

# **AUSTIN AFFORDABLE HOUSING CORPORATION**



## **BOARD OF DIRECTORS Regular Meeting**

**Thursday, May 19, 2022  
12:00 PM**

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

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

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

**Thursday, May 19, 2022**

**12:00 PM**

**CALL TO ORDER, ROLL CALL**

**CERTIFICATION OF QUORUM**

**Public Communication (Note: There will be a three-minute time limitation)**

**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 April 21, 2022

**ACTION ITEMS**

2. Presentation, Discussion and Possible Action Regarding Resolution No: 00204: A resolution authorizing the Austin Affordable Housing Corporation to contribute up to \$500,000 towards the construction of the CommUnityCare Clinic at Pathways at Chalmers Courts
3. Presentation, Discussion and Possible Action on Resolution No. 00205 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 permanent financing of Pathways at Goodrich Place (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas on real property that is ground-leased from the Housing Authority of the City of Austin; (ii) cause Pathways at Goodrich Place, LP (the "Owner") to continue owning the Development; (iii) cause the Owner to enter into permanent 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
4. Presentation, Discussion and Possible Action on Resolution No. 00206 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 Davenport Place (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, Davenport Place 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.

5. Presentation, Discussion and Possible Action on Resolution No. 00207 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 620 Canyon Creek (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, 620 Canyon Creek 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.
6. Presentation, Discussion and Possible Action on Resolution No. 00208 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 Griffis Southpark (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, Griffis Property Owner 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.
7. Presentation, Discussion and Possible Action on Resolution No. 00209 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 Haywood 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, Haywood 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 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.

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\*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.**

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**MEETING DATE:** May 19, 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 April 21, 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 April 21, 2022.

### **ATTACHMENTS:**

- ▣ **20220421 AAHC Minutes Summary**

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

**APRIL 21, 2022**

**SUMMARY OF MINUTES**

**THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS REGULAR PUBLIC MEETING NOTICE WAS POSTED FOR 1:00 P.M. ON THURSDAY, APRIL 21, 2022, AND WAS HELD AT THE PATHWAYS AT CHALMERS COURTS EAST, 1700 E. 3<sup>RD</sup> STREET, AUSTIN, TX**

**CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM**

The Board of Directors Regular Board Meeting of the Austin Affordable Housing Corporation, of April 21, 2022, was called to order by Edwina Carrington, AAHC Chairperson, at 2:52 p.m. The meeting was held at the Pathways at Chalmers Courts East, 1700 E. 3<sup>rd</sup> Street, Austin, TX

Roll call certified a quorum was present.

**MEMBERS PRESENT:**

Edwina Carrington, Chairperson  
Mary Apostolou, 2<sup>nd</sup> Vice-Chairperson  
Dr. Tyra Duncan-Hall, Director  
Carl S. Richie, Jr., Director

**MEMBER(S) ABSENT:**

Charles Bailey, Vice-Chairperson

**ALSO IN ATTENDANCE:**

Wilson Stoker, Cokinios  
Bill Walter, Coats Rose

**STAFF PRESENT ON THE CALL:**

Andrea Galloway, Ann Gass, Barbara Jackson, Borami Lee, Catherine Crago, Daniel Ruiz, Ken Bodden, Leilani Lim-Villegas, Lisa Garcia, Michael Cummings, Michael Gerber, Murphy Roland, Nidia Hiroms, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

**PUBLIC COMMUNICATION**

Public 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 March 24, 2022

**Director Richie** moved to Approve the Board Minutes Summary for the Board Meeting held on March 24, 2022. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:**

**ACTION ITEMS**

**ITEM 2:** Presentation, discussion and possible action on Resolution No. 00203 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 Aspect (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, Aspect Property Owner 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 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 L & M Development partners, to purchase a 308 unit multi-family rental property called The Aspect Apartments. The development is located at 4900 East Oltorf, Austin, Texas 78741, in the rapidly gentrifying Riverside and Oltorf corridor. This would be the second asset partnering with L & M Development Partners. AAHC has several assets in the area including Lexington Hills and Montecito Apartments.

Founded in 1984, L & M is a full service real estate development firm which develops, invests, constructs, and manages properties in many parts of the country. Currently ranked #17 on the Affordable Housing Finance's Top 50 Developers list nationwide, L & M is responsible for approximately \$10 billion in development and investment, and has acquired, built, or preserved ne AAHC is working with Eben Ellertson, Head of Fund Management and Amanda Ryzowy.

The Aspect Apartments were built in 2001 and sits on 15.96 acres. Some of the property amenities include a resort style swimming pool with lounge seating and an outdoor kitchen, an enclosed pet park and pet washing station, large fitness area, controlled access gating and carports. The property feeds into Linder Elementary School, Martin Middle School and Travis High School. The property's location provides fantastic access to downtown, retail shops, grocery stores and public transportation. Below is a breakdown of the many variations of unit sizes. The property is currently 99% occupied and rents currently range from \$1,308 for a 1 bedroom to \$2,206 for a 3 bedroom. Units will provide opportunities for families to find an affordable place to live.

The purchase price for the Aspect Apartments is \$87,000,000. L & M will be investing approximately \$25,000,000 as a down payment. In addition, \$2,100,000.00 for future capital needs. Bellwether Enterprise Mortgage Company will provide a Freddie Mac affordable loan with a not to exceed \$65,000,000 at a rate of approximately 3.92%. A current lease audit is underway to determine the initial number of units already qualified at or below 80% AMI. AAHC and L & M are committed to providing 10% of the affordable units at 60% AMI and leasing units to qualified voucher holders. The property will be managed by Apartment Manager name "Bridge at" for naming the property once closed.

**Director Duncan-Hall** moved to Approve Resolution No. 00203 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 Aspect (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, Aspect Property Owner 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 necessary or desirable to allow the consummation of the transactions described herein. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**Director Richie** moved to adjourn the meeting. **Director Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 3:04 p.m.

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**Michael G. Gerber, Secretary**

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**Edwina Carrington, Chairperson**

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00204

#### ITEM NO. 2.

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**MEETING DATE:** May 19, 2022

**STAFF CONTACT:** Ann Gass, Director of Strategic Housing Initiatives

**ITEM TITLE:** Presentation, Discussion and Possible Action Regarding Resolution No: 00204: A resolution authorizing the Austin Affordable Housing Corporation to contribute up to \$500,000 towards the construction of the CommUnityCare Clinic at Pathways at Chalmers Courts

**BUDGETED ITEM:** No

**TOTAL COST:** \$500,000

#### ACTION

Approval of the resolution authorizing the Austin Affordable Housing Corporation to contribute up to \$500,000 towards the construction of the CommUnityCare Clinic at Pathways at Chalmers Courts.

#### SUMMARY

##### ***Background:***

Pathways at Chalmers Courts East is the second phase of the three-phase redevelopment of the Chalmers Courts. As part of the planning of the redevelopment, HACA reached out to residents and stakeholders for input on the project. Among that feedback were suggestions to preserve a piece of the original Chalmers and add medical and dental services on site. Those two suggestions have been implemented through a partnership with Central Health and CommUnity Care.

##### ***Process:***

HACA has entered into a master lease with CommUnity Care to rehabilitate two preserved buildings along Chicon Street. The buildings will be modified to provide medical and dental services to low-income families. Renderings and floor plans are attached. 10% of the appointments will be reserved for families living at HACA properties.

Rising construction costs have increased the budget significantly since planning began. HACA, CommUnity Care, and Central Health had each initially committed \$300,000 for the clinics. To keep the project viable, HACA has offered to contribute up to \$500,000 towards the cost of the construction. HACA's funding matches up to \$500,000 being provided by Central Health, and another up to \$500,000 being provided by CommUnity Care. CommUnity Care will operate the clinics for a minimum of 10 years, and sees the clinics as a vital part of their work to serve both HACA families and other historically underserved communities in East Austin. This is an exciting partnership for HACA and fulfils the Board's direction to expand delivery of



health care services at HACA's properties.

***Staff Recommendation:***

Staff recommends approval of the resolution.

**ATTACHMENTS:**

- ▣ **Clinic Rendering**
- ▣ **Floor Plan**

**RESOLUTION NO. 00204**

**Presentation, Discussion and Possible Action Regarding Resolution No: 00204: A resolution authorizing the Austin Affordable Housing Corporation to contribute up to \$500,000 towards the construction of the CommUnityCare Clinic at Pathways at Chalmers Courts**

**WHEREAS**, the Housing Authority of the City of Austin intends to offer medical and dental services to HACA residents and other low-income families at the preserved buildings at Chalmers Courts; and

**WHEREAS**, HACA entered into a Master Lease agreement with CommUnityCare to construct a clinic at this location and provide medical and dental services, with at least 10% of the appointments reserved for residents of HACA properties; and

**WHEREAS**, construction costs have increased significantly since planning commenced, which has caused additional funding to be needed for the project.

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that the Austin Affordable Housing Corporation Board of Commissioners authorizes Austin Affordable Housing Corporation to contribute up to \$500,000 towards the construction of the CommUnityCare Clinic at Pathways at Chalmers Courts.

**PASSED, APPROVED AND ADOPTED** this 19th day of May, 2022.

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**Michael G. Gerber, Secretary**

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**Edwina Carrington, Chairperson**



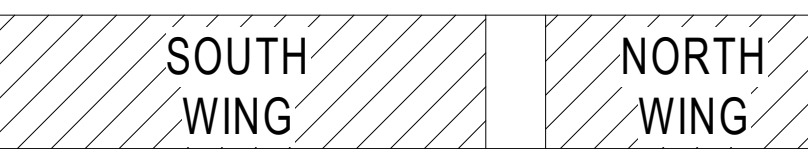
Design subject to change  
5/19/2022



**CHALMERS  
COURTS  
HEALTH  
CENTER**

CLIENT PROJECT NO. - 19150004

FOR REVIEW



MARK	DATE	DESCRIPTION
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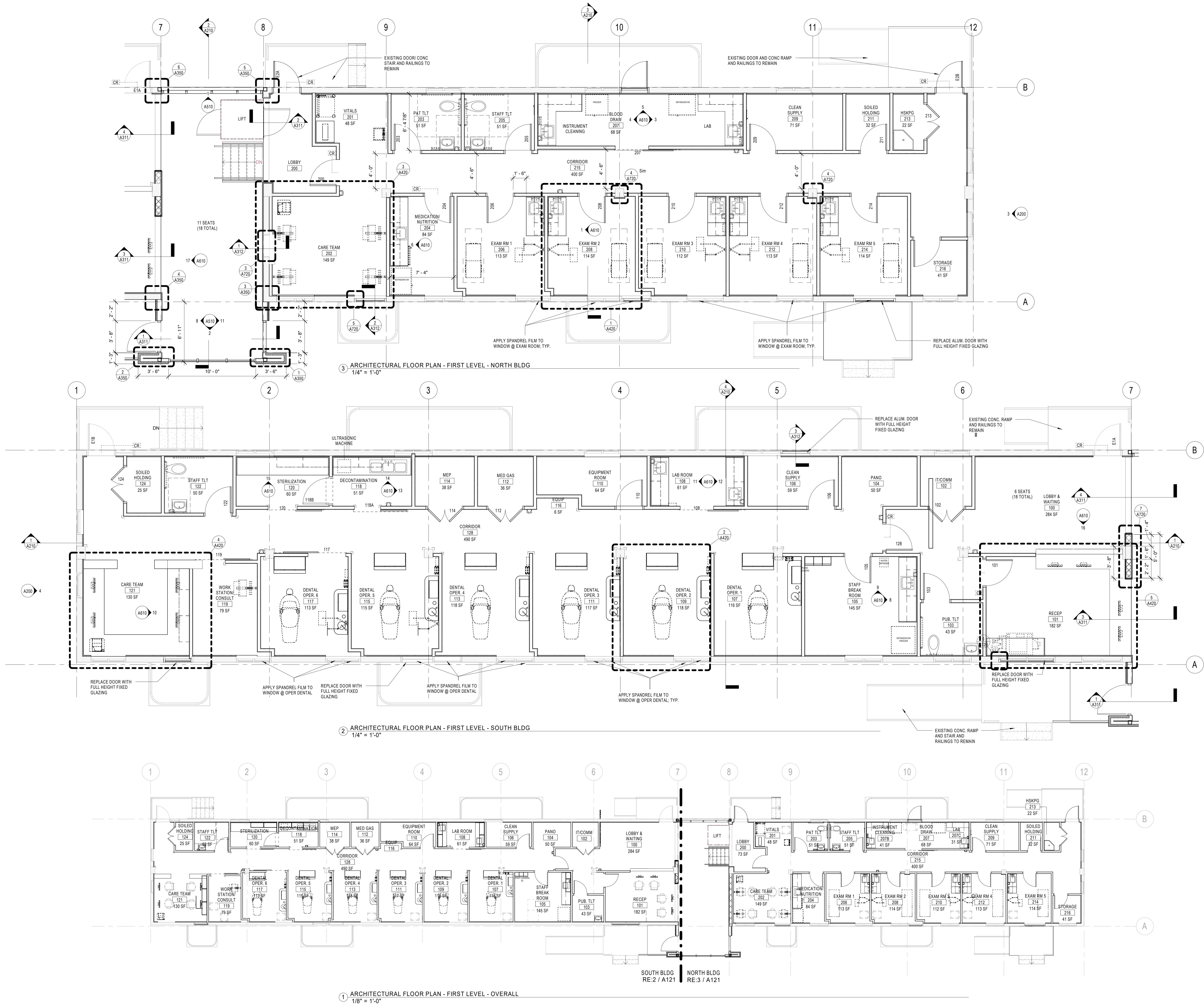
PRELIMINARY DRAWING  
NOT FOR CONSTRUCTION

ARCHITECTURAL PLAN -  
FIRST LEVEL

DATE	APR 28, 2021
BSALS PROJECT NO.	19150004

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# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00205

#### ITEM NO. 3.

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**MEETING DATE:** May 19, 2022

**STAFF CONTACT:** Ann Gass, Director of Strategic Housing Initiatives

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00205 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 permanent financing of Pathways at Goodrich Place (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas on real property that is ground-leased from the Housing Authority of the City of Austin; (ii) cause Pathways at Goodrich Place, LP (the “Owner”) to continue owning the Development; (iii) cause the Owner to enter into permanent 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

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### **ACTION**

Presentation, Discussion and Possible Action on Resolution No. 00205 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 permanent financing of Pathways at Goodrich Place (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas on real property that is ground-leased from the Housing Authority of the City of Austin; (ii) cause Pathways at Goodrich Place, LP (the “Owner”) to continue owning the Development; (iii) cause the Owner to enter into permanent 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.

#### **SUMMARY**

***Background:***

In September of 2018, the Housing Authority of the City of Austin completed a RAD conversion for 40 public housing units at Goodrich Place. Using 9% tax credits and conventional debt, HACA redeveloped Goodrich into 120 mixed income units, now called Pathways at Goodrich Place.

***Process:***

The property reached stabilization in 2021 and received the 8609s in 2022, after several delays due to the pandemic. The proposed refinancing with an 223f FHA loan is expected to save approximately \$50,000 per year in debt service.

***Staff Recommendation:***

Staff recommends approval of the resolution.

**RESOLUTION NO. 00205**

**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 permanent financing of Pathways at Goodrich Place (the “Development”), which consists of affordable multifamily housing units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin;**
- 2. Cause Pathways at Goodrich Place, LP (the “Owner”) to continue owning the Development;**
- 3. Cause the Owner to enter into permanent financing for the Development; and**
- 4 . 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 sole member of the Pathways at Goodrich Place GP, LLC, a Texas limited liability company (the “**General Partner**”);

**WHEREAS**, the General Partner is the sole general partner of the Owner;

**WHEREAS**, the Owner was formed for the purpose of owning, developing, managing, and otherwise dealing with the Development constructed on a parcel of land located in Austin, Travis County, Texas (the “**Land**”);

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

**WHEREAS**, the Owner desires to enter into an amendment to the Ground Lease (the “**Ground Lease Amendment**”);

**WHEREAS**, the Owner is governed by an 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 Owner (the “**LPA Amendment**”);

**WHEREAS**, Pathways at Goodrich Place Development, LLC, a Texas limited liability

company ("**Developer**", serves as the developer of the Development pursuant to an amended and restated development fee agreement between Developer and Owner (the "**Development Agreement**";

**WHEREAS**, the Owner and AAHC desire to amend the Development Agreement to remove and replace Developer with AAHC as well as modify other terms of the Development Agreement, as necessary, pursuant to an amendment thereto (the "**Development Agreement Amendment**";

**WHEREAS**, AAHC desires to contribute a sum in an amount not to exceed \$580,000 to the General Partner so that the General Partner may make a capital contribution to the Owner in the same amount to be used to pay off the remaining developer fee owned to the Developer (the "**GP Contribution**";

**WHEREAS**, the Owner desires to obtain a permanent loan from Wells Fargo Bank, National Association (the "**HUD Lender**" in an amount not to exceed \$11,500,000 (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. 115-11390, and in connection therewith enter into, execute, and deliver a Note, a first lien Deed of Trust on the Development, 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 Ground Lease Amendment, and the Development Agreement 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, including the making of the GP Contribution (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, Owner 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 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 General Partner and/or the 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 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 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 General Partner 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.

**PASSED, APPROVED AND ADOPTED** this 19TH day of May, 2022.

*[End of Resolution.]*

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**Michael G. Gerber, Secretary**

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**Edwina Carrington, Chairperson**

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00206

#### ITEM NO. 4.

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**MEETING DATE:** May 19, 2022

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

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00206 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 Davenport Place (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, Davenport Place 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.

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### ACTION

The Board is being asked to approve Resolution No. 00206 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Davenport Place (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, Davenport Place 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.

#### SUMMARY

***Background:***

Austin Affordable Housing Corporation (AAHC) has been presented an opportunity to partner with Belveron Partners to purchase a 236 unit multi-family rental property called Davenport Place Apartments. The development is located at 13301 Dessau Rd, Austin, Texas 78754 in the heart of Parmer Tech Corridor in Northeast Austin. This would be the ninth asset partnering with Belveron Corporation. AAHC has several assets in the area including Tech and Center Ridge, Bridge at Lucent and Harris Branch Seniors Apartments.

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 works with the Managing Partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner.

The Davenport Place Apartments were built in 2022 and sits on 13.23 acres. Some of the property amenities include a last river swimming pool with lounge seating, clubhouse with resident lounge, a small enclosed pet park, fitness area and controlled access gating and carports. Belveron is setting aside an additional \$450,000 for upgrades to the pool, gym and dog park. The property feeds into Copperfield Elementary School, Decker Middle School and Manor High School. The property’s location provides fantastic access to major tech employers, retail shops, grocery stores and the SH-45 and Parmer area. Below is a breakdown of the many variations of unit sizes. The property is currently 975 occupied and rents currently range from \$1,410 for a 1 bedroom to \$1,888 for a 3 bedroom.

112 1 -bedroom/1-bath	722 average square feet
120 2-bedroom/2-bath	1052 average square feet
4 3-bedroom/2- bath	1520 average square feet

***Process:***

The purchase price for the Davenport Place Apartments is \$62,250,000. Belveron will be investing approximately \$16,000,000 as a down payment. In addition, \$2,500,000.00 for future capital needs. Berkadia will be providing a bridge loan with a not to exceed loan amount of \$52,200,000 at a rate of approximately 4.60%. AAHC will come back to the board when permanent financing is secured. A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. The property is currently in lease up and is 75% occupied and averaging over 10 leases a week. AAHC and Belveron are committed to providing 10% of the affordable units at 60% AMI and leasing units to all voucher holders. The property will be managed by Apartment Management Professionals. Belveron has agreed to use the name Bridge at Davenport Place for naming the property once closed.

***Staff Recommendation:***

Board approval will allow AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Davenport Place (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, Davenport Place 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.

**RESOLUTION NO. 00206**

**A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Bridge at Davenport Place (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, Davenport Place Apartments, LLC (the “Owner”), to own the Development; (iii) cause the Owner to enter into acquisition and renovation 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.**

**WHEREAS**, AAHC is contemplating the acquisition of the Development;

**WHEREAS**, as part of the proposed ownership structure for the Development, AAHC desires to form AAHC Davenport Place Apartments MM, LLC, a Texas limited liability company, to serve as managing member of the Owner (the “**Managing Member**”), and AAHC shall serve as the sole member of the Managing Member;

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

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

**WHEREAS**, the Owner desires to enter into a loan with Berkadia Commercial Mortgage LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$52,200,000 (the “**Loan**”), in order to finance the acquisition and renovation of the Development;

**WHEREAS**, the Loan will 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 Ground Lease and Loan Documents, (ii) the Operating Agreement, and (iii) 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 acquisition and renovation 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 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.

**PASSED, APPROVED and ADOPTED** this 19th day of May, 2022.

*[End of Resolution]*

ATTEST:

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EDWINA CARRINGTON, CHAIRPERSON

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SECRETARY

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00207

#### ITEM NO. 5.

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**MEETING DATE:** May 19, 2022

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

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00207 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 620 Canyon Creek (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, 620 Canyon Creek 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.

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### **ACTION**

The Board is being asked to approve Resolution No. 00207 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of 620 Canyon Creek (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, 620 Canyon Creek 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.

#### **SUMMARY**

##### ***Background:***

Austin Affordable Housing Corporation (AAHC) has been presented an opportunity to partner with Belveron Partners to purchase a 332 unit multi-family rental property called 620 Canyon Creek Apartments. The development is located at 9009 N FM 620, Austin, Texas 78726 in the very high opportunity area of Northwest Austin. This would be the tenth asset partnering with Belveron Corporation. AAHC has only one other asset in the area, Bridge at Volente.



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 works with the Managing Partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner.

The Canyon Creek Apartments were built in 2002 and sits on 19.65 acres. Some of the property amenities include a resort style swimming pool with lounge seating and fire pit, clubhouse with resident lounge and grand piano, grill stations with outdoor dining deck, an enclosed pet park and pet washing station, large fitness area with children’s play area, a hammock garden and controlled access gating and carports. The property feeds into Canyon Creek Elementary School, Noel Grisham Middle School and Cedar Park High School. The property’s location provides fantastic access to major employers like Apple, retail shops, grocery stores and the SH-45 and Parmer area. Below is a breakdown of the many variations of unit sizes. The property is currently 97% occupied and rents currently range from \$1,308 for a 1 bedroom to \$2,206 for a 3 bedroom. The large number of 3 and 4 bedroom units will provide opportunities for larger families to find an affordable place to live.

116 1 -bedroom/1-bath	850 average square feet
108 2-bedroom/2-bath	1260 average square feet
64 3-bedroom/2- bath	1520 average square feet
44 4-bedroom/3.5-bath	1730 average square feet

***Process:***

The purchase price for the 620 Canyon Creek Apartments is \$111,500,000. Belveron will be investing approximately \$25,000,000 as a down payment. In addition, \$2,500,000.00 for future capital needs. Berkadia will be providing a bridge loan with a not to exceed loan amount of \$89,200,000 at a rate of approximately 3.92%. AAHC will come back to the board when permanent financing is secured.

A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. AAHC and Belveron are committed to providing 10% of the affordable units at 60% AMI and leasing units to all qualified voucher holders. The property will be managed by Apartment Management Professionals. Belveron has agreed to use the name Bridge at Canyon Creek for naming the property once closed.

***Staff Recommendation:***

Board approval will allow AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of 620 Canyon Creek (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, 620 Canyon Creek 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.

**RESOLUTION NO. 00207**

**A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Bridge at 620 Canyon Creek (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, 620 Canyon Creek Apartments, LLC (the “Owner”), to own the Development; (iii) cause the Owner to enter into acquisition and renovation 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.**

**WHEREAS**, AAHC is contemplating the acquisition of the Development;

**WHEREAS**, as part of the proposed ownership structure for the Development, AAHC desires to form AAHC 620 Canyon Creek Apartments MM, LLC, a Texas limited liability company, to serve as managing member of the Owner (the “**Managing Member**”), and AAHC shall serve as the sole member of the Managing Member;

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

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

**WHEREAS**, the Owner desires to enter into a loan with Berkadia Commercial Mortgage LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$89,200,000 (the “**Loan**”), in order to finance the acquisition and renovation of the Development;

**WHEREAS**, the Loan will 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 Ground Lease and Loan Documents, (ii) the Operating Agreement, and (iii) 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 acquisition and renovation 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 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.

**PASSED, APPROVED and ADOPTED** this 19th day of May, 2022.

*[End of Resolution]*

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EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

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SECRETARY

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00208

#### ITEM NO. 6.

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**MEETING DATE:** May 19, 2022

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

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00208 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 Griffis Southpark (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, Griffis Property Owner 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.

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

#### ACTION

The Board is being asked to approve Resolution No. 00208 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Griffis Southpark (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, Griffis Property Owner 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.

#### SUMMARY

***Background:***

Austin Affordable Housing Corporation (AAHC) has been presented an opportunity to partner with L & M Development partners, to purchase a 330 unit multi-family rental property called Griffis Southpark Apartments. The development is located at 8515 IH-35, Austin, Texas 787414 in the rapidly growing area on the South IH 35 corridor. This would be the 3rd asset partnering with L & M Development Partners. AAHC has several assets in the area including The Bridge at Asher, The Bridge at Haywood and The Bridge at Southpark.

Founded in 1984, L & M is a full service real estate development firm which develops, invests, constructs, and manages properties in many parts of the country. Currently ranked #17 on the Affordable Housing Finance’s Top 50 Developers list nationwide, L & M is responsible for approximately \$10 billion in development and investment, and has acquired, built, or preserved nearly 35,000 units. AAHC is working with Eben Ellertson, Head of Fund Management and Amanda Ryzowy.

The Griffis Southpark Apartments were built in 2008 and sits on 15396 acres. Some of the property amenities include a clubhouse with resident lounge and business center, an enclosed pet park and pet washing station, 24-hour fitness with fitness-on-demand studio, shaded outdoor grill station and dining area, and a controlled access gating and carports. The property feeds into Langford Elementary School, Bedichek Middle School and Akins High School. The property’s location provides fantastic access to downtown, retail shops, grocery stores and major employers. Below is a breakdown of the many variations of unit sizes. The property is currently 95% occupied and rents currently range from \$1,320 for a studio to \$2,712 for a 3 bedroom.

36 studio apartments	550 square feet
136 1-bedroom/1-bath	720 square feet
133 2-bedroom/2-bath	977 square feet
25 3-bedroom/2- bath	1,300 square feet

***Process:***

The purchase price for the Griffis Southpark Apartments is \$88,500,000. L & M will be investing approximately \$26,000,000 as a down payment. In addition, \$2,100,000.00 for future capital needs. A bridge loan will be used for the initial closing of this transaction using Wells Fargo with a not to exceed amount of \$65,500,000 at a rate of approximately 4.92%. AAHC will come back to the board when we are ready to approve permanent financing at a later date. A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. AAHC and L & M are committed to providing 10% of the affordable units at 60% AMI and leasing units to all voucher holders. The property will be managed by Apartment Management Professionals. L & M has agreed to use the name Bridge at Monarch Bluffs for naming the property once closed.

***Staff Recommendation:***

Board approval will allow AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Griffis Southpark (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, Griffis Property Owner 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.

**RESOLUTION NO. 00208**

**A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of Bridge at Monarch Bluffs (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, Monarch Bluffs Property Owner LLC (the “Owner”), to own the Development; (iii) cause the Owner to enter into acquisition and renovation 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.**

**WHEREAS**, AAHC is contemplating the acquisition of the Development;

**WHEREAS**, as part of the proposed ownership structure for the Development, AAHC desires to form AAHC Monarch Bluffs MM, LLC, a Texas limited liability company, to serve as managing member of the Owner (the “**Managing Member**”), and AAHC shall serve as the sole member of the Managing Member;

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

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

**WHEREAS**, the Owner desires to enter into a bridge loan with Wells Fargo Bank, National Association (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$65,500,000 (the “**Loan**”), in order to finance the acquisition and renovation of the Development;

**WHEREAS**, the Loan will 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 Ground Lease and Loan Documents, (ii) the Operating Agreement, and (iii) 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 acquisition and renovation 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 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 19th day of May, 2022.

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EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

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SECRETARY

# AUSTIN AFFORDABLE HOUSING CORPORATION

## BOARD ACTION REQUEST

### RESOLUTION NO. 00209

#### ITEM NO. 7.

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**MEETING DATE:** May 19, 2022

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

**ITEM TITLE:** Presentation, Discussion and Possible Action on Resolution No. 00209 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 Haywood 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, Haywood 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. 00209 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 Haywood 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, Haywood 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 February of 2022, the Board of Commissioners approved Austin Affordable Housing Corporation (AAHC) in partnership with Belveron Corporation, to purchase a 372 unit apartment complex called the Haywood Apartments. The complex is located at 600 E. FM 1626, Austin, Texas 78754, along the IH 35 Corridor in Austin, Texas. AAHC has several assets within this area, including The Bridge at Asher and SOCO II. The complex is just .8 miles from Southpark Meadows and located within 1.5 miles of the new H.E.B.

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 Bridge at Haywood is a new asset built in 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 98% occupied and rents at the time of purchase were \$1,513 for a 1 bedroom to \$2,472 for a 2 bedroom.

276 1-bedroom/1-bath	657 square feet to 959 square feet
148 2-bedroom/2-bath	977 square feet to 1273 square feet

***Process:***

The purchase price for the Bridge at Haywood was \$106,750,000. 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 approximately 4.15%. 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 \$86,500,000 with an interest rate of approximately 4.75%. AAHC is asking the board for approvals of the permanent loan when ready for closing. The Expected closing date for this loan will be late June. Belveron has also committed to fund 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 98% 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 Haywood 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, Haywood 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.

**RESOLUTION NO. 00209**

**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 Haywood 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, Haywood 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 Haywood 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**, 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 \$86,500,000 (the “**Loan**”), in order to refinance the current indebtedness secured by the Development;

**WHEREAS**, the Loan will 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 19th day of May, 2022.

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EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

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SECRETARY