

**AUSTIN AFFORDABLE
PFC, INC.**

**BOARD OF DIRECTORS
Regular Meeting**

**Wednesday, December 18, 2024
9:00 AM**

HACA Central Office, 1124 S. Interstate Highway 35

To join via Zoom: <https://us06web.zoom.us/j/89858873902> Meeting ID: 898
5887 3902
Austin, TX

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF DIRECTORS
REGULAR BOARD MEETING
OF THE AUSTIN AFFORDABLE PFC, INC.**

TO BE HELD AT

HACA Central Office, 1124 S. Interstate Highway 35

To join via Zoom: <https://us06web.zoom.us/j/89858873902> Meeting ID: 898 5887 3902

Austin, TX

(512.477.4488)

Wednesday, December 18, 2024

9:00 AM

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

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

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on October 17, 2024

ACTION ITEMS

2. Presentation, Discussion, and Possible Action regarding Resolution No. 00119: Authorizing the amendment of Taxable Multifamily Housing Revenue Notes (Bridge at Canyon View Apartments) Series 2019, Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments), Series 2019, and Subordinate Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments) Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the amendments to the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

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 PFC, INC.

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: December 18, 2024

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on October 17, 2024

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 October 17, 2024.

ATTACHMENTS:

- ▣ **20241017 AAPFC Minutes Summary**

**AUSTIN AFFORDABLE CONTRACTORS PFC, INC.
BOARD OF DIRECTORS
REGULAR BOARD MEETING**

OCTOBER 17, 2024

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE CONTRACTORS PFC, INC. (AACPFC) BOARD OF DIRECTORS REGULAR MEETING NOTICE WAS POSTED FOR 12:00 PM ON THURSDAY, OCTOBER 17, 2024, AND WAS HELD AT THE HACA HEADQUARTERS, 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 Contractors PFC, Inc., of October 17, 2024, was called to order by Carl S. Richie, Jr., HACA Chairperson, at 12:11 pm. The meeting was held at HACA Headquarters, 1124 S. IH 35, Austin, TX And Virtually

Roll call certified a quorum was present.

MEMBERS PRESENT:

Charles Bailey, Vice-Chairperson
Mary Apostolou, 2nd Vice-Chairperson
Carl S. Richie, Jr., Director
Dr. Tyra Duncan-Hall, Director

MEMBER(S) ABSENT:

Edwina Carrington, Chairperson

ALSO IN ATTENDANCE:

Sarah Scott, Coats Rose
Bill Walter, Coats Rose
Lauren Aldredge, Cokinios Law Firm

STAFF PRESENT:

Barbara Chen, Jorge Sanchez, Kelly Crawford, Leilani Lim-Villegas, Michael Gerber, Michael Roth, Nidia Hiroms, Nora Velasco, Suzanne Schwertner, and Sylvia Calderon

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 March 21, 2024

2nd Vice-Chair Apostolou moved to Approve the Board Minutes Summary for the Board Meeting held on March 21, 2024. **Director Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ACTION ITEMS

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00002 by the Board of Directors of Austin Affordable Contractors Public Facility Corporation (“AACPFC”) appointing and/or ratifying officers

The Board is being asked to approve Suzanne Schwertner as an officer of Austin Affordable Contractors Public Facility Corporation with signing authorization.

2nd Vice-Chairperson Apostolou moved to Approve Resolution No. 00002 by the Board of Directors of Austin Affordable Contractors Public Facility Corporation (“AACPFC”) appointing and/or ratifying officers. **Director Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board did not recess into Executive Session.

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

The meeting adjourned at 2:07 pm.

Michael G. Gerber, Secretary

Chairperson

AUSTIN AFFORDABLE PFC, INC.

BOARD ACTION REQUEST

RESOLUTION NO. 00119

ITEM NO. 2.

MEETING DATE: December 18, 2024

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 00119: Authorizing the amendment of Taxable Multifamily Housing Revenue Notes (Bridge at Canyon View Apartments) Series 2019, Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments), Series 2019, and Subordinate Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments) Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the amendments to the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approved Resolution No. 00119 authorizing the amendment of Taxable Multifamily Housing Revenue Notes (Bridge at Canyon View Apartments) Series 2019, Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments), Series 2019, and Subordinate Multifamily Housing Revenue Bonds (Bridge at Canyon View Apartments) Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the amendments to the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

SUMMARY

Background:

Austin Affordable Housing Corporation partnered with LDG Multifamily to build Bridge at Canyon View located at 4506 E. William Cannon, Austin 78744. The property includes 215 family units all at 60% area median income and below as well as a multitude of family friendly amenities. Financing utilized a 4% tax credit/tax-exempt bond structure.

Bridge at Canyon View had its grand opening in July 2024 and has held steady with occupancy in the 95%-100% range. A heartwarming speech was given by one of the residents that lived with her daughter in the neighborhood. She had watched the construction of the property and was one of the first people to apply to lease her very own unit. Many residents have family connections in the neighborhood and were thrilled to welcome this property as home. This property is in the Austin ISD with access to the following schools: Perez Elementary School, Mendez Middle School and Akins High School. Austin Community College South Campus and St. Edward's University are the closest college campuses. This property benefits

HACA/AAHC with units that are deeply affordable and located just south of downtown on William Cannon as well as offering after school programs for the children. Marketing to Housing Choice Voucher residents is ongoing.

Unit breakdown:

71	One bedroom/one bath
54	Two bedroom/two bath
90	Three bedroom/two bath

Process:

The Board has seen this property multiple times for Bond Inducement and closing of the initial construction loan and then Bond Inducement and closing of a supplemental issuance of bonds. When the supplemental bond issuance closed, we used a short-term product recommended by the lender. The property is now leased up, stabilized and ready for the construction loan to be converted to permanent debt. With the successful lease up and operations of the property, we along with the investor (Citi) and lender (Ready Capital FKA Redstone) have determined that reissuing the supplemental bonds and converting them to a long-term product with a lower interest rate would be beneficial to the property. This will allow us to use proceeds from the permanent debt conversion and final equity installment to pay other construction debt and any operating advances incurred while the property achieved stabilization. The proposed resolution approves this modification from short-term bonds to long-term bonds.

Staff Recommendation:

Staff recommends approval of Resolution No. 00119.

RESOLUTION NO. 00119

Resolution authorizing the issuance, sale and delivery of amended Subordinate Multifamily Housing Revenue Bonds (The Bridge at Canyon View Apartments) Series 2023 and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject

WHEREAS, Austin Affordable PFC, Inc. (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), for the purpose of assisting the Housing Authority of the City of Austin (the “Sponsor”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the corporate limits of the City of Austin, Texas (the “City”), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board of Directors of the Issuer (the “Board”) previously authorized the issuance, sale and delivery of its Subordinate Multifamily Housing Revenue Bonds (The Bridge at Canyon View Apartments) Series 2023 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture, dated as of May 1, 2023 (the “Indenture”), between the Issuer and BOKF, NA, as trustee (the “Trustee”), for the purpose of lending the proceeds thereof to Bridges at Canyon View, LP, a Texas limited partnership (the “Borrower”), to provide financing for the construction of a multifamily housing residential rental development known as the Bridge at Canyon View, located within the City of Austin at approximately 4506 East William Cannon Drive, Austin, Texas 78744 and described more fully on Exhibit A attached hereto (the “Project”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Board, by resolution adopted on December 7, 2022, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the construction and equipping of the Project, the Issuer entered into a Loan Agreement (the “Loan Agreement”), with the Borrower, pursuant to which (i) the Issuer agreed to make a mortgage loan funded with the proceeds of the Bonds (the “Mortgage Loan”) to the Borrower to enable the Borrower to finance costs of the construction and equipping of the Project and related costs, and (ii) the Borrower executed and delivered a promissory note (the “Note”) in an original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreement; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”), the Issuer required the Borrower to enter into an Amended and Restated Land Use Restriction Agreement, dated as of May 1, 2023 (the “Regulatory Agreement”) with respect to the Project; and

WHEREAS, Borrower has requested that the term of the Bonds be amended to reflect an extended maturity date;

WHEREAS, the Issuer has received amendments to the Bonds, Indenture, Loan Agreement, Note and related bond documents to reflect the extended maturity;

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Bonds; and

WHEREAS, Section 147(f) of the Code requires that the Bonds be approved by the “applicable elected representative” (the “AER”) after a public hearing following reasonable public notice; and

WHEREAS, with respect to bonds issued by the Issuer, the AER is the Mayor of the City; and

WHEREAS, notice of a public hearing with respect to the Bonds and the Project held by the Issuer on November 15, 2024, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard; and

WHEREAS, the Board has determined to provide financing for the Project in accordance with the amended forms of the Loan Agreement, Note, the Bonds (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN AFFORDABLE PFC, INC. THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on November 15, 2024; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Bonds. The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Loan Agreement, and upon execution and delivery of the Loan Agreement, the President or Vice President and the Secretary of the Issuer are each hereby authorized to execute, attest and affix the Issuer’s seal (if any) to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Indenture.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest on the Bonds shall initially not exceed 10%; (ii) the aggregate principal amount of the Subordinate Multifamily Housing Revenue Bonds (The Bridge at Canyon

View Apartments) Series 2023 shall not exceed \$5,000,000; (iii) the final maturity of the Bonds shall occur not later than May 1, 2063; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

Section 4.--Approval, Execution and Delivery of the Indenture and the Loan Agreement. The officers of the Issuer are each hereby authorized to execute the Indenture and the Loan Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by the execution and delivery of the Indenture and the Loan Agreement.

Section 5.--Approval, Execution and Delivery of the Regulatory Agreement. The officers of the Issuer are each hereby authorized to execute the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery and to deliver the Regulatory Agreement.

Section 6.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

Section 7.--Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 8.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions in the form of the documents hereby approved, in the opinion of bond counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

Section 9.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 10.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 11.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City to obtain decent, safe and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City, and to reduce public expenditures for crime prevention and control, public health, welfare and safety and for other valid public purposes.

Section 12.--Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Loan Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or

statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, the Sponsor or any other political subdivision or governmental unit.

Section 13.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of tax counsel with respect to the Bonds.

Section 15.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds is issued, a statement containing the information required by Section 149(e) of the Code.

Section 16.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

[End of Resolution.]

PASSED, APPROVED AND ADOPTED this 18th day of December, 2024.

EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

SECRETARY