1.74	1.86	1.99

Reserves:		
1. Operating Reserve	\$1,191,674.90	Currently in account. Refinance would require this account and extra two years through 2023
2. Replacement Reserve	\$487,708.55	Currently in account. Refinance would continue to require \$325/unit per year
3. Non-critical Repairs Reserve	\$218,987.00	Refinance would require this reserve account to be setup
4. 9-Month Debt Service Reserve Fund	\$985,451.00	Refinance would require this account to be set up. After 6 months, the reserve account will be released to the property
5. Future Capital Needs Reserve	\$1,000,000.00	AAHC and LDG have elected to set up an additional reserve from cash proceeds for future capital expenditures

Equity/Cash Out:	
Investor 10% Fee	\$ 573,006.40
AAHC 51%	\$ 2,120,099.30
LDG 49%	\$ 2,036,958.20