

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Annual Meeting

**Thursday, March 24, 2022
12:00 PM**

**HACA Central Office, 1124 S. Interstate Highway 35
Austin, TX**

REVISED

**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
HACA Central Office, 1124 S. Interstate Highway 35
Austin, TX
(512.477.4488)**

Thursday, March 24, 2022

12:00 PM

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

Public Communication (Note: There will be a three-minute time limitation). Public Communication will be open at the beginning of each Item as well.

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Commissioner and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion, or action at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Texas Government Code, Texas Open Meetings Act.

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on February 17, 2022
2. Presentation, Discussion, and Possible Action regarding Resolution No. 00199: Approval to ratify all actions taken by the Board of Directors during FYE 2022, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Commissioners as reflected within the approved minutes and resolution

ACTION ITEMS

3. Presentation, discussion and possible action on Resolution No. 00200 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) cause AAHC’s subsidiary limited liability company, AAHC-CDT Center Ridge, LLC (the “Owner”), to obtain supplemental financing for the Center Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein
4. Presentation, discussion and possible action on Resolution No. 00201 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)

cause AAHC's subsidiary limited liability company, AAHC-CDT Tech Ridge, LLC (the "Owner"), to obtain supplemental financing for the Tech Ridge Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

5. Presentation, Discussion, and Possible Action regarding Resolution No. 00202: 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 refinancing of the Lucent Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC's subsidiary limited liability company, Lucent Apartments, LLC (the "Owner"), to enter into permanent financing for the Development; 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.

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 x2104.

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: March 24, 2022

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 17, 2022

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 17, 2022.

ATTACHMENTS:

- ▣ **20220217 AAHC Minutes Summary**

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

FEBRUARY 17, 2022

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 17, 2022, AND WAS HELD AT 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 17, 2022, was called to order by Edwina Carrington, AAHC Chairperson, at 12:14 p.m. The meeting was held at 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
Dr. Tyra Duncan-Hall, Director
Carl S. Richie, Jr., Director

MEMBER(S) ABSENT:

ALSO IN ATTENDANCE:

Wilson Stoker, Cokinios

STAFF PRESENT ON THE CALL:

Andrea Galloway, Barbara Chen, Gloria Morgan, Kelly Crawford, Leilani Lim-Villegas, Michael Cummings, Pilar Sanchez, 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.

CONSENT ITEMS

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 November 18, 2021

2nd Vice-Chairperson Apostolou moved to Approve the Board Minutes Summary for the Board Meeting held on November 18, 2021. Director Richie seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ACTION ITEMS

ITEM 2: Presentation, discussion and possible action on Resolution No. 00197 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 Haywood 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, Haywood Apartments, LLC (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 372 unit apartment complex called the Haywood . The complex is located at 600 E. FM 1626, Austin, Texas 78754, along the IH 35 Corridor in South Austin. AAHC has several assets within this area, including Bridge at Southpark Meadows; The Bridge at Asher and SOCO II. The complex is just .8 miles from Southpark Meadows and located just 1.5 miles from the new 130,000 square foot H.E.B. at South Congress and 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 have invested in more than 200 properties in 32 states. AAHC is working with Managing

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partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner. This would be AAHC's sixth acquisition with the Belveron team.

The Haywood is a new asset built in late 2021 and sits on 13.78 acres. Some of the property amenities include a sparkling resort style swimming pool with lounge seating, a lap lane and a poolside cabana, outdoor kitchenette with smoking and grilling stations, 24-hour athletic center, an elegant clubhouse with modern resident lounge and entertaining kitchenette and game room with shuffleboard and foosball with two conference rooms and We Work communal workspace that serves as an appealing alternative to work-from-home. All units come with full size washer and dryers. The Haywood also provides private pet yards and balconies. The property feeds into Menchaca Elementary School, Paredes Middle School and Akins High School. The property's location provides fantastic access to many tech job employers, retail shops, grocery stores and medical providers. Below is a breakdown of the many variations of unit sizes. The property is currently 86% occupied and rents currently range from \$1,513 for a 1 bedroom to \$2,472 for a 2 bedroom.

The purchase price for the Haywood is \$106,750,000. Belveron will be investing approximately \$25MM as a down payment. In addition, Belveron will place an additional \$1,200,000.00 for future capital needs. Berkadia will provide a short term bridge loan in an amount not to exceed \$82,000,000 at a rate of 3.15%. Once closed AAHC and Belveron will move to secure a permanent agency loan with Freddie/Fannie replacing the bridge loan. AAHC will come back to the board for approvals of the permanent loan when ready for closing. Belveron has also committed to place in escrow an additional reserve amount equal to 1 full year of mortgage payments to ease any future rental issues due to the Covid-19 virus. AAHC will not have any liability and will not be responsible for any guarantees required by the lender.

A current lease audit is underway to determine the initial number of units already qualified under 80% AMI and AAHC and Belveron has committed to not raising rents for the next 12 months and are committed to marketing and leasing to housing choice voucher holders. The property will be managed by Apartment Management Professionals. Belveron has agreed to use the name "Bridge at" for naming the property once closed.

2nd Vice-Chairperson Apostolou moved to Approve Resolution No. 00197 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 Haywood 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, Haywood Apartments, LLC (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. **Director Richie** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

Director Richie left the meeting at 1:50 p.m.

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00198 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 Cady Lofts

Austin Affordable Housing Corporation was presented with an opportunity to partner with SGI Ventures, LLC (Sally Gaskin), Saigebrook Development, LLC (Lisa Stephens) and O-SDA (Megan Lasch) on a tract of land located within the Austin city limits at 1004-1008 East 39th Street, Austin, Texas 78751. Joy Horak-Brown with New Hope Housing, Inc. will be a consultant and brings extensive experience in the development area of supportive housing. We will also add a partner to provide supportive services. The project (Cady Lofts) will consist of 100 supportive housing units serving tenants primarily at or below 30% area median income (AMI), as well as individuals with incomes between 30% and 60% of AMI. The nearest property in AAHC's current portfolio is The Henderson at Reinli (under construction) Northeast.

The development is applying for the competitive 9% low income housing tax credit program. It will finance the property with mainly equity from the tax credit award and minimal debt. The total project cost will be approximately \$18,500,000. The planned development will consist of 84 efficiency units and 16 one bedroom and one bath units. The project is located in a high opportunity area and will be near a high concentration of jobs and services at the University of Texas at Austin and St. David's Medical Center and will have walkable access to high frequency transit with close proximity to Mueller retail. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will begin the initial process to submit an application in the 2022 competitive 9% tax credit cycle. Staff will be presenting to the Board in the future months on the progress and specifically any and all agreements and approvals.

Director Duncan-Hall moved to Approve Resolution No. 00198 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 Cady Lofts. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

2nd Vice-Chairperson Apostolou moved to adjourn the meeting. **Director Duncan-Hall** seconded the motion. The motion

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Passed (4-Ayes and 0-Nays).

The meeting adjourned at 2:21 p.m.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00199

ITEM NO. 2.

MEETING DATE: March 24, 2022

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00199: Approval to ratify all actions taken by the Board of Directors during FYE 2022, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Commissioners as reflected within the approved minutes and resolution

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00199: which ratifies all actions taken by the Board of Directors during the 2021-2022 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. 00199 was drafted to ensure all actions taken by the Board during FYE 2022 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 2021-2022 Fiscal Year by the Board of Directors are fully enforceable.

Staff Recommendation:

Staff recommends Board approval of Resolution No. 00201 to ratify all actions taken by the Board of Directors during the 2021-2022 Fiscal Year.

RESOLUTION NO. 00199

Approval to ratify all actions taken by the Board of Directors during FYE 2022, 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 the Austin Affordable Housing Corporation Board of Directors during the 2021-2022 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 HACA's 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 2021-22 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 2021-22 Fiscal Year is fully enforceable.

NOW, THEREFORE, BE IT RESOLVED, the Austin Affordable Housing Corporation Board of Directors hereby ratifies and affirms all actions and votes taken by the Board of Directors during 2021-2022 Fiscal Year.

PASSED, APPROVED AND ADOPTED this 24th day of March 2022.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00200

ITEM NO. 3.

MEETING DATE: March 24, 2022

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

ITEM TITLE: Presentation, discussion and possible action on Resolution No. 00200 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) cause AAHC’s subsidiary limited liability company, AAHC-CDT Center Ridge, LLC (the “Owner”), to obtain supplemental financing for the Center Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner 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. 00200: Resolution authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) cause AAHC’s subsidiary limited liability company, AAHC-CDT Center Ridge, LLC (the “Owner”), to obtain supplemental financing for the Center Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

SUMMARY

Background:

In April of 2015, the Board of Commissioners approved the purchase of the Bridge at Tech Ridge and the Bridge at Center Ridge with Community Development Trust (CDT). The two apartment complexes totaling 642 units are located at the Northeast corner of IH 35 and Parmer Lane. These properties are currently in a high opportunity and high growth area providing residents with access to a large base of employers in the area in what has become one of the fastest growing tech employment corridors in Austin. Since 2015, these properties have provided housing to the “missing middle” resident creating 50% of the units available to residents who are at 80% and below median family income and create additional affordability at rent and income levels significantly below the targeted market for new properties under development. AAHC, along with its partner, CDT, provided the additional equity to close the transaction. The current remaining debt on

both properties is approximately \$43,000,000.00.

Process:

AAHC and its partner CDT are asking the Board of Commissioners to approve a supplemental loan on Tech Ridge and Center Ridge in an amount not to exceed \$25,000,000. These funds will be used to replace the equity provided by CDT to close on the Bridge at Ribelin Ranch that AAHC and CDT purchases together in November of 2021. AAHC will have a 20% interest in the Ribelin Development with this investment and this will increase our cash flows by participating in the equity. It will also free up the existing equity used to close Ribelin Ranch for the purchase of another asset in the future.

The supplemental loan will be provided by Freddie Mac for a term for 3.5 years at a rate of approximately 4.5% using a 30 year amortization. The loan term will be on the same timeline with the existing first mortgage.

AAHC is requesting the Board of Commissioners approve this resolution to obtain supplemental financing on the Bridge at Tech Ridge and the Bridge at Center Ridge.

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) cause AAHC's subsidiary limited liability company, AAHC-CDT Center Ridge, LLC (the "Owner"), to obtain supplemental financing for the Center Ridge Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

RESOLUTION NO. 00200

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) cause AAHC’s subsidiary limited liability company, AAHC-CDT Center Ridge, LLC (the “Owner”), to obtain supplemental financing for the Bridge at Center Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) 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 the manager of AAHC-CDT Parmer, LLC, a Delaware limited liability company (“**Managing Member**”), which Managing Member in turn serves as the managing member of the Owner;

WHEREAS, the Owner owns and operates the Development;

WHEREAS, the Owner desires to enter into a supplemental loan with Bellwether Enterprise Real Estate Capital LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$15,000,000 (“**Loan**”), in order to finance the continued operation of the Development;

WHEREAS, the Loan will each 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 Owner 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 (“**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, 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 and/or Managing Member and/or Owner 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 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 Managing Member 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 Managing Member and 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 Managing Member 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 Managing Member 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 24th day of March, 2022.

Edwina Carrington, Chairperson

ATTEST:

Michael Gerber, Secretary

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00201

ITEM NO. 4.

MEETING DATE: March 24, 2022

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

ITEM TITLE: Presentation, discussion and possible action on Resolution No. 00201 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) cause AAHC’s subsidiary limited liability company, AAHC-CDT Tech Ridge, LLC (the “Owner”), to obtain supplemental financing for the Tech Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner 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. 00201: Resolution authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) cause AAHC’s subsidiary limited liability company, AAHC-CDT Tech Ridge, LLC (the “Owner”), to obtain supplemental financing for the Tech Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

In April of 2015, the Board of Commissioners approved the purchase of the Bridge at Tech Ridge and the Bridge at Center Ridge with Community Development Trust (CDT). The two apartment complexes totaling 642 units are located at the Northeast corner of IH 35 and Parmer Lane. These properties are currently in a high opportunity and high growth area providing residents with access to a large base of employers in the area in what has become one of the fastest growing tech employment corridors in Austin. Since 2015, these properties have provided housing to the “missing middle” resident creating 50% of the units available to residents who are at 80% and below median family income and create additional affordability at rent and income levels significantly below the targeted market for new properties under development. AAHC, along with its partner, CDT, provided the additional equity to close the transaction. The current remaining debt on

both properties is approximately \$43,000,000.00.

Process:

AAHC and its partner CDT are asking the Board of Commissioners to approve a supplemental loan on Tech Ridge and Center Ridge in an amount not to exceed \$25,000,000. These funds will be used to replace the equity provided by CDT to close on the Bridge at Ribelin Ranch that AAHC and CDT purchases together in November of 2021. AAHC will have a 20% interest in the Ribelin Development with this investment and this will increase our cash flows by participating in the equity. It will also free up the existing equity used to close Ribelin Ranch for the purchase of another asset in the future.

The supplemental loan will be provided by Freddie Mac for a term for 3.5 years at a rate of approximately 4.5% using a 30 year amortization. The loan term will be on the same timeline with the existing first mortgage.

AAHC is requesting the Board of Commissioners approve this resolution to obtain supplemental financing on the Bridge at Tech Ridge and the Bridge at Center Ridge.

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) cause AAHC's subsidiary limited liability company, AAHC-CDT Tech Ridge, LLC (the "Owner"), to obtain supplemental financing for the Tech Ridge Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) cause AAHC and/or the Owner execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

RESOLUTION NO. 00201

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) cause AAHC’s subsidiary limited liability company, AAHC-CDT Tech Ridge, LLC (the “Owner”), to obtain supplemental financing for the Bridge at Tech Ridge Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; and (ii) 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 the manager of AAHC-CDT Parmer, LLC, a Delaware limited liability company (“**Managing Member**”), which Managing Member in turn serves as the managing member of the Owner;

WHEREAS, the Owner owns and operates the Development;

WHEREAS, the Owner desires to enter into a supplemental loan with Bellwether Enterprise Real Estate Capital LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$10,000,000 (“**Loan**”), in order to finance the continued operation of the Development;

WHEREAS, the Loan will each 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 Owner 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 (“**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, 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 and/or Managing Member and/or Owner 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 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 Managing Member 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 Managing Member and 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 Managing Member 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 Managing Member 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 24th day of March, 2022.

Chairperson

ATTEST:

Secretary

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00202

ITEM NO. 5.

MEETING DATE: March 24, 2022

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00202: 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 refinancing of the Lucent Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company, Lucent Apartments, LLC (the “Owner”), to enter into permanent financing for the Development; 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.

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00202: Resolution 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 Lucent Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company, Lucent Apartments, LLC (the “Owner”), to enter into permanent financing for the Development; 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.

SUMMARY

Background:

In December of 2021, the Board of Commissioners approved Austin Affordable Housing Corporation (AAHC) in partnership with Belveron Corporation, to purchase a 368 unit apartment complex called the Lucent Apartments. The complex is located at 12201 Dessau Road, Austin, Texas 78754, in the heart of the Parmer Tech Corridor in Northeast Austin. AAHC has several assets within this area, including Tech Ridge and Center Ridge and Harris Branch Senior Apartments.

AAHC’s partner, Belveron Corporation, prides itself on long term preservation of workforce housing. Located out of San Francisco, Belveron, is a privately held investment firm with a current portfolio of more

than 25,000 units across the United States. Founded in 2006, Belveron have invested in more than 200 properties in 32 states. AAHC is working with Managing partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner. This would be AAHC's sixth acquisition with the Belveron team.

The Lucent is a new asset built in 2021 and sits on 19.58 acres. Some of the property amenities include a sparkling resort style swimming pool with lounge seating, a lap lane and a poolside cabana, outdoor kitchenette with smoking and grilling stations, 24-hour athletic center, an elegant clubhouse with modern resident lounge and entertaining kitchenette and game room with shuffleboard and foosball with two conference rooms and We Work communal workspace that serves as an appealing alternative to work-from-home. All units come with full size washer and dryers. The Lucent also provides private pet yards and balconies. The property feeds into Copperfield Elementary School, Decker Middle School and Manor High School. The property's location provides fantastic access to many tech job employers, retail shops, grocery stores and medical providers. Below is a breakdown of the many variations of unit sizes. The property is currently 92% occupied and rents currently range from \$1,359 for a 1 bedroom to \$2,060 for a 3 bedroom.

208 1-bedroom/1-bath	657 square feet to 959 square feet
148 2-bedroom/2-bath	977 square feet to 1273 square feet
12 3-bedroom/2 bath	1,398 square feet.

Process:

The purchase price for the Lucent was \$105,350,000. In order to facilitate the closing while the property received its Temporary Certificates of Occupancy, Berkadia provided a short term bridge loan in an amount not to exceed \$85,000,000 at a rate of 3.15%. The partnership has now received its final Certificates of Occupancy and is ready to close on the long term permanent financing piece. AAHC and Belveron will close on a permanent loan from Fannie/Freddie not to exceed \$86,000,000 with an interest rate of approximately 3.4%. AAHC is asking the board for approvals of the permanent loan when ready for closing. The Expected closing date for this loan will be march 31st. Belveron has also committed to place in escrow an additional reserve amount equal to 1 full year of mortgage payments to ease any future rental issues due to the Covid-19 virus and an additional \$1,200,000 for future capital needs. AAHC will not have any liability and will not be responsible for any guarantees required by the lender holders. The property is managed by Apartment Management Professionals and is currently 100% occupied.

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 Lucent Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC's subsidiary limited liability company, Lucent Apartments, LLC (the "Owner"), to enter into permanent financing for the Development; 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.

ATTACHMENTS:

- **Area Family Median Incomes**

RESOLUTION NO. 00202

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 refinancing of the Lucent Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company, Lucent Apartments, LLC (the “Owner”), to enter into permanent financing for the Development; 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 serves as the sole member of AAHC Lucent Apartments MM, LLC, a Texas limited liability company (the “**Managing Member**”), and in turn the Managing Member serves as managing member of the Owner;

WHEREAS, in connection with the acquisition and operation of the Development, the Owner owns the improvements comprising the Development and leases the land comprising the site of the Development (the “**Land**”) from the Housing Authority of the City of Austin (“**HACA**”), pursuant to a ground lease (“**Ground Lease**”) with HACA for the Land;

WHEREAS, the Owner desires to enter into a permanent loan with Berkadia Commercial Mortgage LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$86,000,000 (the “**Loan**”), in order to refinance the current indebtedness secured by the Development;

WHEREAS, the Loan will each be made pursuant to loan agreement and evidenced by a promissory note to be secured, *inter alia*, by a lien against the Development and the Owner’s interest therein pursuant to 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 Owner 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 to be 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, and (ii) any and all such additional documents and agreements executed to consummate the transactions contemplated herein (collectively, the “**Transaction**”

Documents") shall be in form and substance reviewed and 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 Transaction Document to be conclusively evidenced by his execution thereof on behalf of AAHC, in its own capacity, and in its capacity as the sole member of Managing Member and on behalf of Managing Member as managing member of Owner; and it is further,

RESOLVED, that AAHC, on its behalf and as the sole member of Managing Member and on behalf of Managing Member as the managing member of Owner, review, approve and execute 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, in its own capacity and on behalf of Managing Member and/or Owner to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC, in its own capacity and on behalf of Managing Member and/or the Owner, by any of the officers of AAHC (each an "**Executing Officer**") 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 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, in its own capacity and on behalf of Managing Member and/or Owner, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the refinancing of the existing loan secured by 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 AAHC, in its own capacity and on behalf of the Managing Member and 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, in its own capacity and on behalf of Managing Member and/or Owner, effective as of the date such action was taken; and it is further

RESOLVED, that action by any Executing Officer, and any person or persons designated and authorized so to act by any such Executing Officer, to do and perform, or cause to be done and performed, in the name and on behalf of AAHC, in its own capacity and on behalf of Managing Member 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 and Managing Member 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 and Managing Member are authorized to act in pursuance of these resolutions.

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 24th day of March, 2022.

CHAIRPERSON

ATTEST:

SECRETARY



Austin Affordable Housing Corporation

INCOME LIMITS

2021 Area Median Income:

\$98,900

AMFI %	Number of Household Members							
	1	2	3	4	5	6	7	8
20	\$ 13,860	\$ 15,840	\$ 17,820	\$ 19,780	\$ 21,380	\$ 22,960	\$ 24,540	\$ 26,120
30	\$ 20,790	\$ 23,760	\$ 26,730	\$ 29,670	\$ 32,070	\$ 34,440	\$ 36,810	\$ 39,180
40	\$ 27,720	\$ 31,680	\$ 35,640	\$ 39,560	\$ 42,760	\$ 45,920	\$ 49,080	\$ 52,240
50	\$ 34,650	\$ 39,600	\$ 44,550	\$ 49,450	\$ 53,450	\$ 57,400	\$ 61,350	\$ 65,300
60	\$ 41,580	\$ 47,520	\$ 53,460	\$ 59,340	\$ 64,140	\$ 68,880	\$ 73,620	\$ 78,360
70	\$ 48,510	\$ 55,440	\$ 62,370	\$ 69,230	\$ 74,830	\$ 80,360	\$ 85,890	\$ 91,420
80	\$ 55,440	\$ 63,360	\$ 71,280	\$ 79,120	\$ 85,520	\$ 91,840	\$ 98,160	\$ 104,480
120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -