

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Annual Meeting

**Thursday, April 20, 2023
12:00 PM**

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

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

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

Thursday, April 20, 2023

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 February 16, 2023
2. Presentation, Discussion, and Possible Action regarding Resolution No. 00224: Approval to ratify all actions taken by the Board of Directors during FYE 2023, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolution

ACTION ITEMS

3. Presentation, Discussion, and Possible Action regarding Resolution No. 00225: Election of new Officers for the Austin Affordable Housing Corporation
4. Presentation, Discussion and Possible Action on Resolution No. 00226 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 redevelopment of the Pathways at Rosewood Courts East, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; 2. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Rosewood Courts East GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Rosewood Courts East, LP (the “Partnership”) and other related documents, including any development and purchase option and right of first refusal agreements; 3. Cause the Partnership to enter into development financing for the Project; and 4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

5. Presentation, Discussion and Possible Action on Resolution No. 00227 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Estates at Norwood (the “Project”), which will consist of affordable housing units and associated amenities to be developed upon property ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, LDG Estates at Norwood GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of LDG Estates at Norwood, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein
6. Presentation, Discussion and Possible Action on Resolution No. 00228 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Bridge at Loyola Lofts (the “Project”), which will consist of affordable housing units, market rate units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridge at Loyola Lofts GP, LLC (the “General Partner”) to execute, deliver and perform all obligations of the General Partner under that certain amendment to the amended and restated limited partnership agreement of Bridge at Loyola Lofts, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute, deliver and perform each of their respective obligations under 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. 00229 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Bridge at Canyon View (the “Project”), which consists of affordable housing units and associated amenities developed upon property to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridges at Canyon View GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Bridges at Canyon View, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein
8. Presentation, Discussion and Possible Action on Resolution No. 00230 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 Vargas Apartments Phase I (“Phase I”) and the Vargas Apartments Phase II (“Phase II”, and together with Phase I, the “Developments”), each of Phase I and Phase II consisting of multifamily housing units and associated amenities to be built upon land in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Vargas MM, LLC (the “Managing Member”) to execute the company agreement of Riverside – Vargas QOZB Condo 1, LLC (the “Phase I Company”) and other related documents; (iii) cause the Managing Member to execute the company

agreement of Riverside – Vargas QOZB Condo 2, LLC (the “Phase II Company”) and other related documents; and (iv) cause AAHC, the Managing Member, the Phase I Company, and/or the Phase II Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

EXECUTIVE SESSION

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

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

OPEN SESSION

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

REPORTS

The Board accepts the following reports:

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

ADJOURNMENT

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: April 20, 2023

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 16, 2023

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 16, 2023.

ATTACHMENTS:

- ▣ **021623 AAHC Minutes Summary**

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

FEBRUARY 16, 2023

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS REGULAR PUBLIC MEETING NOTICE WAS POSTED FOR 5:00 PM ON THURSDAY, FEBRUARY 16, 2023, AND WAS HELD AT THE HACA CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TX AND VIRTUALLY

CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

The Board of Directors Regular Board Meeting of the Austin Affordable Housing Corporation, of February 16, 2023, was called to order by Chuck Bailey, HACA Vice-Chairperson, at 5:10 pm. The meeting was held at the HACA Central Office, 1124 S. IH 35, Austin, TX and virtually.

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 (arrived at 5:20 pm)

MEMBER(S) ABSENT:

ALSO IN ATTENDANCE:

Bill Walter, Coats Rose Law Firm

STAFF PRESENT:

Barbara Chen, Gloria Morgan, Jorge Sanchez, Keith Swenson, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Michael Gerber, Nidia Hiroms, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

PUBLIC COMMUNICATION – (3 minute time limit)

NONE

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 January 19, 2023

Director Duncan-Hall moved to Approve the Board Minutes Summary for the Board Meeting held on January 19, 2023. **2nd Vice-Chair Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ACTION ITEMS

ITEM 2: Presentation, Discussion and Possible Action on Resolution No. 00220 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 Henley Riverside 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 partnership (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 allow the consummation of the transactions described herein

Vice Chair-person Bailey moved to Approve Resolution No. 00220 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 Henley Riverside 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 partnership (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

February 16, 2023

Page 1 of 4

such further documentation as allow the consummation of the transactions described herein. **2nd Vice-Chair Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00221 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 wholly owned, subsidiary limited liability company, AAHC Parmer Gateway, LLC (the “Managing Member”), Parmer Gateway QOZB LLC, a Texas limited liability company (the “Sole Member”), and Parmer Gateway —Lot 1, LLC, a Texas limited liability company (the “Company”) to obtain a loan from International Bank of Commerce as financing for the construction and development of Parmer Gateway Lot 1; and (ii) cause AAHC and/or the Managing Member and/or the Sole Member and/or the Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

Austin Affordable Housing Corporation was presented with an opportunity to partner with River City Capital Partners (RCCP), LDG Multifamily and Battery Global Advisors (BGA) on three lots on East Parmer Lane and Yager Lane, located in the Austin ETJ. The first (Parmer Gateway – Lot 1) is a 11.47 acre tract of land located at 3901 E Parmer Lane, Austin, Texas 78754. This project will consist of 273 family apartment units. Fifty percent of the units will be affordable to tenants earning less than 80% median family income (MFI) and 50% will be rented to tenants earning at or greater than 80% MFI. The following schools in the Manor ISD will serve this property: Pioneer Crossing Elementary, Decker Middle School and Manor High School. The name will be some form of “Bridge at”.

This partnership with RCCP and LDG will be similar to our partnership on Urban East (located off Riverside Drive and Vargas) which was approved by the board in November 2020 and is under construction currently.

RCCP is an Austin-based developer of innovative residential and commercial urban in-fill projects. Peter Kehle, co-founder is responsible for all aspects of the company’s development, financing, construction and acquisition activities. He brings 30 years of experience in these areas. Cory Older, co-founder leads investment relations, property acquisition, sales, financial modeling, and accounting.

This property will provide HACA and AAHC affordable units in a rapidly growing and high opportunity area. This area has several large developments of new retail, office space and warehouses as well as market rate apartment communities and single-family houses and will become unaffordable very quickly.

This resolution will correct the incorrect loan amount the lender provided. The resolution was approved at the December 2022 Board meeting with an amount not to exceed \$50,000,000, but it should have been \$58,000,000.

This lot is located in an Opportunity Zone. Real estate investments within Opportunity Zones stand to provide investors with meaningful federal and state tax incentives, as a result of the Tax Cuts and Jobs Act of 2017. This parcel was attractive due to the appetite by equity firms to invest in Opportunity Zones.

The development will use debt financing originated by International Bank of Commerce (IBC) and equity from a combination of RCCP and Battery Global Advisors (BGA) out of Boston, MA. BGA uses a wide variety of private funds to invest in projects in Opportunity Zones. A large number of their investors are family investors. The total development cost is estimated to be \$85,600,000. The equity provided will be an estimated \$36,000,000, which is about 42% of the total cost. The construction loan through IBC will be in an amount not to exceed \$58,000,000. The planned development will consist of 178 one bedroom and one bath units, 86 two bedroom and two bath units, and 9 three bedroom and two bath units.

The project will include a fitness center, pool, co-work area, and sky-lounge. This project will be a Urban style with two 4-story buildings with elevators and surface parking. All units will be marketed to HACA’s Housing Voucher residents.

Vice Chair-person Bailey moved to Approve Resolution No. 00221 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) which will correct the incorrect loan amount the lender provided. The resolution was approved at the December 2022 Board meeting with an amount not to exceed \$50,000,000, but it should have been \$58,000,000. This Resolution is also authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Parmer Gateway, LLC (the “Managing Member”), Parmer Gateway QOZB LLC, a Texas limited liability company (the “Sole Member”), and Parmer Gateway —Lot 1, LLC, a Texas limited liability company (the “Company”) to obtain a loan from International Bank of Commerce as financing for the construction and development of Parmer Gateway Lot 1; and (ii) cause AAHC and/or the Managing Member and/or the Sole Member and/or the Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00222 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Rhett

Austin Affordable Housing Corporation was presented with an opportunity to partner with Saigebrook Development (“Saigebrook”) and O-SDA Industries (“O-SDA”) on a 5-acre tract of land located at 1000 East Yager Lane, Austin, Texas 78753. This property is located in the Tech Ridge area which is primarily single-family homes with a mix of retail, restaurants, high-density residential and office/tech manufacturing. Dell’s headquarters is north of the site located between Parmer Lane and Tech Ridge Blvd. The site is surrounded on three sides by single-family homes and a shopping center on the fourth side.

The project (“The Rhett”) will consist of 215 family apartment units serving tenants at or below 30%, 50%, 60%, 70% and 80% of median family income. These units will be dispersed across all unit types throughout the development (a breakdown of units and corresponding AMIs will be included when this property is presented to the board for final approval). The Rhett received a Bond reservation through TDHCA (as issuer) and Zydeco Development Corporation (“Zydeco”) as the developer. Zydeco does not have experience in Tax Credit/Bond financed development, so they are selling the property to Saigebrook and O- SDA to develop in partnership with AAHC/HACA.

The Rhett will serve Copperfield Elementary, Westview Middle School and Connally High School in the Pflugerville ISD. Part of the operations of the apartment will be an after-school learning center that offers a minimum of 15 hour services provided to elementary, middle and high school children.

The Rhett will benefit HACA and AAHC with deep affordability (units down to 30% AMI), after-school care for elementary, middle school and high school students, and close proximity to the Parmer Lane corridor and Tech Ridge area with abundant and increasing job opportunities. We will explore using some form of "Bridge at" in the name.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$43,000,000. The planned development will consist of 67 one bedroom and one bath units, 93 two bedroom and two bath units, and 55 three bedroom and two bath units. All units will be marketed to HACA’s Housing Choice Voucher residents. This approval will begin the initial process to submit an application for tax credit approval. Staff will be presenting in the future months on the progress and specifically any and all agreements and approvals.

Director Duncan-Hall moved to Approve Resolution No. 00222 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for The Rhett. **Vice Chair-person Bailey** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion and Possible Action on Resolution No. 00223 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 Kingswood

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily LLC on a 23.054 acre tract of land located at southeast corner of FM Road 812 and Burklund Farms Road, Austin, Texas 78617 in the Austin extraterritorial jurisdiction (ETJ). The project (Kingswood) will consist of 328 family apartment units serving tenants at or below 60% of median family income. This property was initially presented to the Board in 2020, but we were unable to obtain a bond reservation at that time. The nearest properties in AAHC’s current portfolio are Pointe and Villages of Ben White to the northwest.

This property will benefit HACA and AAHC with deep affordability, a large number of family units and close proximity to TESLA and all the businesses that are building close to TESLA. Once built, we will name the property Bridge at Kingswood.

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$100,000,000. The planned development will consist of 48 one bedroom and one bath units, 132 two bedroom and two bath units, 132 three bedroom and two bath units, and 16 four bedroom and two bath units. All units will be marketed to HACA’s Housing Choice Voucher residents.

HACA, through its Public Facility Corporation is requesting the approval of an issuance of tax-exempt bonds in an amount not to exceed \$50,000,000. This approval will begin the initial process to submit applications for tax credits and bond approval. Staff will be presenting back to the Board in future months on the progress and specifically any and all agreements and approvals.

Vice Chair-person Bailey moved to Approve Resolution No. 00223 by the Board of Directors of Austin Affordable Housing Corporation authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Kingswood in an amount not to exceed \$50,000,000. **2nd Vice-Chair Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board did not recess into Executive Session.

Vice Chair-person Bailey moved to adjourn the meeting. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

The meeting adjourned at 6:38 pm.

Michael G. Gerber, Secretary

Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00224

ITEM NO. 2.

MEETING DATE: April 20, 2023

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00224: Approval to ratify all actions taken by the Board of Directors during FYE 2023, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolution

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00224: which ratifies all actions taken by the Board of Directors during the 2022-2023 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. 00224 was drafted to ensure all actions taken by the Board during FYE 2023 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.

Process:

This Resolution resolves any irregularities in the voting process found in the Board meeting minutes and/or resolutions, and all actions taken during the 2022-2023 Fiscal Year by the Board of Directors are fully enforceable.

Staff Recommendation:

Staff recommends Board approval of Resolution No. 00224 to ratify all actions taken by the Board of Directors during the 2022-2023 Fiscal Year.

RESOLUTION NO. 00224

APPROVAL TO RATIFY ALL ACTIONS TAKEN BY THE BOARD OF DIRECTORS DURING FYE 2023, IN ORDER TO RESOLVE ANY IRREGULARITIES WHICH MAY HAVE OCCURRED REGARDING A QUORUM OR VOTE BY THE DIRECTORS AS REFLECTED WITHIN THE APPROVED MINUTES AND RESOLUTIONS

WHEREAS, in the event that there were any irregularities in any action or vote taken by Austin Affordable Housing Corporation Board of Directors during the 2022-2023 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 AAHC'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 2022-23 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 2022-23 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 2022-2023 Fiscal Year.

PASSED, APPROVED AND ADOPTED this 20th day of April 2023.

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00225

ITEM NO. 3.

MEETING DATE: April 20, 2023

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

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00225:
Election of new Officers for the Austin Affordable Housing Corporation

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

Motion to approve Resolution No. 00225 approving new Board Officers for positions of Chairperson, Vice-Chairperson and 2nd Vice-Chairperson.

SUMMARY

Background:

With the current officer terms expiring at the end of April, and new terms beginning May 1, 2023, it is necessary for the Board to elect new officers for the Austin Affordable Housing Corporation Board of Directors. A list of current officers is attached.

Staff Recommendation:

Approve Officers as recommended.

ATTACHMENTS:

- ▣ **Current Officers and Ballot**
- ▣ **AAHC Bylaws**

RESOLUTION NO. 00225

ELECTION OF THE OFFICERS OF THE AUSTIN AFFORDABLE HOUSING CORPORATION BOARD OF DIRECTORS

WHEREAS, the Austin Affordable Housing Corporation has established bylaws for its operations;

WHEREAS, Article 3 Directors, Section 1, states that the affairs of the Corporation shall be managed by the Board of Directors which will consist of the following Officers of the Board of Commissioners of the Housing Authority of the City of Austin: (1) Chairperson; (2) Vice Chairperson; (2) Second Vice Chairperson; and (3) Secretary.

WHEREAS, Article 3 Directors, Section 6, states vacancies on the Board of Directors shall exist upon: (a) the death, resignation, or removal of any Director; (b) an increase in the authorized number of Directors. If vacancies should occur for either of these two reasons, positions will be filled by the person designated to appoint candidates to the Board of Commissioners of the Housing Authority of the City of Austin.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors for the Austin Affordable Housing Corporation approves new board officers for the positions of the Chairperson, Vice Chairperson and 2nd Vice Chairperson.

Chairperson _____

Vice-Chairperson _____

2nd Vice-Chairperson _____

PASSED, APPROVED, AND ADOPTED this 20th day of April, 2023.

Michael G. Gerber, Secretary

Chairperson

Austin Affordable Housing Corporation
Board of Directors

Election of Officers
April 20, 2023

Current Officers

Chairperson: Tyra Duncan-Hall

Vice-Chairperson: Mary Apostolou

2nd Vice-Chairperson: Edwina Carrington

Chairperson: _____
Nominated by: _____
Seconded by: _____

Vice-Chair: _____
Nominated by: _____
Seconded by: _____

2nd Vice-Chair: _____
Nominated by: _____
Seconded by: _____

APPROVED:

Chairperson: _____

Vice-Chairperson: _____

2nd Vice-Chairperson: _____

AAHC was organized. These social and human services will be support activities that enrich the health and welfare of residents of HACA and AAHC developments, such as sports programs, educational programs, training programs, family counseling, and related services.

Third, the AAHC will establish a Housing Counseling Agency to establish programs to ensure that quality, affordable housing programs exist for qualified families and individuals of low to moderate incomes. The Housing Counseling Agency services will include providing workshop classes, mutual support groups and written training materials for tenants, homebuyers and homeowners wishing to develop skills needed to understand the homeowner's process and the responsibilities of homeownership.

ARTICLE 3 DIRECTORS

SECTION 1. BOARD OF DIRECTORS

The Affairs of the Corporation shall be managed by the Board of Directors which will consist of the following Officers of the Board of Commissioners of the Housing Authority of the City of Austin: (1) Chairperson; (2) Vice-Chairperson; (2) Second Vice-Chairperson; and (3) Secretary.

SECTION 2. POWERS

The business and affairs of the Corporation and all corporate powers shall be exercised by or under the authority of the Board of Directors and shall be subject to the provisions of the laws of this state and any limitations in the Articles of Incorporation and these Bylaws.

SECTION 3. DUTIES GENERALLY

It shall be the duty of the Directors to:

- a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation.
- c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;
- d) Meet at such times and places as required by these Bylaws; and
- e) Register their address with the Secretary of the Corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof,

SECTION 4. DUTIES AS TO EACH DIRECTOR

- a) **Chairperson** – The Chairperson shall preside at all meetings of AAHC. Except as otherwise authorized by resolution of AAHC, the Chairperson shall sign all contracts, deeds, and other instruments made by AAHC. At each meeting, the Chairperson shall submit such recommendations and information as he/she may consider proper concerning the business, affairs and policies of AAHC.
- b) **Vice-Chairperson** – The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson and in case of the resignation or death of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as AAHC shall appoint a new Chairperson.
- c) **Second Vice Chairperson** – The Second Vice-Chairperson shall perform the duties of the Vice-Chairperson in the absence or incapacity of the Vice-Chairperson. In the event of the resignation or death of the Vice-Chairperson, the Second Vice-Chairperson shall perform such duties as imposed on the Vice-Chairperson until such a time as AAHC shall appoint a new Vice-Chairperson.
- d) **Secretary** – The Secretary shall be the President/Chief Executive Officer of the Housing Authority of the City of Austin. The Secretary shall keep the record of AAHC, shall act as Secretary of the meetings of AAHC and record all votes, and shall keep a record of the proceedings of AAHC in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to his/her office. He/she shall keep in safe custody, the seal of AAHC and shall have power to affix such seal to all contracts and such instruments authorized to be executed by AAHC.

The Board hereby designates and authorizes the Secretary of AAHC to execute any and all documents that are necessary to enter into binding contracts on behalf of AAHC and the Board. He/she shall have the care and custody of all funds of AAHC and shall deposit in the name of AAHC in such banks as AAHC may select. The Secretary shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of AAHC. Except as otherwise authorized by a resolution of AAHC, all such orders and checks shall be countersigned by the Chairperson. The Secretary shall keep regular book of accounts showing receipts and expenditures and, if requested to do so by one or more of the Commissioners, shall render to AAHC, at each regular meeting, an account of his/her transactions and also of the financial condition of AAHC. He/she shall give such bond for the faithful performance of his/her duties as AAHC may determine. The compensation of the Secretary shall be determined by AAHC.

In absence of the Secretary, the Assistant Secretary, who shall be the Vice-President of

AAHC, shall have such powers and perform such duties as the Secretary, respectively, or as the Board of Directors or President may prescribe. During the lengthy absence of the Secretary, the Assistant Secretary may respectively perform the functions of the Secretary.

SECTION 5. TERM OF OFFICE

Directors shall be entitled to hold office until their successors are appointed and qualified.

SECTION 6. VACANCIES

Vacancies on the Board of Directors shall exist upon: (a) the death, resignation, or removal of any Director; (b) an increase in the authorized number of Directors. If vacancies should occur for either of these two reasons, positions will be filled by the person designated to appoint candidates to the Board of Commissioners of the Housing Authority of the City of Austin.

SECTION 7. REMOVAL OF DIRECTORS

Any individual Director may be removed from office if the Director ceases to serve as a member of the Board of Commissioners of the Housing Authority of the City of Austin.

SECTION 8. PLACE OF MEETINGS

The regular meeting shall be held at the same place as the regular meeting of the Housing Authority of the City of Austin. Generally, that place will be at 1124 S. IH 35 in Austin, TX, unless the Directors, by resolution, designate another place at the previous regular meeting. However, every quarter, a regular meeting shall be held at a Housing Authority of the City of Austin Public Housing site.

SECTION 9. TIME OF REGULAR MEETINGS

Regular meetings shall be held at the same time as the regular meetings of the Housing Authority of the City of Austin which generally shall be on the third Thursday of every month at **12:00 p.m.** or at another time designated by the Board at the prior meeting.

SECTION 10. CALL OF SPECIAL MEETING

Special meetings of the Board of Directors for any purpose may be called at any time by the Chairperson or, if the Chairperson is absent or unable or refuses to act, by any Vice Chairperson or any two Directors. Written notices of the special meetings, stating the time and in general terms the purpose or purposes thereof, shall be mailed one week before, or telegraphed or personally delivered to each Director not later than five days before the day appointed for the meeting.

SECTION 11. NOTICES

Public notices of all meetings of the Board of Directors shall be given in accordance with the requirements of the "Texas Open Meetings Act" (Tex.

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00226

ITEM NO. 4.

MEETING DATE: April 20, 2023

STAFF CONTACT: Ann Gass, Director of Strategic Housing Initiatives

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00226 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 redevelopment of the Pathways at Rosewood Courts East, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; 2. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Rosewood Courts East GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Rosewood Courts East, LP (the “Partnership”) and other related documents, including any development and purchase option and right of first refusal agreements; 3. Cause the Partnership to enter into development financing for the Project; and 4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00226 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: 1. Facilitate the redevelopment of the Pathways at Rosewood Courts East, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin; 2. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Rosewood Courts East GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Rosewood Courts East, LP (the “Partnership”) and other related documents, including any development and purchase option and right of first refusal agreements; 3. Cause the Partnership to enter into development financing for the Project; and 4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

In April 2021, the Board adopted an initial inducement resolution for \$30,000,000 for the redevelopment of

Rosewood Courts. A second inducement resolution for \$5,000,000 was adopted in September 2022 to allow for a supplemental issuance of bonds for Rosewood.

Process:

Additional bonds will provide a cushion to ensure that the transaction meets the “50% Test”. The IRS Code provides that if 50% or more of the aggregate basis of any building and the land on which the building is located is financed by tax-exempt volume cap bonds, then no allocation is needed from the state agency. If the project fails to meet the 50% test, only the portion of the eligible basis financed by the tax-exempt bonds will qualify for 4% tax credits.

Staff Recommendation:

Staff recommends approval of the resolution.

RESOLUTION NO. 00226

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 redevelopment of the Pathways at Rosewood Courts East, which consists of affordable housing units and associated amenities built upon land to be ground-leased from the Housing Authority of the City of Austin;
2. Cause AAHC’s wholly owned, subsidiary limited liability company, Pathways at Rosewood Courts East GP, LLC (the “General Partner”) to execute an amended and restated agreement of limited partnership of Pathways at Rosewood Courts East, LP (the “Partnership”) and other related documents, including any development and purchase option and right of first refusal agreements;
3. Cause the Partnership to enter into development financing for the Project; and
4. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

WHEREAS, AAHC is the sole member of the General Partner;

WHEREAS, the General Partner is the sole general partner of the Partnership;

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with the Pathways at Rosewood Courts East (also known as Pathways at Rosewood Courts), a 184-unit apartment complex (the “Project”) consisting of existing buildings to be rehabilitated and new construction under development on a parcel of land located in Austin, Travis County, Texas (the “Land”), and intended for rental to persons of low and moderate income;

WHEREAS, AAHC, the General Partner and Partnership desire to enter into a First Amendment to First Amended and Restated Agreement of Limited Partnership and to Development Services Agreement for the Partnership and other related documents contemplated thereby (collectively, the “Equity Documents”);

WHEREAS, in connection with the proceedings relating to the issuance and delivery by the Austin Affordable PFC, Inc. (the “Issuer”) of its Multifamily Housing Revenue Bonds (Pathways at Rosewood Courts East) Series 2023 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture (the “Indenture”) by and between the Issuer

and the trustee named therein;

WHEREAS, in connection with the issuance of the Bonds, the proceeds will be loaned to the Partnership pursuant to a Financing Agreement, between the Issuer and Borrower (the “Loan Agreement”);

WHEREAS, in connection with the Loan Agreement, the Bonds and the Indenture, the Partnership desires to enter into a Tax Regulatory Agreement and other related certifications and documents, including without limitation a Construction Deed of Trust, Security Agreement, Collateral Assignment of Leases and Rents and Fixture Filing (Leasehold), a Pari Passu Priority Agreement (Tax-Exempt), an Omnibus Amendment and Reaffirmation Agreement, and various intercreditor and subordination agreements, all upon such terms and conditions as the Partnership deems reasonable (collectively, the “Bond Documents” and together with the Equity Documents, the “Financing Documents”);

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

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

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

RESOLVED, that any officer of AAHC (each an “Executing Officer”), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or General Partner and/or the Partnership, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Project, including but not limited to, the Transaction Documents, as the

Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the General Partner), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or General Partner and/or Partnership, effective as of the date such action was taken; and it is further

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

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

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

PASSED, APPROVED AND ADOPTED this 20th day of April, 2023.

ATTEST:

Chairperson

Michael G. Gerber, Secretary

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00227

ITEM NO. 5.

MEETING DATE: April 20, 2023

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00227 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Estates at Norwood (the “Project”), which will consist of affordable housing units and associated amenities to be developed upon property ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, LDG Estates at Norwood GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of LDG Estates at Norwood, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00227 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Estates at Norwood (the “Project”), which will consist of affordable housing units and associated amenities to be developed upon property ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, LDG Estates at Norwood GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of LDG Estates at Norwood, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

Austin Affordable PFC, Inc. issued bonds for the Estates at Norwood (located at 916 Norwood Park, Austin 78753) in December 2019 and construction started soon thereafter. The property includes 228 units

affordable to families earning 60% AMI and below with family friendly amenities.

The project is financed using the 4% tax credit/tax-exempt bond structure. Unit breakdown: 36 one bedroom/one bath, 108 two bedroom/ two bath and 84 three bedroom/two bath units. All units will be marketed to HACA's Housing Choice Voucher residents.

Process:

The year after Estates at Norwood closed, Congress passed legislation that raised the floor of the 4% tax credits to a true 4%. Up until 2020, the rate floated and was as low as 3.2%. The tax credits received on this development were based on a tax credit rate of less than 4%.

With TDHCA's approval, we are able to request a supplemental issuance of tax credits to bring us up to the current 4% floor. Under this program, the tax credits go hand and hand with the tax-exempt bonds. In order to obtain the supplemental credits, we are required to obtain additional tax-exempt bonds.

Austin Affordable PFC, Inc. requested and was granted an inducement for a supplemental issuance of tax-exempt bonds by the Board in December 2022. Soon thereafter, the bond issuance was awarded.

Staff is asking for approval of final resolutions to close the supplemental issuance in the amount of \$5,000,000. This will also come with an additional tax credit award in the amount of \$4,832,630.

This property benefits HACA/AAHC with units that are deeply affordable and located in north central Austin around retail and office spaces.

Unit Breakdown: 36 – one bedroom/one bath
 108 – two bedroom/two bath
 84 – three bedroom/two bath

Staff Recommendation:

Staff recommends approval of Resolution No. 00227.

RESOLUTION NO. 00227

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Estates at Norwood (the “Project”), which will consist of affordable housing units and associated amenities to be developed upon property ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, LDG Estates at Norwood GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of LDG Estates at Norwood, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

WHEREAS, AAHC is the sole member of the General Partner;

WHEREAS, the General Partner is the sole general partner of the Partnership;

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with the Project, a 228-unit apartment complex, under development on a parcel of land located at 916 and 918 Norwood Park Boulevard, Austin, Texas 78753 (the “**Land**”), and intended for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership leases the Land from HACA, pursuant to a ground lease (“**Ground Lease**”) with HACA for the Project;

WHEREAS, the Partnership is governed by that certain First Amended and Restated Agreement of Limited Partnership of the Partnership dated as of December 18, 2019 (as amended, the “**Partnership Agreement**”);

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

WHEREAS, in connection with the proceedings relating to the issuance and delivery by the Austin Affordable PFC, Inc. (the “**Governmental Lender**”) of its Multifamily Housing Governmental Note (Estates at Norwood Apartments) Series 2023 (the “**Governmental Note**”) in the aggregate principal amount of up to \$6,000,000, pursuant to and in accordance with the terms of a Funding Loan Agreement (the “**Funding Loan Agreement**”) by and between the Governmental Lender, BOKF, NA, as fiscal agent (the “**Fiscal Agent**”), and

Citibank, N.A. (“**Citibank**”);

WHEREAS, in connection with the issuance of the Governmental Note, the proceeds will be loaned to the Partnership pursuant to a Borrower Loan Agreement, between the Governmental Lender and Borrower (the “**Borrower Loan Agreement**”).

WHEREAS, in connection with the Borrower Loan Agreement, the Governmental Note and the Funding Loan Agreement, the Partnership desires to enter into a tax regulatory agreement, and other related certifications and documents, all upon such terms and conditions as the Partnership deems reasonable (collectively, the “**Tax-Exempt 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 LPA Amendment, (ii) the Tax-Exempt Loan Documents, and (iii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “**Transaction Documents**”) shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his/her 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, the Partnership and/or the General Partner to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or the General Partner and/or the Partnership, by any of the officers of AAHC of the Transaction Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

RESOLVED, that any officer of AAHC (each an “**Executing Officer**”), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or the General Partner and/or the Partnership, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Project, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the General Partner), executing same, his/her approval of each

such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or the General Partner and/or the Partnership, effective as of the date such action was taken; and it is further

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

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

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

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 20th day of April, 2023.

CHAIRPERSON

ATTEST:

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00228

ITEM NO. 6.

MEETING DATE: April 20, 2023

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00228 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Bridge at Loyola Lofts (the “Project”), which will consist of affordable housing units, market rate units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridge at Loyola Lofts GP, LLC (the “General Partner”) to execute, deliver and perform all obligations of the General Partner under that certain amendment to the amended and restated limited partnership agreement of Bridge at Loyola Lofts, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute, deliver and perform each of their respective obligations under 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. 00228 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Bridge at Loyola Lofts (the “Project”), which will consist of affordable housing units, market rate units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridge at Loyola Lofts GP, LLC (the “General Partner”) to execute, deliver and perform all obligations of the General Partner under that certain amendment to the amended and restated limited partnership agreement of Bridge at Loyola Lofts, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute, deliver and perform each of their respective obligations under any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

Austin Affordable PFC, Inc. issued bonds for the Bridge at Loyola Lofts (located at 6400 Loyola Lane, Austin 78724) in December 2019 and construction started soon thereafter. The property includes 204 units affordable to families earning 60% AMI and below with family friendly amenities.

The project is financed using the 4% tax credit/tax-exempt bond structure. Unit breakdown: 19 one bedroom/one bath, 79 two bedroom/ two bath, 90 three bedroom/two bath and 16 four bedroom/two bath units. All units will be marketed to HACA's Housing Choice Voucher residents.

Process:

The year after Bridge at Loyola Lofts closed, Congress passed legislation which raised the floor of the 4% tax credits to a true 4%. Up until 2020, the rate floated and was as low as 3.2%. The tax credits received on this development were based on a tax credit rate of less than 4%.

With TDHCA's approval, we are able to request a supplemental issuance of tax credits to bring us up to the current 4% floor. Under this program, the tax credits go hand and hand with the tax-exempt bonds. In order to obtain the supplemental credits, we are required to obtain additional tax-exempt bonds.

Austin Affordable PFC, Inc. applied for and was granted a supplemental issuance of tax-exempt bonds. Staff is asking for approval of final resolutions to close the supplemental issuance in the amount of \$3,000,000. This will also come with an additional tax credit award in the amount of \$3,750,000.

This property benefits HACA/AAHC with its deep affordability and large number of three and four bedrooms. It will also have a robust after school program for the children.

Unit Breakdown: 19 – one bedroom/one bath
 79 – two bedroom/two bath
 90 – three bedroom/two bath
 16 – four bedroom/two bath

Staff Recommendation:

Staff recommends approval of Resolution No. 00228.

RESOLUTION NO. 00228

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of Bridge at Loyola Lofts (the “Project”), which will consist of affordable housing units, market rate units and associated amenities built upon land ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridge at Loyola Lofts GP, LLC (the “General Partner”) to execute, deliver and perform all obligations of the General Partner under that certain amendment to the amended and restated limited partnership agreement of Bridge at Loyola Lofts, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute, deliver and perform each of their respective obligations under any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

WHEREAS, AAHC is the sole member of the General Partner;

WHEREAS, the General Partner is the sole general partner of the Partnership;

WHEREAS, the Partnership was formed for the purpose of owning, constructing, developing, managing, and otherwise dealing with the Project under development on a parcel of land located in Austin, Travis County, Texas (the “Land”), and intended for rental to, among others, persons of low income;

WHEREAS, the Partnership leases the Land from HACA pursuant to a ground lease (“Ground Lease”) with HACA for the Project;

WHEREAS, the Partnership is governed by an Amended and Restated Agreement of Limited Partnership dated as of January 1, 2020 (as amended, the “Partnership Agreement”);

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

WHEREAS, in connection with the proceedings relating to the issuance and delivery by the Austin Affordable PFC, Inc. (the “Governmental Lender”) of its Multifamily Housing Governmental Note (Bridge at Loyola Lofts) Series 2023 in an amount not to exceed \$3,000,000 (the “Governmental Note”), pursuant to and in accordance with the terms of a Funding Loan Agreement (the “Funding Loan Agreement”) by and between the Governmental Lender, BOKF, NA, as fiscal agent (the “Fiscal Agent”) and Bridge at Loyola Navistone Instrument Purchaser LLC (the “Initial Funding Lender”), and related transfer, sale and

assignment documents (collectively, the "Funding Loan Documents");

WHEREAS, in connection with the issuance of the Governmental Note, the proceeds will be loaned to the Partnership pursuant to a Project Loan Agreement, between the Governmental Lender, Borrower and Fiscal Agent (the "Project Loan Agreement").

WHEREAS, in connection with the Project Loan Agreement, the Governmental Note and the Funding Loan Documents, the Partnership desires to enter into any other related certifications and documents, all upon such terms and conditions as the Partnership deems reasonable (collectively, the "Tax-Exempt 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 Tax-Exempt Loan Documents, (ii) the LPA Amendment, and (iii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the "Transaction Documents"), shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof; and it is further,

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

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

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

conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or the General Partner and/or the Partnership, effective as of the date such action was taken; and it is further

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

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

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

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 20th day of April, 2023.

EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00229

ITEM NO. 7.

MEETING DATE: April 20, 2023

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00229 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Bridge at Canyon View (the “Project”), which consists of affordable housing units and associated amenities developed upon property to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridges at Canyon View GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Bridges at Canyon View, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00229 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the development of the Bridge at Canyon View (the “Project”), which consists of affordable housing units and associated amenities developed upon property to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, Bridges at Canyon View GP, LLC (the “General Partner”) to execute an amendment to the amended and restated agreement of limited partnership of Bridges at Canyon View, LP (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into development financing for the Project; and (iv) cause AAHC and/or the General Partner and/or the Partnership to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

Austin Affordable PFC, Inc. issued bonds for the Bridge at Canyon View (located at 4506 E. William Cannon, Austin 78744) in December 2019 and construction started soon thereafter. The property includes

215 units affordable to families earning 60% AMI and below with family friendly amenities. The project is financed using the 4% tax credit/tax-exempt bond structure. Unit breakdown: 71 one bedroom/one bath, 54 two bedroom/ two bath and 90 three bedroom/two bath units. All units will be marketed to HACA's Housing Choice Voucher residents.

Process:

The year after Bridge at Canyon View closed, Congress passed legislation which raised the floor of the 4% tax credits to a true 4%. Up until 2020, the rate floated and was as low as 3.2%. The tax credits received on this development were based on a tax credit rate of less than 4%.

With TDHCA's approval, we are able to request a supplemental issuance of tax credits to bring us up to the current 4% floor. Under this program, the tax credits go hand and hand with the tax-exempt bonds. In order to obtain the supplemental credits, we are required to obtain additional tax-exempt bonds.

In December 2022, Austin Affordable PFC, Inc. requested and was granted an inducement by the Board for a supplemental issuance of tax-exempt bonds. We were awarded the issuance soon thereafter. Staff is asking for approval of final resolutions to close the supplemental issuance in the amount of \$4,000,000. This will be accompanied by an additional tax credit award in the amount of \$4,331,780.

This property benefits HACA/AAHC with units that are deeply affordable located just south of downtown on William Cannon as well as after-school programs for families with children.

Unit breakdown: 71 – one bedroom/one bath
 54 – two bedroom/two bath
 90 – three bedroom/two bath

Staff Recommendation:

Staff recommends approval of Resolution No. 00229.

RESOLUTION NO. 00229

A RESOLUTION BY THE BOARD OF DIRECTORS OF AUSTIN AFFORDABLE HOUSING CORPORATION (“AAHC”) AUTHORIZING AAHC TO EXECUTE ANY AND ALL DOCUMENTS, OR TAKE ANY OTHER ACTION, THAT IS NECESSARY OR DESIRABLE TO: (I) FACILITATE THE DEVELOPMENT OF THE BRIDGE AT CANYON VIEW (THE “PROJECT”), WHICH CONSISTS OF AFFORDABLE HOUSING UNITS AND ASSOCIATED AMENITIES DEVELOPED UPON PROPERTY TO BE GROUND-LEASED FROM THE HOUSING AUTHORITY OF THE CITY OF AUSTIN (“HACA”); (II) CAUSE AAHC’S WHOLLY OWNED, SUBSIDIARY LIMITED LIABILITY COMPANY, BRIDGES AT CANYON VIEW GP, LLC (THE “GENERAL PARTNER”) TO EXECUTE AN AMENDMENT TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF BRIDGES AT CANYON VIEW, LP (THE “PARTNERSHIP”) AND OTHER RELATED DOCUMENTS; (III) CAUSE THE PARTNERSHIP TO ENTER INTO DEVELOPMENT FINANCING FOR THE PROJECT; AND (IV) CAUSE AAHC AND/OR THE GENERAL PARTNER AND/OR THE PARTNERSHIP TO EXECUTE ANY SUCH FURTHER DOCUMENTATION AS NECESSARY OR DESIRABLE TO ALLOW THE CONSUMMATION OF THE TRANSACTIONS DESCRIBED HEREIN

WHEREAS, AAHC is the sole member of the General Partner;

WHEREAS, the General Partner is the sole general partner of the Partnership;

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with the Project, a 215-unit apartment complex under development on a parcel of land located in Austin, Travis County, Texas (the “**Land**”), and intended for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership leases the Land from HACA pursuant to a ground lease (“**Ground Lease**”) for the Project;

WHEREAS, the Partnership is governed by that certain an Amended and Restated Agreement of Limited Partnership of the Partnership dated as of December 1, 2019 , and amended by that certain First Amendment to Amended and Restated Agreement of Limited Partnership dated as of January 25, 2023 (as amended, the “**Partnership Agreement**”);

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

WHEREAS, in connection with the proceedings relating to the issuance and delivery by Austin Affordable PFC, Inc. (the “**Governmental Lender**”) of its Subordinate Multifamily Housing Revenue Bonds (The Bridge at Canyon View Apartments) Series 2023 in the original principal amount of \$5,000,000 and pursuant to a Promissory Note in the same amount (the “**Bond Note**”) loan the associated bond proceeds to the Partnership (the “**Bond Loan**”);

WHEREAS, the Bond Loan will be subject to the terms of a Trust Indenture (the “**Indenture**”) by and between the Governmental Lender and the trustee named therein, a Loan Agreement (the “**Loan Agreement**”) by and between the Partnership and Governmental Lender, fee and leasehold deed of trust by the Partnership and HACA in favor of the trustee named therein (“**Deed of Trust**”), an Amended and Restated Land Use Restriction Agreement by and among the Governmental Lender, the Partnership, and the trustee named therein (“**Regulatory Agreement**”), and the Bond Loan shall be additionally secured by 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 Partnership 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 Bond Loans (collectively, along with the Bond Note, the “**Bond 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 LPA Amendment, (ii) the Bond Documents, and (iii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “**Transaction Documents**”) shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof; and it is further,

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

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

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

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

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

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

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 20th day of April, 2023.

ATTEST:

EDWINA CARRINGTON, CHAIRPERSON

SECRETARY

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00230

ITEM NO. 8.

MEETING DATE: April 20, 2023

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00230 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 Vargas Apartments Phase I (“Phase I”) and the Vargas Apartments Phase II (“Phase II”, and together with Phase I, the “Developments”), each of Phase I and Phase II consisting of multifamily housing units and associated amenities to be built upon land in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Vargas MM, LLC (the “Managing Member”) to execute the company agreement of Riverside – Vargas QOZB Condo 1, LLC (the “Phase I Company”) and other related documents; (iii) cause the Managing Member to execute the company agreement of Riverside – Vargas QOZB Condo 2, LLC (the “Phase II Company”) and other related documents; and (iv) cause AAHC, the Managing Member, the Phase I Company, and/or the Phase II Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approved Resolution No. 00230 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 Vargas Apartments Phase I (“Phase I”) and the Vargas Apartments Phase II (“Phase II”, and together with Phase I, the “Developments”), each of Phase I and Phase II consisting of multifamily housing units and associated amenities to be built upon land in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Vargas MM, LLC (the “Managing Member”) to execute the company agreement of Riverside – Vargas QOZB Condo 1, LLC (the “Phase I Company”) and other related documents; (iii) cause the Managing Member to execute the company agreement of Riverside – Vargas QOZB Condo 2, LLC (the “Phase II Company”) and other related documents; and (iv) cause AAHC, the Managing Member, the Phase I Company, and/or the Phase II Company to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described

herein

SUMMARY

Background:

Austin Affordable Housing Corporation is being presented with an opportunity to partner with River City Capital Partners (RCCP) on a certain 6.33 acre tract of land located at 6610 E. Riverside Drive, Austin, TX 78741. This project (Vargas Apartments) will consist of two phases with a total of 700 units. Fifty percent of the units will be affordable to tenants earning less than 80% median family income (10% of those will be designated for 60% median family income).

This will be our 4th time partnering with RCCP. Cory Older and Peter Kehle will be heading up the development for RCCP and they are local to Austin.

We will again use Battery Global Advisors (BGA) as our equity partner. This will be our 4th time partnering with them as well. They are based out of Boston, MA and use a wide variety of private funds to invest in projects located in Opportunity Zones. A larger number of their investors are family investors.

Process:

The Board is being asked to approve the purchase of land, the transfer of the land into HACA's name, and entry into a joint venture partnership with RCCP and BGA, and ground leasing of the land to the joint venture partnerships. We will bring this property back to the board in two phases once we obtain building permits and construction financing.

BGA will infuse the funds to purchase the land with equity; no debt. Due to the fact that this is a two phase project, the parcel will be condominiumized into two units. HACA will then lease one unit to the Phase I joint venture partnership and lease the other unit to the Phase II joint venture partnership. This will be done to separate the two phases in every aspect including debt and equity.

Phase I of the development will have an estimated 370 units consisting of 314 – one bedrooms, 37 – two bedrooms, and 19 – 3 bedrooms. Phase II of the development will be an estimated 330 units consisting of 280 – one bedrooms, 33 – two bedrooms, and 17 – three bedrooms.

The affordable units at 80% AMI and 60% AMI will be equally distributed in all bedroom sizes. A breakdown of these units will be provided when the two phases are brought back to the Board for approval of construction financing and closing. All units when complete will be marketed to HACA's Housing Choice Voucher residents.

The benefits to HACA/AAHC from partnering in this property include is the location in proximity to downtown Austin, close to schools, retail and offices, and proximity to the proposed light rail. We will also be working with AISD to offer a yet to be determined discount for teaching staff to help in their recruiting and retention.

Staff Recommendation:

Staff recommends approval of Resolution No. 00230.

RESOLUTION NO. 00230

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of the Vargas Apartments Phase I (“Phase I”) and the Vargas Apartments Phase II (“Phase II”, and together with Phase I, the “Developments”), each of Phase I and Phase II consisting of multifamily housing units and associated amenities to be built upon land in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin (“HACA”); (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Vargas MM, LLC (the “Managing Member”) to execute the company agreement of Riverside-Vargas QOZB Condo 1, LLC (the “Phase I Company”) and other related documents; (iv) cause the Managing Member to execute the company agreement of Riverside-Vargas QOZB Condo 2, LLC (the “Phase II Company”) and other related documents; and (v) cause AAHC, the Managing Member, the Phase I Company, and/or the Phase II Company 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 Developments;

WHEREAS, as part of the proposed ownership structure for the Developments, AAHC desires to form the Managing Member to serve as the managing member of both the Phase I Company and the Phase II Company, 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 Phase I Company (the “**Phase I Operating Agreement**”) and an operating agreement of the Phase II Company (the “**Phase II Operating Agreement**”);

WHEREAS, in connection with the acquisition and future development of Phase I, the Phase I Company desires to obtain site control of the land comprising the site of Phase I (the “**Phase I Land**”) from HACA by entering into a ground lease (“**Phase I Ground Lease**”) with HACA for the Phase I Land;

WHEREAS, in connection with the acquisition and future development of Phase II, the Phase II Company desires to obtain site control of the land comprising the site of Phase II (the “**Phase II Land**”) from HACA by entering into a ground lease (“**Phase II Ground Lease**”) with HACA for the Phase II Land;

WHEREAS, in connection with the development of Phase I and Phase II, the Phase I Land and the Phase II Land shall be subject to a Declaration of Condominium Regime (the

“Declaration”);

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 Declaration, (ii) the Phase I Ground Lease and the Phase II Ground Lease, (iii) the Phase I Operating Agreement and the Phase II Operating Agreement, and (iv) 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 Phase I Owner and/or Phase II Owner, as applicable, 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 Phase I Owner and/or Phase II Owner, as applicable, 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 Phase I Owner and/or Phase II Owner, as applicable, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of Phase I and Phase II, as applicable, 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, the Phase I Owner and the Phase II Owner, as applicable), 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 Phase I Owner and/or Phase II Owner,

as applicable, 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 Phase I Owner and/or Phase II Owner, as applicable, or the execution and delivery, or causing to be executed and delivered, such other agreements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments, agreements 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 Phase I Owner and the Phase II Owner be promptly notified in writing by the Secretary or any other officer of AAHC of any change in these resolutions, and until they have actually received such notice in writing, the Phase I Owner and the Phase II Owner are authorized to act in pursuance of these resolutions.

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 20th day of April, 2023.

EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

SECRETARY