

**AUSTIN AFFORDABLE
PFC, INC.**

**BOARD OF DIRECTORS
Regular Meeting**

**Thursday, April 15, 2021
12:00 PM**

Via Video Conference Call

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/752783205> You can also dial in using your
phone. United States: +1 (872) 240-3212 Access Code: 752-783-205
Austin, TX

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF DIRECTORS
REGULAR BOARD MEETING
OF THE AUSTIN AFFORDABLE PFC, INC.**

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

**Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/752783205> You can also dial in using your phone.
United States: +1 (872) 240-3212 Access Code: 752-783-205
Austin, TX
(512.477.4488)**

**Thursday, April 15, 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 March 25, 2021

ACTION ITEMS

2. Presentation, discussion, and possible action on Resolution No. 00086: Resolution declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Pathways at Rosewood Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public) Pursuant to:

- a. 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b. 551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real property;
- c. 551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d. 551.087, Texas Gov't Code, discuss certain economic development negotiations.

OPEN SESSION

If there is an Executive Session, the Board will return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session.

REPORTS

The Board accepts the following reports:

- President's Report
- Other Staff Reports
- Commissioners' Reports/Questions to the Department Staff

ADJOURNMENT

"Pursuant to 30.06, Penal Code, (trespass by holder of license with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to 30.07, Penal Code (trespass by holder of license with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

"En virtud del 30.06, Código Penal, (traspaso titular de licencia con una pistola), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con una arma o pistola.

"En virtud de 30.07, Código Penal (prevaricación por titular de la licencia con un arma o pistola abiertamente llevado), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con un arma o pistola que lleva abiertamente.

*The Housing Authority of the City of Austin (HACA) Board of Commissioners reserves the right to discuss and consider items out of order on the agenda on an as needed basis.

The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Nidia Hiroms at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on HACA, please contact Nidia Hiroms at 512.477.4488 x 2104.

AUSTIN AFFORDABLE PFC, INC.

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: April 15, 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 March 25, 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 March 25, 2021.

ATTACHMENTS:

- ▣ **20210325 AAPFC Minutes Summary**

**AUSTIN AFFORDABLE PFC, INC.
BOARD OF DIRECTORS
ANNUAL BOARD MEETING**

March 25, 2021

SUMMARY OF MINUTES

AUSTIN AFFORDABLE PFC, INC. (HACA) BOARD OF DIRECTORS ANNUAL BOARD MEETING NOTICE WAS POSTED FOR 12:00 P.M. ON THURSDAY, MARCH 25, 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

Edwina Carrington, AAPFC Chairperson called the Board of Directors Annual Board Meeting of Austin Affordable PFC, Inc., of March 25, 2021, to order, at 12:12 p.m. The meeting was held via Conference Call from the HACA Central Office, 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present on the call.

MEMBERS PRESENT:

Edwina Carrington, Chairperson
Mary Apostolou, 2nd Vice-Chairperson
Dr. Tyra Duncan-Hall, Director

MEMBER(S) ABSENT:

Charles Bailey, Vice-Chairperson
Carl S. Richie, Jr., Director

ALSO ON THE CALL:

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

STAFF PRESENT ON THE CALL:

Andrea Galloway, Ann Gass, Barbara Jackson, Catherine Crago, Jimi Teasdale, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Michael Gerber, Michael Roth, Nidia Hiroms, Pilar Sanchez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

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

CONSENT AGENDA

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on February 18, 2021

2nd Vice-Chairperson Apostolou moved the Approval of the Board Minutes Summary for the Board Meeting held on February 18, 2021. **Director Duncan-Hall** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00085: 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 reflected within the approved minutes and resolution

Upon past advisement of legal counsel, Resolution No. 00085 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 recommended Board approval of Resolution No. 00085 to ratify all actions taken by the Board of Directors during the 2020-2021 Fiscal Year.

2nd Vice-Chairperson Apostolou moved the Approval of Resolution No. 00085: 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 reflected within the approved minutes and resolution. **Director Duncan-Hall** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ACTION ITEMS

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00083 by the Board of Directors of Austin Affordable PFC, Inc. (“PFC”) amending the Bylaws of the PFC

The Board of Directors approved Resolution No. 2292 on October 24, 2012 authorizing the creation of Austin Affordable PFC, Inc. AAPFC was created pursuant to the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code (the "Act"), to assist in the development of multifamily housing.

By amending the AAPFC bylaws, it will clarify that staff members that have been serving as officers are authorized to serve in such capacities. Due to the fact that HACA formed AAPFC, it must also approve of the bylaws amendment by resolution.

Board approval allows the PFC to amend the bylaws.

2nd Vice-Chairperson Apostolou moved the Approval of Resolution No. 00083 by the Board of Directors of Austin Affordable PFC, Inc. (“PFC”) amending the Bylaws of the PFC. **Director Duncan-Hall** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00084 by the Board of Directors of Austin Affordable PFC, Inc. (“PFC”) appointing and ratifying Officers of the PFC

The Board of Directors approved Resolution No. 2292 on October 24, 2012 authorizing the creation of Austin Affordable PFC, Inc. AAPFC was created pursuant to the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code (the "Act"), to assist in the development of multifamily housing.

This Resolution to appoint and ratify officers updates the officer roster to provide consistency between AAPFC and SCPFC officers and board members. The appointed officers are listed below.

President: Sylvia Blanco
Vice-President: Ron Kowal
Treasurer: Barbara Chen
Secretary: Michael Gerber

Board approval appoints the officers, as listed, for the Austin Affordable PFC.

Director Duncan-Hall moved the Approval of Resolution No. 00084 by the Board of Directors of Austin Affordable PFC, Inc. (“PFC”) appointing and ratifying Officers of the PFC. Officers appointed: President-Sylvia Blanco; Vice-President-Ron Kowal, Treasurer-Barbara Chen, and Secretary-Michael Gerber. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion, and Possible Action on Resolution No. 00081: Resolution declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Fox Hollow); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 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.

Fox Hollow 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.

Board approval allows AAPFC to declare intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Fox Hollow); prescribe certain terms and conditions of such bonds; authorize the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and contain other provisions relating to the subject.

Director Duncan-Hall moved the Approval of Resolution No. 00081: Resolution declaring intent to issue bonds to provide for

a multifamily residential rental development for persons of low and moderate income (Fox Hollow); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and containing other provisions relating to the subject in an amount not to exceed \$50,000,000. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ITEM 6: Presentation, Discussion, and Possible Action on Resolution No. 00082: Resolution declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Clovis at McKinney Falls); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 15.12 acre tract of land located within the Austin Extraterritorial Jurisdiction (ETJ) at 6507 McKinney Falls Parkway, Austin, Texas 78744. The project (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.

Clovis at McKinney Falls 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 requested 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 the future months on the progress and specifically any and all agreements and approvals.

Board approval allows AAPFC to declare intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Clovis at McKinney Falls); prescribe certain terms and conditions of such bonds; authorize the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and contain other provisions relating to the subject.

Director Duncan-Hall moved the Approval of Resolution No. 00082: Resolution declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Clovis at McKinney Falls); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and containing other provisions relating to the subject in an amount not to exceed \$50,000,000. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

THE BOARD DID NOT RECESS INTO EXECUTIVE SESSION.

REPORTS

None.

2nd Vice-Chairperson Apostolou moved to adjourn the meeting. **Director Duncan-Hall** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

The meeting adjourned at 2:42 p.m.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE PFC, INC.

BOARD ACTION REQUEST

RESOLUTION NO. 00086

ITEM NO. 2.

MEETING DATE: April 15, 2021

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, discussion, and possible action on Resolution No. 00086: Resolution declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Pathways at Rosewood Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00086 declaring intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Pathways at Rosewood Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

SUMMARY

Background:

In October 2016, the U.S. Department of HUD awarded a Commitment to Enter into a Housing Assistance Contract (CHAP) for Rosewood Courts under the Rental Assistance Demonstration (RAD) Program. In December 2018, HACA successfully converted Rosewood Courts to the RAD program. The conversion included light scope of work that covered immediate capital needs to prolong the existing structures useful life. Improvements included replacement of identified tubs, reaffixing porch poles, landscaping and improvements in the Goodwill building.

Redevelopment of the site is necessary due to the obsolescence of its antiquated building systems, plumbing, electrical and gas line infrastructure. There is very little accessibility for persons with mobility needs, and there is no central air conditioning.

Now that Rosewood Courts has completed its conversion to RAD, AAHC intends to submit an application to the Texas Bond Review Board for an allocation of private activity bonds to go along with the 4% tax credits requested from TDHCA. This will serve as another avenue to proceed with the redevelopment and historic rehab project in the event that the 9% tax credit application that was submitted in March is not

successful. If AAHC is successful with this application, a new, larger property with approximately 164 new construction units with modern, energy efficient appliances and amenities will be replace 17 of the existing 25 buildings on the site. This will significantly improve the quality of life for the residents of Rosewood Courts East and allow AAHC to provide more affordable housing by moderately increasing density.

HACA and AAHC also recognize the historic significance of the property and are committed to a robust historic preservation component consisting of the restoration of 8 existing buildings. This preservation and interior renovation project will restore the exterior of the buildings to harken circa 1939 features while completely renovating and modernizing the interiors with more living space, better accessibility and all new interior amenities.

Residents of Rosewood Courts will have the first right to return to the newly rebuilt Pathways at Rosewood Courts East During construction, Rosewood Courts residents will be supported with comprehensive relocation assistance, ensuring each household's needs are accounted for and are offered options that minimize having to leave their immediate neighborhood during construction.

Process:

In August 2016, the HACA Board of Commissioners approved the selection of Carleton Residential to serve as the developer partner for the redevelopment of Chalmers Courts with the option to continue with Rosewood. Carleton served as HACA's partner in all 3 phases of the Chalmers redevelopment - Chalmers South, Chalmers East and Chalmers West. Our counsel at Coats Rose will prepare the bond application with help from staff members and Carleton on Rosewood Courts East.

Staff Recommendation:

Board approval of the Resolution will declare intent to issue bonds to provide for a multifamily residential rental development for persons of low and moderate income (Pathways at Rosewood Courts East); prescribe certain terms and conditions of such bonds; authorize the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and contain other provisions relating to the subject.

RESOLUTION NO. 00086

Resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Pathways at Rosewood Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of Private Activity Bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Austin (the "**Unit**") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "**Act**"), approved and created the Austin Affordable PFC, Inc., a nonprofit corporation (the "**Issuer**");

WHEREAS, on November 5, 2012, the Issuer's Certificate of Formation was filed with the Secretary of State of the State of Texas;

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Unit's boundaries, including Austin, Texas;

WHEREAS, Pathways at Rosewood Courts East, LP, a Texas limited partnership, or such other limited partnership as the sole member of the general partner of the User designates (the "**User**"), has requested that the Issuer finance a low and moderate income multifamily housing project consisting of up to approximately 184 units to be located at approximately 2001 Rosewood Avenue, Austin, Texas 78702 (the "**Project**"), and further that the Issuer adopt this Resolution with respect to the acquisition and construction of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the acquisition and construction of the Project would be a commitment and agreement by the Issuer to issue revenue bonds pursuant to the Act (the "**Bonds**") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project; and

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 for tax-exempt obligations and to expend the proceeds thereof to acquire, construct, and install the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "**Code**"), the Issuer must submit an Application for Allocation of Private Activity Bonds or an Application for Carryforward for Private Activity Bonds (the "**Application**") to the Texas Bond Review

Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUSTIN AFFORDABLE PFC, INC. THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds, and if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project, which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "**Contracts**"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; acquisition, construction, and improvement of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition and construction of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

(i) the receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;

(ii) approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Austin, Texas, the Attorney General of the State of Texas and any other applicable governmental authority; and

(iii) any other conditions reasonably imposed by the Issuer.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2021 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that

Bonds issued to reimburse Project costs may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 8. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application (“**Bond Counsel**”). Any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution, including any further revisions to this Resolution.

Section 9. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this Resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes by the Issuer shall be indicated by such officers’ execution of the documents.

PASSED, APPROVED and ADOPTED this 15th day of April, 2021.

Edwina Carrington, Chairperson

ATTEST:

Secretary