

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Regular Meeting

**Friday, December 15, 2023
8:00 AM**

HACA Central Office, 1124 S. Interstate Highway 35

To attend the meeting via ZOOM dial: 1 346 248 7799 Meeting ID: 825 5625
1941 Passcode: 246835
Austin, TX

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

**TO BE HELD AT
HACA Central Office, 1124 S. Interstate Highway 35
To attend the meeting via ZOOM dial: 1 346 248 7799 Meeting ID: 825 5625 1941 Passcode:
246835
Austin, TX
(512.477.4488)**

Friday, December 15, 2023

8:00 AM

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 November 16, 2023

ACTION ITEMS

2. Presentation, Discussion and Possible Action on Resolution No. 00239 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 Pathways at Santa Rita Courts West
3. Presentation, Discussion and Possible Action on Resolution No. 00240 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 Pathways at Santa Rita Courts East

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.

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

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: December 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 November 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 November 16, 2023.

ATTACHMENTS:

- ▣ **20231116 AAHC Minutes Summary**

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

NOVEMBER 16, 2023

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS REGULAR PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 PM ON THURSDAY, NOVEMBER 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 November 16, 2023, was called to order by Carl S. Richie, Jr., HACA Chairperson, at 12:16 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 (via Zoom)
Mary Apostolou, 2nd Vice-Chairperson
Dr. Tyra Duncan-Hall, Director
Carl S. Richie, Jr., Director

MEMBER(S) ABSENT:

ALSO IN ATTENDANCE:

Sarah Scott, Coats Rose
Bill Walter, Coats Rose

STAFF PRESENT:

Barbara Chen, Jorge Vazquez, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Michael Gerber, Michael Roth, Nidia Hiroms, Ron Kowal, 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 Regular Board Meeting held on August 17, 2023

2nd Vice-Chairperson Apostolou moved to Approve the Board Minutes Summary for the Regular Board Meeting held on August 17, 2023. **Director Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ACTION ITEMS

ITEM 2: Presentation, Discussion and Possible Action on Resolution No. 00235 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 Bridge at Delco Flats (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 necessary or desirable to allow the consummation of the transactions described herein

Austin Affordable Housing Corporation (AAHC) was presented with an opportunity to partner with JCI Residential (Journeyman Group) to partner on a 186-unit multi-family rental property called Delco Flats Apartments. The development is located at 7601 Springdale Road, Austin, Texas 78724. This would be the third (3rd) asset AAHC and JCI have partnered on together. We have successfully completed Bridge at Granada and Bridge at Turtle Creek. This asset is located in North-East few minutes from downtown. The site has easy access to IH35, HWY 183 and HWY 290.

AAHC's proposed partner, JCI Residential has a proven record of accomplishment with numerous projects completed in and around the Austin area. JCI has an experienced development team in place and has been an excellent partner on our previous two transactions. JCI is a privately held development firm with a current development of more than 200 projects. AAHC works with the Managing Partner, Sam Kumar, and President, Kurt Goll.

The Delco Flats Apartments were completed in June of 2023 and sits on 4.95 acres. Some of the property amenities include a resort-style swimming pool with lounge seating and cabanas, elegant clubhouse with gathering spaces and full conference room, full kitchen, coffee bar, and business center. Residents also enjoy the expansive fitness center, a large pet park and covered parking. The property feeds into the Austin Independent School District and Jordan Elementary School, Dobie Middle School and LBJ Early College High School.

This is an important transaction to HACA and AAHC as we have seen this part of Austin continue to displace the affordable community. This partnership will preserve this asset and add deeper affordability for our current voucher holders and the residents that reside in this area. Being so close to many major employers in and around this location, AAHC and JCI can provide some stable and affordable housing to those stakeholders that are threatened with rising rent costs. This property is home to many individuals who work in and around the area with no current affordability in place.

The property is currently owned by JCI Residential and AAHC will enter as the new General Partner at a purchase price \$36,000,000. JCI Residential will be investing approximately \$14,000,000 as a down payment and closing costs. Walker Dunlop will be providing a Freddie Mac new permanent loan with a not to exceed loan amount of \$25,000,000 at a rate of approximately 6.50% with a 30-year amortization. A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. The property is currently 96% occupied. AAHC and JCI are committed to providing 10% of the affordable units at 60% AMI with a target of 20% at 60% AMI and leasing units to all voucher holders. JCI Management will manage the property. The new name for the property will be Bridge at Delco Flats Apartments.

Director Duncan-Hall moved to Approve Resolution No. 00235 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 Bridge at Delco Flats (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 necessary or desirable to allow the consummation of the transactions described herein. **Director Richie** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00236 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 Bridge at Paloma 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 necessary or des of the transactions described herein

Austin Affordable Housing Corporation (AAHC) was presented with an opportunity to partner with JCI Residential (Journeyman Group) to partner on a 186-unit multi-family rental property called Paloma Apartments. The development is located at 9911 Dessau Road, Austin, Texas 78754. This would be the forth (4rd) asset AAHC and JCI have partnered on together. We have successfully completed Bridge at Granada and Bridge at Turtle Creek. This asset is located in North-East Austin few minutes from downtown. The site has easy access to IH35, HWY 183 and HWY 290.

AAHC's proposed partner, JCI Residential has a proven record of accomplishment with numerous projects completed in and around the Austin area. JCI has an experienced development team in place and has been an excellent partner on our previous two transactions. JCI is a privately held development firm with a current development of more than 200 projects. AAHC works with the Managing Partner, Sam Kumar, and President, Kurt Goll.

The Paloma Apartments were completed in May of 2023 and sits on 10.95 acres. Some of the property amenities include a resort-style swimming pool with lounge seating and cabanas, elegant clubhouse with gathering spaces and full conference room, full kitchen, coffee bar, and business center. Residents also enjoy the expansive fitness center, a large pet park and covered parking. The property feeds into the Manor Independent School District and Pioneer Crossing Elementary School, Decker Middle School and Manor High School.

This is an important transaction to HACA and AAHC as we have seen this part of Austin continue to displace the affordable community. This partnership will preserve this asset and add deeper affordability for our current voucher holders and the residents that reside in this area. Being so close to many major employers in and around this location, AAHC and JCI can provide some stable and affordable housing to those stakeholders that are threatened with rising rent costs. This property is

home to many individuals and families who work in and around the area with no current affordability in place.

Below is a breakdown of the unit sizes. The property is currently 94% occupied and rents currently range from \$1,200 for a one bedroom to \$1,625 for a three bedroom.

The purchase price for the Paloma Apartments is \$65,000,000. JCI will be investing approximately \$20,000,000 as a down payment. Berkadia will be providing a Freddie Mac permanent loan with a not to exceed loan amount of \$43,000,000 at a rate of approximately 6.50% with a 30-year amortization. A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. The property is currently 94% occupied. AAHC and JCI are committed to providing 10% of the affordable units at 60% I and leasing units to all voucher holders. JCI Management will manage the property. The new name for the property will be Bridge at Paloma Apartments.

Director Duncan-Hall moved to Approve Resolution No. 00236 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 Bridge at Paloma 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 necessary or des of the transactions described herein. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00237 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 Kingswood Apartments, which consists of affordable housing units and associated amenities to be developed upon property to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Kingswood GP, LLC (the “General Partner”) to execute a first amended and restated agreement of limited partnership of LDG Kingswood, 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 n desirable to allow the consummation of the transactions described herein

Austin Affordable Housing Corporation was presented with an opportunity to partner with LDG Multifamily, LLC (“LDG”) on a 23.054 acre tract of land located at the 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. The nearest properties in AAHC’s current portfolio are Pointe and Villages of Ben White to the northwest. This will be our 14th property in partnership with LDG; all new construction projects.

Kingswood was initially presented to the Board in 2020, but we were unable to obtain a bond reservation at that time. We brought the property back to the board in February 2023 for approval to submit another bond application. The bond allocation was awarded to us on July 6, 2023. We have received approvals from the Austin City Council and the Travis County Commissioners to proceed with the project. If approved by the Board today, we will proceed to close and start construction in December.

This property will benefit HACA and AAHC with deep affordability, a large number of family units and close e building close to TESLA. All units will be marketed to HACA’s Housing Choice Voucher residents. 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 \$107,000,000. The planned development will consist of 48 one bedroom and one bath units, 132 two bedroom and two bath units, 124 three bedroom and two bath units, and 24 four bedroom and two bath units. 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 and a taxable tail not to exceed \$13,000,000. Bellwether Enterprise Real Estate Capital, LLC (“Bellwether”) will provide both construction period and permanent mortgage financing. Rickhaus Design, LLC and/or its affiliate will provide a \$5,000,000 subordinate loan through construction. Enterprise Housing Credit Investments) will provide equity at \$.88 per credit, which would be an estimated \$43,384,000 in total equity.

Director Richie moved to Approve Resolution No. 00237 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 Kingswood Apartments, which consists of affordable housing units and associated amenities to be developed upon property to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, AAHC Kingswood GP, LLC (the “General Partner”) to execute a first amended and restated agreement of limited partnership of LDG Kingswood, 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 n desirable to allow the consummation of the transactions described herein. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion and Possible Action on Resolution No. 00238 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 operation of Heritage Estates at Wells Branch (formerly known as Heritage Estates at Owen Tech) (the “Project”), which consists of affordable housing units and associated amenities newly constructed upon property ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, TX Owen Tech GP, LLC (the “General Partner”) to execute an amendment to the partnership agreement of TX Owen Tech 2018, Ltd. (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into permanent 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

Austin Affordable Housing Corporation partnered with Generation Housing Partners, LLC based in Dallas, Texas on a tract of land located at 14011 Owen Tech Boulevard, Austin, Texas 78728 (northwest quadrant of Owen Tech Blvd and Interstate 35) located in the Travis County ETJ to build Heritage Estates at Wells Branch (previously known as Heritage Estates at Owen Tech). The project consists of 174 senior apartment units serving tenants 62 years old and above with incomes from 40%-70% Area Median Family Income (AMFI).

The Board saw this project three times: June 2019 for the Tax Credit Application Resolution, October 2019 for the Bond Inducement Resolution, and June 2020 for final closing Resolutions.

The nearest properties in AAHC’s current portfolio (all family sites) are: Park at Summers Grove located at 2900 Century Park Blvd, Austin, TX 78728 (to the West); Bridge at Tech Ridge located at 12800 Center Lake Drive, Austin, TX 78753 (to the South); and Preserve at Wells Branch located at 1773 Wells Branch Parkway, Austin, TX 78728 (to the North).

The benefit to HACA and AAHC is deeply affordable senior housing in an area that has little affordable senior housing in an area that has little affordable options. The property is well located with an on-site bus stop and residents will have access to a community van.

The development used a mix of 4% tax credits and tax exempt bonds to finance the construction. Construction has been complete and the property consists of 104 one bedroom/one bath units and 70 two bedroom/two bath units. Income averaging is being used to enable more deeply affordable units. Seventeen units are affordable to tenants with incomes at 40% AMFI or below; 148 are affordable to tenants with incomes at 60% AMFI or below; and 9 units are affordable to tenants with incomes at 70% AMFI or below. All units averaged together are equal to 60% AMFI. All units are being marketed to HACA’s Housing Choice Voucher families.

HACA, through its Public Facility Corporation, issued tax-exempt bonds in an amount of \$20,000,000. Construction debt financing was provided by Bank OZK. TDHCA loaned \$3,000,000 under their Multifamily Direct Loan program. Monarch Private Capital, LLC provided the equity.

Today we are asking the Board to approve resolutions authorizing the conversion from construction financing to permanent debt financing through KeyBank N.A. The primary loan will be for \$20,000,000 with a taxable tail not to exceed \$2,485,000. Due to the timing of construction, there were cost overruns. The taxable tail will cover these overruns. This project was built during COVID and had many delays due to city staff delays with inspections, supply chain delays and labor shortages. These in combination with supply costs increasing due to the shortages resulted in the \$2,485,000 overrun.

Director Richie left the room at 1:50 pm.

Director Duncan-Hall moved to Approve Resolution No. 00238 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 operation of Heritage Estates at Wells Branch (formerly known as Heritage Estates at Owen Tech) (the “Project”), which consists of affordable housing units and associated amenities newly constructed upon property ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s wholly owned, subsidiary limited liability company, TX Owen Tech GP, LLC (the “General Partner”) to execute an amendment to the partnership agreement of TX Owen Tech 2018, Ltd. (the “Partnership”) and other related documents; (iii) cause the Partnership to enter into permanent 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. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board did not recess into Executive Session.

Director Duncan-Hall moved to adjourn the meeting. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

The meeting adjourned at 1:54 pm.

Michael G. Gerber, Secretary

Chairperson

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00239

ITEM NO. 2.

MEETING DATE: December 15, 2023

STAFF CONTACT: Ann Gass, Director of Strategic Housing Initiatives

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00239 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 Pathways at Santa Rita Courts West

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution 00239 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 Pathways at Santa Rita Courts West.

SUMMARY

Background:

In December 2018, HACA successfully converted Santa Rita Courts to project based rental assistance through HUD’s Rental Assistance Demonstration Program. Minor repairs were completed as part of the conversion, including replacement of some exterior doors and storm doors as well as improvements to the mailboxes and community room. The scope of repairs was minor because the intention was to redevelop Santa Rita within a few years of conversion.

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

In March of 2024, AAHC intends to submit an application to the TDHCA under the 2024 9% low income housing tax credit program for Santa Rita Courts West. This will be phase one of a multi-phase redevelopment. If AAHC is successful with this application, a new, larger property with approximately 86 spacious units with modern, energy efficient appliances and amenities will replace the two-story buildings on the west side of the site. The precise number of existing buildings to be demolished is still to be determined as the site engineering is still underway. This redevelopment will significantly improve the quality of life for the residents of Santa Rita Courts and allow AAHC to provide more affordable housing by increasing density through a phased approach.

HACA and AAHC also recognize the historical significance of the Santa Rita bungalows' listing on the National Register of Historic Places. This eastern portion of the site is not included in this application. It will be part of a later phase of redevelopment with a robust historic preservation component.

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

Process:

In August 2016, the HACA Board of Commissioners approved the selection of Carleton Companies to serve as the developer partner for the redevelopment of Chalmers Courts with the option to continue with Rosewood and Santa Rita. Carleton served as HACA's partner for all three phases of the Chalmers redevelopment as well as the Rosewood project. These projects included four successful applications for tax credits.

Staff members have been working with Carleton to prepare the application for Santa Rita Courts West, which is due to TDHCA on March 1, 2024. While preparation of the final application is still in progress, a draft site plan with a project summary is included as an Exhibit.

Staff Recommendation:

Board approval will allow 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 Pathways at Santa Rita Courts.

RESOLUTION NO. 00239

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 participate in the housing tax credit application for Pathways at Santa Rita Courts West

WHEREAS, AAHC is the sole member of Pathways at Santa Rita Courts West GP, LLC, a Texas limited liability company (the “General Partner”);

WHEREAS, the General Partner shall be the sole general partner of Pathways at Santa Rita Courts West, LP, a Texas limited partnership (the “Partnership”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with Pathways at Santa Rita Courts West, a multifamily affordable apartment complex containing approximately 86 units (the “Project”) to be developed on a parcel of land located at approximately 2210 E. 2nd Street, in Austin, Travis County, Texas (the “Land”), and intended as affordable housing for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership plans to submit or has submitted a 9% housing tax credit application to the Texas Department of Housing and Community Affairs (the “Application”); and

WHEREAS, in connection with the Partnership’s preparation and submission of the Application, AAHC desires to participate as nonprofit sponsor, developer, and as sole member of the General Partner;

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 Application and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “Application 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 the authorization of AAHC, Partnership and/or General Partner to enter into the Application 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

Application Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

RESOLVED, that Ron Kowal, Vice President of AAHC, and any other 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 Application 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 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 15th day of December, 2023.

Michael G. Gerber, Secretary

Chairperson

[End of Resolution]

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00240

ITEM NO. 3.

MEETING DATE: December 15, 2023

STAFF CONTACT: Ann Gass, Director of Strategic Housing Initiatives

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00240 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 Pathways at Santa Rita Courts East

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution 00240 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 Pathways at Santa Rita Courts East.

SUMMARY

Background:

In December 2018, HACA successfully converted Santa Rita Courts to project based rental assistance through HUD’s Rental Assistance Demonstration Program. Minor repairs were completed as part of the conversion, including replacement of some exterior doors and storm doors as well as improvements to the mailboxes and community room. The scope of repairs was minor because the intention was to redevelop Santa Rita within a few years of conversion.

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

In March of 2024, AAHC intends to submit an application to the TDHCA under the 2024 9% low income housing tax credit program for Santa Rita Courts East. This will be phase one of a multi-phase redevelopment. If AAHC is successful with this application, a new, larger property with approximately 86 units with modern, energy efficient appliances and amenities will replace the two-story buildings on the central east side of the site. The precise number of existing buildings to be demolished is still to be determined as the site engineering is still underway. This redevelopment will significantly improve the quality of life for the residents of Santa Rita Courts and allow AAHC to provide more affordable housing by increasing density.

HACA and AAHC also recognize the historic significance of the Santa Rita bungalows' listing on the National Register of Historic Places. This far eastern portion of the site is not included in this application. It will be part of a later phase of redevelopment with a robust historic preservation component.

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

Process:

In August 2016, the HACA Board of Commissioners approved the selection of Carleton Companies to serve as the developer partner for the redevelopment of Chalmers Courts with the option to continue with Rosewood and Santa Rita. Carleton served as HACA's partner for all three phases of the Chalmers redevelopment as well as the Rosewood project. These projects included four successful applications for tax credits. Staff members have been working with Carleton to prepare the application for Santa Rita Courts East, which is due to TDHCA on March 1, 2024. While preparation of the final application is still in progress, a draft site plan with a project summary is included as an Exhibit.

Staff Recommendation:

Board approval will allow 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 Pathways at Santa Rita Courts East.

RESOLUTION NO. 00240

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 participate in the housing tax credit application for Pathways at Santa Rita Courts East

WHEREAS, AAHC is the sole member of Pathways at Santa Rita Courts East GP, LLC, a Texas limited liability company (the “General Partner”);

WHEREAS, the General Partner shall be the sole general partner of Pathways at Santa Rita Courts East, LP, a Texas limited partnership (the “Partnership”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with Pathways at Santa Rita Courts East, a multifamily affordable apartment complex containing approximately 86 units (the “Project”) to be developed on a parcel of land located at approximately 2341 Corta Street, Austin, Travis County, Texas (the “Land”), and intended as affordable housing for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership plans to submit or has submitted a 9% housing tax credit application to the Texas Department of Housing and Community Affairs (the “Application”); and

WHEREAS, in connection with the Partnership’s preparation and submission of the Application, AAHC desires to participate as nonprofit sponsor, developer, and as sole member of the General Partner;

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 Application and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “Application 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 the authorization of AAHC, Partnership and/or General Partner to enter into the Application 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 Application Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

RESOLVED, that Ron Kowal, Vice President of AAHC, and any other 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 Application 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 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 15th day of December, 2023.

Michael G. Gerber, Secretary

Chairperson

[End of Resolution]