

**AUSTIN AFFORDABLE PFC
REGULAR BOARD MEETING**

**Thursday, May 29, 2025
12:00 PM**

1124 S. IH 35,

Join Zoom Meeting <https://bit.ly/4jvM519> Meeting ID: 832 5960 8455 Passcode:

247709

Austin, TX

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A
REGULAR MEETING
OF THE AUSTIN AFFORDABLE PFC**

TO BE HELD AT

1124 S. IH 35,

Join Zoom Meeting <https://bit.ly/4jvM519> Meeting ID: 832 5960 8455 Passcode: 247709

Austin, TX

(512.477.4488)

Thursday, May 29, 2025

12:00 PM

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

PUBLIC COMMUNICATION (NOTE: THERE WILL BE A THREE-MINUTE TIME LIMITATION)

CONSENT AGENDA

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

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on April 3, 2025

ACTION ITEMS

2. Presentation, Discussion and Possible Action on Resolution No. 00125: Authorizing the issuance, sale and delivery of Multifamily Housing Revenue Bonds (Bridge at Treeline Apartments), Series 2025; 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.
3. Presentation, Discussion, and Possible Action on Resolution No. 00126: resolution declaring intent to issue supplemental bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Heritage Pointe Seniors Apartments); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

4. Presentation, Discussion, and Possible Action on Resolution No. 00127: resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Pathways at Santa Rita Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an Application for Allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

EXECUTIVE 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.

OPEN 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 x 2104.

**HOUSING AUTHORITY OF THE CITY OF AUSTIN
AUSTIN AFFORDABLE PFC**

BOARD ACTION REQUEST

**Executive
ITEM 1.**

MEETING DATE: May 29, 2025
STAFF CONTACT: Nidia Hiroms, Executive Assistant Nidia Hiroms
ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on April 3, 2025
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 3, 2025.

SUMMARY

Background:

Process:

Staff Recommendation:

ATTACHMENTS:

20250403 AAPFC Final Minutes Summary

**AUSTIN AFFORDABLE PFC, INC.
BOARD OF DIRECTORS
ANNUAL BOARD MEETING**

APRIL 3, 2025

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE PFC, INC. (AAPFC) BOARD OF DIRECTORS ANNUAL MEETING NOTICE WAS POSTED FOR 8:00 AM ON THURSDAY, APRIL 3, 2025, 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 Annual Board Meeting of the Austin Affordable PFC, Inc., of April 3, 2025, was called to order by Carl S. Richie, Jr. HACA Chairperson, at 8:17 am. The meeting was held at the HACA Central Office, 1124 S. IH 35, TX 78704

Roll call certified a quorum was present.

MEMBERS PRESENT:

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

MEMBER(S) ABSENT:

ALSO IN ATTENDANCE:

Lauren Aldredge, Cokinis Law Firm
Bill Walters, Coats Rose

STAFF PRESENT:

Ann Gass, Barbara Chen, Brittley Baker, Crystal James, Daniel Ruiz, Jimi Teasdale, Jorge Vazquez, Katie Richardson, Keith Swenson, Kelly Crawford, Ken Bodden, Laura Bodai, Leilani Lim-Villegas, Lisa Garcia, Michael Cummings, Michael Gerber, Nidia Hiroms, Ron Kowal, and Suzanne Schwertner

PUBLIC COMMUNICATION – NONE

Director Richie left the meeting at 9:02 am

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 December 18, 2024

2nd Vice-Chairperson Apostolou moved to Approve the Board Minutes Summary for the Board Meeting held on December 18, 2024. **Director Duncan-Hall** seconded the motion. The motion Passed (3-Ayes and 0-Nays).

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00121: Election of new Officers for the Austin Affordable PFC

With the current officer terms expiring at the end of April, and new terms beginning May 1, 2025, it is necessary for the Board to elect new officers for the Austin Affordable PFC Board of Directors. The Board elected the following:

Chairperson: Edwina Carrington
Vice-Chairperson: Mary Apostolou
2nd Vice-Chairperson: Carl S. Richie, Jr.

Director Duncan-Hall moved to Approve Resolution No. 00121: Election of new Officers for the Austin Affordable PFC. The Board elected the following: Chairperson: Edwina Carrington; Vice-Chairperson: Mary Apostolou; 2nd Vice-Chairperson: Carl S. Richie, Jr. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (3-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 (3-Ayes and 0-Nays).

The meeting adjourned at 10:18 am.

Michael G. Gerber, Secretary

Chairperson

**HOUSING AUTHORITY OF THE CITY OF AUSTIN
AUSTIN AFFORDABLE PFC**

BOARD ACTION REQUEST

**AAHC
ITEM 2.**

MEETING DATE: May 29, 2025
STAFF CONTACT: Suzanne Schwertner, Director of Development Suzanne Schwertner,
Director of Development
ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00125:
Authorizing the issuance, sale and delivery of Multifamily Housing
Revenue Bonds (Bridge at Treeline Apartments), Series 2025;
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.
BUDGETED ITEM: N/A
TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00125: Authorizing the issuance, sale and delivery of Multifamily Housing Revenue Bonds (Bridge at Treeline Apartments), Series 2025; 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.

SUMMARY

Background:

Austin Affordable Housing Corporation is being presented with an opportunity to partner with JCI Residential on a certain 11.33 acre tract of land located at 12201 Heatherly Drive, Austin, Texas 78747. This would be the eighth (8th) asset AAHC and JCI have partnered on together. Two of the eight are also LIHTC/Bond projects successfully constructed and completed: Bridge at Granada and Bridge at Turtle Creek. The Board saw this property for the first time in September 2024 where an Inducement Resolution was approved.

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 transactions. JCI is a privately held development firm with a current development pipeline of more than 200

projects. AAHC works with the Managing Partner, Sam Kumar, and President, Kurt Goll. JCI Residential will also manage the property.

The project (Bridge at Treeline) will consist of 294 family units. 100% of the units will be affordable to people earning 60% AMI or below. This site sits just a few minutes from South of downtown with quick access to major thoroughfares IH35 and SH 45. The property feeds into the Austin Independent School District and Blazier Elementary School, Paredes Middle School and Akins 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 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 will provide a home to many individuals and families who work in and around the area with no current affordability in place. The nearest property in AAHC's current portfolio is Bridge at Three Hills right next door. This is also a partnership between AAHC and JCI as a workforce housing property.

Process:

The development will use a mixture of 4% tax credits and bonds to finance the development with a total project cost of approximately \$70,700,000. HACA, through its Public Facility Corporation will issue tax-exempt bonds in an amount not to exceed \$40,000,000. Regions Bank will carry the debt under the HUD 221(d)(4) program at a loan amount not to exceed \$51,000,000. Regions Bank will also provide the tax credit equity and bridge loan not to exceed \$16,000,000.

The planned development will consist of 55 studio units, 32 one bedroom and one bath units, 121 two bedroom and one bath units, and 86 two bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher residents. This approval will allow us to close on the bonds and construction financing in July 2025.

Unit Breakdown with proposed AMIs:

Area Median Income	Studios	1 Bdrm/1 Bath	2 Bdrm/1 Bath	2 Bdrm/2 Bath	Total
	550 sq. ft.	625 sq. ft.	900 sq. ft.	950 sq. ft.	
60% AMI	55	32	121	86	294

Staff Recommendation:

Staff recommends approval of Resolution No. 00125.

ATTACHMENTS:

None

RESOLUTION NO. 00125

Resolution authorizing the issuance, sale and delivery of multifamily housing revenue bonds (Bridge At Treeline Apartments) series 2025; 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”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Revenue Bonds (Bridge at Treeline Apartments) Series 2025 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture, dated on or about of July 1, 2025 (the “Indenture”), between the Issuer and BOKF, NA, a national banking association, as trustee (the “Trustee”), for the purpose of lending the proceeds thereof to Bridge at Treeline LP, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition and construction of a multifamily housing residential rental development known as the Bridge at Treeline Apartments, located at approximately 12201 Heatherly Drive, Austin, Texas, 78747 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 September 19, 2024, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the acquisition, construction and equipping of the Project, the Board has determined that the Issuer shall enter into a Loan Agreement (the “Agreement”), with the Borrower, pursuant to which (i) the Issuer will agree to make a loan funded with the proceeds of the Bonds to the Borrower to enable the Borrower to finance costs of the acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver 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 will require the Borrower to enter into a Land Use Restriction Agreement, dated on or about July 1, 2025 (the “Regulatory Agreement”) with respect to the Project; and

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

WHEREAS, the Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement; 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 February 18, 2025, 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 Agreement, the Bonds, the Regulatory Agreement (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 February 18, 2025; 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 Agreement, and upon execution and delivery of the Agreement, the President or Vice President and the Secretary of the Issuer, acting alone without the joinder of any other officer (each an "Officer"), 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%, as subject to the terms of the Indenture; (ii) the aggregate principal amount of the Bonds shall not exceed \$40,000,000; (iii) the final maturity of the Bonds shall occur not later than 40 years from the date of issuance of the Bonds; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof, plus any applicable premium.

Section 4.--Approval, Execution and Delivery of the Indenture and the Agreement. The Officers of the Issuer are each hereby authorized to execute the Indenture and the 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 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 140% 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 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 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.

PASSED, APPROVED and ADOPTED this 29th day of May, 2025.

EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

SECRETARY

[End of Resolution.]

**HOUSING AUTHORITY OF THE CITY OF AUSTIN
AUSTIN AFFORDABLE PFC**

BOARD ACTION REQUEST

**AAHC
ITEM 3.**

MEETING DATE: May 29, 2025
STAFF CONTACT: Suzanne Schwertner, Director of Development Suzanne Schwertner,
Director of Development
ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No.
00126: resolution declaring intent to issue supplemental bonds to
provide financing for a multifamily residential rental development for
persons of low and moderate income (Heritage Pointe Seniors
Apartments); prescribing certain terms and conditions of such bonds;
authorizing the filing of an application for allocation of private activity
bonds with the Texas Bond Review Board; and containing other
provisions relating to the subject
BUDGETED ITEM: N/A
TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00126: declaring intent to issue supplemental bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Heritage Pointe Seniors Apartments); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

SUMMARY

Background:

Austin Affordable Housing Corporation was presented an opportunity to partner with April Housing on the acquisition and rehabilitation of an existing development located at 1950 Webberville Road, Austin, Texas 78721 in the Austin city limits. This property was built using tax credits and has reached its 15-year compliance period expiration. The project (Heritage Pointe Seniors Apartments) consists of 240 senior apartment units serving residents at 30%, 40%, 50%, 60% and 80% Area Median Incomes. The board saw this project originally in September of 2023 for the bond inducement resolution and again in February 2024 for the tax credit application resolution. The property was brought back to the board for final approval to close and start construction in August of 2024.

AAHC is excited to partner with April Housing to preserve this very deep affordability in an existing property with senior units and provide much needed renovations and upgrades that will also provide relief in lower utility bills. With the new issuance of bonds and tax credits, the affordability term began anew.

Process:

The development is a mix of 4% tax credits and bonds to finance the rehabilitation of the units and amenities. The development currently consists of 200 one bedroom/one bath units and 40 two bedroom/one and half bath units. As with all AAHC properties, all units will be marketed to HACA's Housing Choice Voucher families.

HACA, through its Public Facility Corporation, issued tax-exempt bonds in an amount not to exceed \$29,300,000. PNC Bank, National Association provided the construction loan in an amount not to exceed \$25,000,000 and a bridge loan in an amount not to exceed \$22,000,000.

April Housing provided a seller loan in an amount not to exceed \$20,000,000. PNC Bank also provided the tax credit equity.

Rehab includes, but is not limited to accessibility modifications, repairs/upgrades to HVAC and water heaters, new flooring, updated finishes, plumbing upgrades, upgraded countertops, upgraded light fixtures, exterior paint, upgraded mailboxes, upgraded amenities, improved/additional exterior lighting, and an upgrade on the community building. Please see attached Scope of Work for more details.

Now that rehabilitation is 40% complete, we have determined that a supplemental bond issuance is needed to meet the 50% test and cover the additional "unexpected" items that pop up throughout a rehab process. Among the items that are pushing us over budget are multiple repairs and retrofits to the elevators, structural repairs to the entire interior courtyard yard, additional trash compactor, multiple ramps and handrails around the perimeter of the property and permitting and changes to maintenance storage. We are requesting a supplemental bond amount not to exceed \$10 million (knowing that we probably won't need the full amount).

Unit Breakdown:

# Bedrooms	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI
1 bedroom	16	63	64	17	40
2 bedrooms	4	14	13	2	7

Staff Recommendation:

Staff recommends approval of Resolution No. 00126.

ATTACHMENTS:

None

RESOLUTION NO. 00126

Resolution declaring intent to issue supplemental bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Heritage Pointe Seniors Apartments); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Austin (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Austin Affordable PFC, Inc., a nonprofit corporation (the "Issuer");

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Unit's jurisdiction, including Austin, Texas;

WHEREAS, 1950 Webberville Road (TX) Owner LP, a Texas limited partnership, or such other limited partnership as the sole member of the general partner of the User designates (the "User"), has requested that the Issuer finance an affordable multifamily housing project to be located at approximately 1950 Webberville Road, Austin, Texas (the "Project"), and further that the Issuer adopt this Resolution with respect to the acquisition and rehabilitation of the Project;

WHEREAS, the Issuer previously (a) declared its intent to issue bonds, or other obligations (the "2024 Declared Bonds"), pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$29,300,000 and to expend the proceeds thereof to acquire and rehabilitate the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the 2024 Declared Bonds and (b) authorized the submission of an Application to Texas Bond Review Board (the "TBRB") for a reservation of the state ceiling for "private activity bonds" for the 2024 Declared Bonds for program year 2024 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project; and

WHEREAS, the User has determined that to finance the Project, the User needs additional funds from the issuance of "private activity bonds";

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition and rehabilitation of the Project would be a commitment and agreement by the Issuer to issue additional revenue bonds pursuant to the Act (the "Bonds") to finance and help pay for the Project;

WHEREAS, in view of a shortage of decent, safe and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that rehabilitation of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin rehabilitation of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or

other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$10,000,000 and to expend the proceeds thereof to acquire and construct the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds or an Application for Carryforward for Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds, and if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project, which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; acquisition, rehabilitation, and improvement of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition and rehabilitation of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

- (i) the receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Austin, Texas, the Attorney General of the State of Texas and any other applicable governmental authority; and
- (iii) any other conditions reasonably imposed by the Issuer.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2025 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

- (a) Prior to the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, rehabilitation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. The adoption of this Resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Section 1.142-4 and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that Bonds issued to reimburse Project costs may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 8. The Issuer hereby authorizes the filing and any resubmission of an Application with

the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application (“Bond Counsel”). Any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution, including any further revisions to this Resolution.

Section 9. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this Resolution and 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.

PASSED, APPROVED and ADOPTED this 29th day of May, 2025.

EDWINA CARRINGTON, CHAIRPERSON

ATTEST:

SECRETARY

Michael G. Gerber, Secretary

Edwina Carrington, Chairperson

**HOUSING AUTHORITY OF THE CITY OF AUSTIN
AUSTIN AFFORDABLE PFC**

BOARD ACTION REQUEST

**RAD
ITEM 4.**

MEETING DATE: May 29, 2025
STAFF CONTACT: Ann Gass, Director of Strategic Housing Initiatives
ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 00127: resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Pathways at Santa Rita Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an Application for Allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject
BUDGETED ITEM: N/A
TOTAL COST: N/A

ACTION

The board is being asked to approve a resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income (Pathways at Santa Rita Courts East); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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 February of 2025, AAHC submitted an application to the TDHCA under the 2025 9% low

income housing tax credit program for Santa Rita Courts West. This was the first phase of a multi-phase redevelopment.

The second phase of the redevelopment is the subject of this action – Pathways at Santa Rita Courts East. Santa Rita Courts East will provide approximately 104 spacious units with modern, energy efficient appliances and amenities. 27 of these units will be in the existing historic bungalows on the east side of the site. The remaining 77 units will be new construction units in the center of the site, between the bungalows to the east and Santa Rita Courts West and the Pre-K to the west.

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 and honoring the history of Santa Rita Courts through the renovation of the historic bungalows.

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 since late 2023 to plan for the redevelopment of the two phases of Santa Rita.

Staff Recommendation:

Staff recommends approval of the resolution.

ATTACHMENTS:

None

RESOLUTION NO. 00127

Resolution Declaring Intent to Issue Bonds to Provide Financing for a Multifamily Residential Rental Development for Persons of Low and Moderate Income (Santa Rita East); Prescribing Certain Terms and Conditions of such Bonds; Authorizing the Filing of an Application for Allocation of Private Activity Bonds with the Texas Bond Review Board; and Containing Other Provisions Relating to the Subject

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Austin (the "**Unit**") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "**Act**"), approved and created the Austin Affordable PFC, Inc., a nonprofit public facility corporation (the "**Issuer**");

WHEREAS, on November 5, 2012, the Issuer's Certificate of Formation was filed with the Secretary of State of the State of Texas;

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction, including Austin, Texas;

WHEREAS, Pathways at Santa Rita Courts East, LP, a to-be-formed Texas limited partnership, or such other limited partnership as the sole member of the general partner of the User designates (the "**User**"), has requested that the Issuer finance a low and moderate income multifamily housing project to be located at approximately 2350 E 2nd St, Austin, TX 78702 (the "**Project**"), and further that the Issuer adopt this Resolution with respect to the acquisition and construction of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the acquisition and construction of the Project would be a commitment and agreement by the Issuer to issue revenue bonds pursuant to the Act (the "**Bonds**") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project; and

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 for tax-exempt obligations and to expend the proceeds thereof to acquire, construct, and install the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "**Code**"), the Issuer must submit an Application for Allocation of Private Activity Bonds or an Application for Carryforward for Private Activity Bonds (the "**Application**") to the Texas Bond Review Board (the "**TBRB**") for a reservation of state ceiling available to "**private activity bonds**" (as defined in the Code) for a calendar year;

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

- (a) Issue the Bonds, and if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project, which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.
- (b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "**Contracts**"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; acquisition, construction, and improvement of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User.
- (c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition and construction of the Project, as requested by the User and within then applicable limitations.
- (d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

- (i) the receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Austin, Texas, the Attorney General of the State of Texas and any other applicable governmental authority; and
- (iii) any other conditions reasonably imposed by the Issuer.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2025 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites and declares that the issuance of the Bonds to

provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended (or other applicable Sections of the Code), and applicable rulings of the Internal Revenue Service thereunder, to the end that Bonds issued to reimburse Project costs may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 8. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application ("**Bond Counsel**"). Any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution, including any further revisions to this Resolution.

Section 9. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this Resolution and 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.

PASSED, APPROVED, and ADOPTED this 29th day of May, 2025.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson