

May 5, 2022
9:30 A.M.

The Board of Directors will meet at 502 East Highland Mall Blvd., 106-B Austin, TX 78752.

The Board of Directors will consider and may take action on the following items:

I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM

MISSION STATEMENT: The Travis County Facilities Corporation, Texas, preserves and develops affordable housing and vibrant communities, which enhance the quality of life for all.

II. PUBLIC FORUM / CITIZEN COMMUNICATION

- *Anyone desiring to discuss or comment on items directly related to the TCFC is always welcome.*
- *If the item is deemed related to an Agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.*
- *Speakers must sign-in prior to the start of the Board Meeting by emailing Debbie Honeycutt at Debbie.Honeycutt@traviscountytx.gov*
- *Maximum three-minute limit per speaker.*

III. CONSENT AGENDA

- A. Approval of the Minutes from the February 9, 2022 Regular Meeting
- B. Approval of the Minutes from the April 7, 2022 Regular Meeting

IV. REGULAR AGENDA

- A. Real Estate Development - [Robert Onion](#) / [Keith Hoffpauir](#)

V. BOARD COMMITTEE REPORT

- A. Ad Hoc Committee

VI. NEW / UNFINISHED BUSINESS

- A. Discussion and consideration regarding Board of Directors issues and concerns

VII. ADJOURNMENT

**TRAVIS COUNTY FACILITIES CORPORATION
BOARD OF DIRECTORS
REGULAR MEETING
502 East Highland Mall Blvd., Suite 106-B
Austin, Texas 78752
February 9, 2022
10:00 a.m.**

MINUTES

The Travis County Facilities Corporation held a Regular Board of Directors Meeting at 502 East Highland Mall Blvd., 106-B Austin, Texas 78752 and via Zoom on the above date.

<https://us02web.zoom.us/j/83165202240?pwd=V1NHSGJraUtOQW5xenlWVnR0QlI0dz09>

Dial by your location: <https://us02web.zoom.us/j/83165202240?pwd=V1NHSGJraUtOQW5xenlWVnR0QlI0dz09>

Meeting ID: 831 6520 2240

Password: 019426

I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM

A quorum was established, and President John Hernandez called the meeting to order at 10:53 a.m.

Roll Call of Directors: President John Hernandez, Vice President Ann Denton, Director Eddie Karam, Director Wilmer Roberts. Guests: Cliff Blount with Naman, Howell, Smith & Lee PLLC. Staff in Attendance: CEO/Executive Director Patrick Howard, Director of Real Estate Development Robert Onion, Sr. Administrative Assistant Debbie Honeycutt, Director of Finance Subra Narayanaiyer.

CEO/Executive Director Patrick Howard certified the quorum.

II. CONSENT AGENDA

- A. Approval of the Minutes from the September 3, 2021 Regular Meeting
- B. Approval of the Minutes from the October 7, 2021 Regular Meeting
- C. Approval of the Minutes from the December 8, 2021 Regular Meeting
- D. Approval of the Minutes from the January 6, 2022 Annual Meeting

Vice President Ann Denton made a **motion** to approve Items II.A., II.B., II.C. and II.D. Director Wilmer Roberts seconded the motion, which **passed** unanimously.

III. PUBLIC FORUM / CITIZEN COMMUNICATION

- Anyone desiring to discuss or comment on items directly related to the TCFC is always welcome.
- If the item is deemed related to an Agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.
- Speakers must sign-in prior to the start of the Board Meeting by emailing Omar Nesbit at Ormar.Nesbit@traviscountytx.gov
- Maximum three-minute limit per speaker.

There were none at that time.

IV. REGULAR AGENDA

A. Discussion / update Caseybridge Apartments

Director of Real Estate Development Robert Onion presented Item IV. A.

December 8, 2021 staff provided the Board with a discussion item for a New PFC Structure for Travis County Facilities Corporation. The new financing structure involves issuing **Essential Function Tax Exempt Bonds** for the purpose of financing Affordable Housing. The basic difference between this financing structure and what has been proposed in the past is that the development is completely financed from Bond proceeds and no equity is required. This structure represents a very highly leverage transaction which would not allow for the traditional lower income set-asides of 100% at 60% as seen in Private Activity Bond/4 % tax credits transaction. January 6, 2022 Jim Plummer of Bracewell Law Firm addressed the Board and discussed the differences between this type of financing and previous structure.

Proposed Development: The subject property is located East of IH 35 and just West of 183 at the intersection of Ben White Blvd (Hwy 71) and Caseybridge. The address of the two tracts are 3111 and 3112 Caseybridge.

Affordable Set Asides: The property is being developed using Ordinance No. 20190509-027 Residential Affordable Housing Development Bonus Program, also referred to as "Affordability Unlocked" Program. This program allows for a greater density of units per acre in exchange for affordability component. The rent set aside must be at 60% of AMI for 50% of the units with at least 20% of those units at 50% of AMI.

V. NEW / UNFINISHED BUSINESS

A. Discussion and consideration regarding Board of Directors issues and concerns

There were none at that time.

VI. ADJOURNMENT

Mr. Roberts made a **motion** to adjourn. Director Eddie Karam seconded the motion, which **passed** unanimously.

The Board adjourned at 11:08 a.m.

Respectfully submitted,

Patrick B. Howard, CEO / Executive Director

**TRAVIS COUNTY FACILITIES CORPORATION
BOARD OF DIRECTORS
REGULAR MEETING
502 East Highland Mall Blvd., Suite 106-B
Austin, Texas 78752
April 7, 2022
9:30 a.m.**

MINUTES

The Travis County Facilities Corporation held a Regular Board of Directors Meeting at 502 East Highland Mall Blvd., 106-B Austin, Texas 78752.

I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM

A quorum was established, and Vice President Ann Denton called the meeting to order at 10:47 a.m.

Roll Call of Directors: Vice President Ann Denton; Director Sharal Brown; Director Wilmer Roberts; Director Christina Rosales; Absent: Director Jimmy Paver. Guests: Cliff Blount with Naman, Howell, Smith & Lee PLLC. Staff in Attendance: CEO/Executive Director Patrick Howard; Executive Assistant Omar Nesbit; Director of Real Estate Development Robert Onion; Asset Manager Keith Hoffpaur; Sr. Administrative Assistant Debbie Honeycutt; Director of Finance Subra Narayanaier.

CEO/Executive Director Patrick Howard certified the quorum.

II. CONSENT AGENDA

A. Approval of the Minutes from the April 7, 2022 Regular Meeting

Item II.A. was not voted on.

III. PUBLIC FORUM / CITIZEN COMMUNICATION

- Anyone desiring to discuss or comment on items directly related to the TCFC is always welcome.
- If the item is deemed related to an Agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.
- Speakers must sign-in prior to the start of the Board Meeting by emailing Debbie Honeycutt at Debbie.Honeycutt@traviscountytexas.gov
- Maximum three-minute limit per speaker.

There were none at that time.

IV. ACTION ITEMS

A. Election of Officers (President and Vice President)

Vice President Ann Denton nominated Director Christina Rosales for President. Director Wilmer Roberts nominated Director Sharal Brown for Vice President. Mr. Roberts seconded the motion, which **passed** unanimously.

B. Resolution No. TCFC-2022-01	To <u>Approve</u> the negotiation of a Memorandum of Understanding (MOU) between Travis County Facilities Corporation of Travis County and Marcus Organization (“Developer”) by the Executive Vice President, Director of Real Estate Development, and the officers of the Corporation for participation in South First Apartments located at 6311 S. First St. Austin, TX; and <u>Authorize</u> the execution of such MOU.
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After corresponding with Jonathan Marcus of the Marcus organization for approximately a year and half, on July 8, 2020, the organization presented a request to participate in a Public Facilities Corporation structure with Travis County Facilities Corporation.

The Travis County Facilities Corporation (TCFC) will be providing a 100% property tax exemption and a sales tax exemption on the materials used to construct the proposed improvements. In exchange, TCFC will receive an origination fee; a percentage of the Developer fee; a construction administration fee; a capital event fee; and an annual ground lease fee once the property has stabilized. Stabilization is projected to be in 2027. The Memorandum of Understanding outlines these fee structures and addresses the subsequent sale of the Lease hold interest.

Director Christina Rosales made a **motion** to approve Resolution No. TCFC-2022-01. Director Wilmer Roberts seconded the motion, which **passed** unanimously.

V. REGULAR AGENDA

A. Real Estate Development – *Robert Onion / Keith Hoffpauir*

Item V.A. was not discussed.

B. TCFC Set-Aside Funds

Schedule an Ad Hoc committee meeting to discuss the TCFC Set-Aside Funds.

VI. NEW / UNFINISHED BUSINESS

A. Discussion and consideration regarding Board of Directors issues and concerns

There were none at that time.

VII. ADJOURNMENT

Mr. Roberts made a **motion** to adjourn. Ms. Rosales seconded the motion, which **passed** unanimously.

The Board adjourned at 10:59 a.m.

Respectfully submitted,

Patrick B. Howard, CEO / Executive Director

**TCFC Regular Agenda IV.A.
May 5, 2022**

Subject: Real Estate Development

Background Information: The Housing Authority of Travis County formed the Travis County Facilities Corporation (TCFC) to serve as a financing tool for development opportunities that were not of a financial structure compatible with the Strategic Housing Finance Corporation or an ownership structure compatible with the requirements of the Housing Authority of Travis County.

Update Summary:

TECH RIDGE APARTMENT HOMES

Currently the TCFC is participating in a Public-Private development partnership with Embrey Development to build a new multifamily community known as Tech Ridge Apartment Homes. The purpose of the TCFC's involvement in the development is to provide Workforce Housing by utilizing a Public Facilities Corporation (PFC) structure and the property tax exemption afforded it by law. A summary of the property is provided below.

Developer:	Embrey Development
Location:	IH-35 & Tech Ridge Blvd., Austin, TX
Total Number of Units:	311
Affordability Breakdown:	155 units at 80% of median income adjusted for family size 156 units at market rate
Unit Mix Breakdown:	201 – 1br, 91 – 2br, 16 – 3br
Development Status:	Under Construction
Completion Percentage:	77% as of 3/31/22 (Draw 18)
Anticipated Completion:	May 2023

Potential Partnerships:

SOUTH FIRST APARTMENTS

A Memorandum of Understanding with The Marcus Group was approval by the TCFC Board on 4/7/22. Below is the current information on the proposed development.

Developer:	The Marcus Organization
Location:	South First & Eberhart Lane, Austin, TX
Total Number of Units:	258
Affordability Breakdown:	132 @ 80% AMFI / 126 @ Market
Unit Mix Breakdown:	51 efficiencies, 191 1-BR, 12 2-BR, 4 Office/1-BR
Income Breakdown:	5% at 50% Area Median Family Income (AMFI) 5% at 60% AMFI 41% at 80% AMFI
Development Status:	Memorandum of Understanding was presented to the TCFC Board on 4/7/22.

LAMAR AT KOENIG

Approve MOU at July meeting

Staff was presented with an opportunity to consider a Workforce Housing development in Central Austin using the Public Facilities Corp (51% at 80% AMFI) structure. Cambrian Development (Bercy Chen Studio L.P.) acquired approximately 2.5 acres of land in July 2020 which is located at 900 Old Koenig/5916 N Lamar. A total of 163 units will be affordable at 80% of AMI. These units will also have rents set at least \$200 under market rent.

Developer: Bercy Chen Studio LP / Cambrian Development
Location: 5916 N. Lamar, Austin, TX
Total Number of Units: 325
Affordability Breakdown: 163 @ 80% of AMFI / 162 @ Market
Unit Mix Breakdown: 103 Studios, 179 1-br, 39 2-br, 4 3-br
Income Breakdown: 51 Studios
90 1-br
20 2-br
2 3-br

Development Status: Memorandum of Understanding executed by all parties. Borrower applying for financing.

A Memorandum of Understanding (MOU) was executed by Bercy Chen as of 9/3/21. Since that time the Developer has been in the process of applying for financing to HUD via the 221d3 program.

Recommended Action: N/A

Alternate Option:
N/A

Fiscal Impact:
N/A

Attachment:
N/A

Prepared by:
Keith Hoffpauir – Asset Manager

Approval:

Patrick B. Howard

Patrick B. Howard, Executive Vice President

Potential Partnerships

Name of Apartments	Address	Legal Entity	# of Units	Program	Developer	Set Asides	Status
Crescent Village	Elgin, TX	TBD	231	PFC Structure	Myers Picard Property Development	TBD	Pending