

**SOUTH CONGRESS  
PFC**

**BOARD OF DIRECTORS  
Regular Meeting**

**Thursday, June 15, 2023  
1:00 PM**

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

**PUBLIC NOTICE OF A MEETING  
TAKE NOTICE OF A BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
OF THE SOUTH CONGRESS PFC**

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

**Thursday, June 15, 2023  
1:00 PM**

**CALL TO ORDER, ROLL CALL**

**CERTIFICATION OF QUORUM**

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

**CONSENT AGENDA**

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

**CONSENT ITEMS**

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on April 20, 2023

**ACTION ITEMS**

2. Presentation, Discussion, and Possible Action on Resolution No. 00015: Resolution of the Board of Directors of South Congress Public Facility Corporation (“PFC”) authorizing PFC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) purchase certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Airport Crossing (the “Project”); (ii) lease the Land to Airport Crossing LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project.

**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 will receive program updates from the President/CEO and other senior staff.

## **ADJOURNMENT**

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

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

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

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

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

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The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Nidia Hiroms at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on HACA, please contact Nidia Hiroms at 512.477.4488 x2104.

**SOUTH CONGRESS PFC**  
**BOARD ACTION REQUEST**  
**ITEM NO. 1.**

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**MEETING DATE:** June 15, 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 April 20, 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 April 20, 2023.

**ATTACHMENTS:**

- ▣ **20230420 SCPFC Minutes Summary**

**SOUTH CONGRESS PFC  
BOARD OF DIRECTORS  
ANNUAL BOARD MEETING**

**April 20, 2023**

**SUMMARY OF MINUTES**

**SOUTH CONGRESS PFC (HACA) BOARD OF DIRECTORS ANNUAL BOARD MEETING NOTICE WAS POSTED FOR 12:00 P.M. ON THURSDAY, APRIL 20, 2023, AND WAS HELD AT THE HACA CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TX**

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

Charles Bailey, HACA Vice-Chairperson, called the Board of Directors Annual Board Meeting of the South Congress PFC, of April 20, 2023, to order, at 12:18 pm. The meeting was held at the HACA Central Office, 1124 S. IH 35, Austin, TX

Roll call certified a quorum was present on the call.

**MEMBERS PRESENT:**

Edwina Carrington, Chairperson  
Charles Bailey, Vice-Chairperson  
Mary Apostolou, 2<sup>nd</sup> Vice-Chairperson  
Dr. Tyra Duncan-Hall, Director

**MEMBER(S) ABSENT:**

Carl S. Richie, Jr., Director

**ALSO PRESENT:**

Bill Walter, Coats Rose  
Lauren Aldredge, Cokinis Law Firm

**STAFF PRESENT:**

Barbara Chen, 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 during each item on the agenda. No one provided any communication during any of the items.

**CONSENT AGENDA**

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

**ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on August 18, 2022**

**Director Duncan-Hall** moved the Approval of the Board Minutes Summary for the Board Meeting held on August 18, 2022. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00013: 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**

Upon past advisement of legal counsel, Resolution No. 00013 was drafted to ensure all actions taken by the Board of Directors during FYE 2023 be ratified, thus ensuring resolution of any irregularities during the voting process taken by the Directors. This is an action that is presented for board action on an annual basis.

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

**Director Duncan-Hall** moved the Approval of Resolution No. 00013: 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. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**ACTION ITEMS**

**ITEM 3: Presentation, Discussion, and Possible Action regarding Resolution No. 00014: Election of new Officers for the South Congress PFC**

With the current officer terms expiring at the end of April 2023, and new terms beginning May 1, 2023, it is necessary for the Board to elect new officers for South Congress PFC Board of Directors. Resolution No. 00014 approves the following board officers: Chairperson-Edwina Carrington; Vice-Chairperson-Charles Bailey; 2nd Vice-Chairperson-Mary Apostolou.

**Chairperson Carrington** moved to Approve Resolution No. 00014: Election of new Officers for South Congress PFC. The new officers for South Congress PFC are Chairperson-Edwina Carrington; Vice-Chairperson-Charles Bailey; 2nd Vice-Chairperson-Mary Apostolou. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

**Chairperson Carrington** moved to adjourn the meeting. **2<sup>nd</sup> Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 1:13 p.m.

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**Michael G. Gerber, Secretary**

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**Edwina Carrington, Chairperson**

**SOUTH CONGRESS PFC**  
**BOARD ACTION REQUEST**  
**RESOLUTION NO. 00015**  
**ITEM NO. 2.**

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**MEETING DATE:** June 15, 2023

**STAFF CONTACT:** Suzanne Schwertner, Director of Development

**ITEM TITLE:** Presentation, Discussion, and Possible Action on Resolution No. 00015: Resolution of the Board of Directors of South Congress Public Facility Corporation (“PFC”) authorizing PFC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) purchase certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Airport Crossing (the “Project”); (ii) lease the Land to Airport Crossing LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project

**BUDGETED ITEM:** N/A

**TOTAL COST:** N/A

**ACTION**

The Board is being asked to approve Resolution No. 00015: Resolution by the Board of Directors of South Congress Public Facility Corporation (“PFC”) authorizing PFC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) purchase certain real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Airport Crossing (the “Project”); (ii) lease the Land to Airport Crossing LP (the “Partnership”) to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and (iii) execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project.

**SUMMARY**

***Background:***

Austin Affordable Housing Corporation is being presented with an opportunity to partner with The NRP Group on a certain 9.43 acre tract of land located within the Austin city limits at 6101 Ross Road, Austin, Texas 78617. This property was originally presented to the Board in August 2021 (after a year of work) structured as a 4% tax credit/bond project. It was not awarded bonds in the bond lottery in early 2022, but was put on the wait list. It eventually received a bond reservation at the end of 2022. By this time, the project

did not work under this structure since construction costs had increased too much and there were infeasible gaps that we could not fill.

NRP worked with us to hold the reservation through the beginning of 2023. By holding it into 2023, when the bond reservation was returned, the \$ amount of bonds stayed with Austin Affordable PFC to be used on other projects. We were able to use these funds for supplemental bond issuances for four of our other projects (which you saw in the last couple months). Pathways at Rosewood Courts which had failed the required 50% test at its initial closing benefited from this pool of funds by receiving an additional bond issuance to fix this required calculation.

Airport Crossing is currently being presented to you as a workforce housing project under the PFC model. It will consist of 256 family apartment units serving tenants between 60% of median family income and market rate. This property will serve the following schools: Popham Elementary, Del Valle Middle School and Del Valle High School. The nearest property in AAHC's current portfolio is Woodway Village and Franklin Park northwest of the subject property.

***Process:***

The development will use debt through Frost Bank not to exceed \$43,000,000 and equity through PointOne not to exceed \$23,000,000. The planned development will consist of 164 one bedroom/one bath units and 92 two bedroom/two bath units. This project will benefit HACA/AAHC with some much needed apartment units and affordable units in this area where the majority of properties are single family homes that are owned.

Unit breakdown:

<b>60% AMI (26 units):</b>	
	<b>17 – one bedroom/one bath</b>
	<b>9 – two bedroom/two bath</b>
<b>80% AMI (102 units):</b>	
	<b>65 – one bedroom/one bath</b>
	<b>37 – two bedroom/two bath</b>
<b>Over 80% AMI (128 units):</b>	
	<b>82 – one bedroom/one bath</b>
	<b>46 – two bedroom/two bath</b>

All units will be marketed to qualified tenants under HACA's Housing Choice Voucher program. This approval will allow us to proceed with loan and equity approval and then on to closing.

***Staff Recommendation:***

Staff recommends approval of Resolution No. 00015.



**RESOLUTION NO. 00015**

**Resolution of the Board of Directors of South Congress Public Facility Corporation (“PFC”) authorizing PFC to execute any and all documents, or take any other action, that is necessary or desirable to:**

- 1. Purchase real property located in Austin, Texas (the “Land”) on which a residential multifamily apartment development consisting of affordable housing units and market rate units and associated amenities is to be constructed and known as Airport Crossing (the “Project”);**
- 2. Lease the Land to Airport Crossing LP, a Delaware limited partnership (the “Partnership”), to facilitate the construction and operation of the Project by the Partnership, including the placement of affordable housing units and market rate units at the Project; and**
- 3. Execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development of the Project.**

**WHEREAS**, the PFC serves as a limited partner of Airport Crossing Holdco LP, a Delaware limited partnership (“**Holdco**”), which (i) serves as a partner of Airport Crossing Apt LP, a Delaware limited partnership, which serves as the limited partner of the Partnership (the “**Limited Partner**”), and (ii) serves as the sole member of NRP Airport GP, LLC, a Delaware limited liability company (the “**General Partner**”), which is the general partner of the Partnership;

**WHEREAS**, the PFC desires to purchase the real property on which the Project will be constructed (the “**Land**”) by Airport Crossing L.P., a Delaware limited partnership (the “**Partnership**”) pursuant to an earnest money contract and various acquisition documents (collectively, the “**Acquisition Documents**”);

**WHEREAS**, the PFC desires to enter into a long-term lease with the Partnership, conveying interests in the Land and the to-be-constructed Project, pursuant to the terms of such lease (the “**Lease**”);

**WHEREAS**, the Partnership plans to construct the Project and operate it as a mixed-income development with at least 50% of the units intended for rental to persons of low and moderate income (collectively, the “**Restrictions**”);

**WHEREAS**, the PFC desires to enter into a Regulatory Agreement and Declaration of Restrictive Covenants with the Partnership (“**Regulatory Agreement**”), which Regulatory

Agreement shall memorialize the Restrictions placed upon the Land and the Project and the Partnership's obligations with respect to such Restrictions;

**WHEREAS**, in connection with the financing of the Project, the Partnership will borrow a loan in an original principal amount not to exceed \$43,000,000 (the "**Construction Loan**") from Frost Bank (the "**Lender**"), pursuant to a loan agreement as evidenced by a promissory note and secured by a leasehold deed of trust recorded against the Land (collectively with all other documents contemplated thereby and necessary to evidence the Loan, the "**Construction Loan Documents**");

**WHEREAS**, the PFC desires to enter into certain construction contracts and documents as the general contractor for the construction of the Project, including but not limited to a Construction Contract and a Prime Subcontract and such other documents, all upon such terms and conditions as PFC deems reasonable (the "**Construction Documents**"); and

**WHEREAS**, the PFC desires to enter into a partnership agreement of Holdco with Airport Crossing JV LLC, a Delaware limited liability company (the "**Partnership Agreement**").

**NOW, THEREFORE**, in connection with the foregoing, the Board of Directors of the PFC hereby adopts the following resolutions:

**BE IT RESOLVED**, that the PFC is hereby authorized to execute and deliver all such documents, instruments and other writings of every nature whatsoever as the PFC, in its reasonable judgment, deems necessary to purchase the Land, lease the Land to the Partnership, and otherwise assist and facilitate the construction, development and operation of the Project by the Partnership, including, without limitation, (i) the Acquisition Documents; (ii) the Lease and any assignment by the PFC in favor of the Partnership; (iii) the Regulatory Agreement; (iv) Construction Loan Documents that require execution by the PFC, including without limitation a fee and leasehold deed of trust encumbering PFC's rights under the Lease, and an estoppel certificate relating to the Lease; (v) the Construction Documents; (vi) the Partnership Agreement; and (vii) such other and further documents, leases, instruments, resolutions and other writings of every nature whatsoever as the PFC deems necessary to consummate the transactions contemplated herein, or as may be required by Holdco, the Limited Partner, the General Partner or the Partnership; and it is further

**RESOLVED**, that all of the documents, instruments, or other writings executed by PFC in consummation of the transactions herein described (collectively and together with the Acquisition Documents, the Lease, the Regulatory Agreement, the Construction Loan Documents, the Construction Documents, and the Partnership Agreement, 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 PFC will 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 any officer of PFC and any authorized signatory of the PFC, including without limitation any officer as authorized signatory (each an “**Executing Officer**”), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf of, and as the act and deed of PFC, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the construction, operation and financing 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 individually or in a representative capacity as identified in these resolutions), 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 PFC, effective as of the date such action was taken; and it is further

**RESOLVED**, that action by any Executing Officer, and any person or persons designated and authorized so to act by any such Executing Officer or manager, to do and perform, or cause to be done and performed, in the name and on behalf of PFC, 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 PFC 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 PFC.

This resolution shall be in full force and effect from and upon its adoption.

*[End of Resolution]*

**PASSED, APPROVED AND ADOPTED** this 15th day of June, 2023.

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EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

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SECRETARY