



Strategic
Housing Finance
Corporation
of **TRAVIS COUNTY**

Board of Directors – Regular Meeting
July 10th, 2025

I. Call to Order

II. Citizen Communication

III. Administrative Item Committee Appointments

IV. Director's Report

Calendar Overview

Ad Hoc Legal Matters Committee: Thursdays, 3:30

July

July 14: Finance & Administration Committee

July 17: Real Estate Committee

July 21-23: TAAHP Conference, Austin *(Texas Association of Affordable Housing Providers)*

August

August 7: Real Estate Committee

August 14: Regular Board Meeting

August 21: Real Estate Committee

September

September 4: Real Estate Committee

September 11: Regular Board Meeting

September 18: Real Estate Committee

September 17-19: TALHFA Conference, Round Rock *(Texas Association of Local Housing Finance Agencies)*

October

October 9: Regular Board Meeting

October 16: Fall Travis County Commissioners Court Briefing

Financial Report

May Highlights

- No substantial programmatic revenue was received in May. Most Revenue recorded in May is the result of interest received on the TexPool investment accounts.
- As noted in prior months, Silver Springs revenue makes up most of the current YTD income, and when excluding it revenue totals are behind budgeted projections.

May Financials

	Income	Expenditures
May 2025	\$89,256	\$217,996
Year-to-Date	\$7,648,592	\$1,178,905
% of Annual Budget, YTD	176.12%	33.55%

2025 YTD Assets: \$23,886,557



Financial Report

Cash Distribution

	Account Balance	Months of Operating Expenses
Cash in IBC Operating Account	\$ 223,394	0.76
Operating Reserve Fund (TexPool)	\$ 3,600,000	12.30
Housing Production Fund (TexPool)	\$ 15,000,000	N/A
Unallocated Cash in TexPool	\$ 4,817,673	16.45
TOTAL		29.51

	Aging Accounts Receivable	Opex per Unit	Budget Variance	End of Month Occupancy	Turnover Rate
# of Properties Reporting	13	12	13	13	13
AVERAGE	\$70,796	\$516	(\$23,792)	83%	4%
Residences at Decker	\$75,969	\$578	(25,956	84%	3%
Silver Springs	\$548,484	No Data	(\$149,788)	79%	3%
Cambridge Villas	\$8,400	\$438	\$2,413	88%	1%
Beckett	\$84,746	\$578	(\$81,089)	82%	3%
Southpark	\$6,319	\$598	(\$42,116)	79%	4%
Forest Park	\$12,831	\$541	\$247,392	74%	4%
Villages @ Fiskville	\$30,004	\$399	(\$21,478)	72%	3%
Commons @ Manor	(\$34,389)	\$650	(\$23,830)	88%	1%
Menchaca Commons	\$1,482	\$344	\$48,245	96%	3%
Paddock @ Norwood	\$21,937	\$555	(\$44,600)	91%	7%
Colorado Creek	No Data	No Data	No Data	No Data	No Data
Creekview	No Data	No Data	No Data	No Data	No Data
Heights on Parmer	\$34,989	\$468	(\$56,779)	71%	6%
Wildhorse Flats	\$92,272	\$637	(\$129,245)	82%	4%
William Cannon	\$37,298	\$402	(\$32,460)	93%	3%

MAY PORTFOLIO KPI OBSERVATIONS



Data Limitations

- Property management system integration with Lobby CRE continues
- Silver Springs is missing one metric, the operating expense per unit
- Rise property financial information not received as requested

End of Month Occupancy

- Portfolio Average occupancy is 83%, showing a recovery from the first quarter's dip (January – 83%, February – 82%, March – 81%, April – 83%)
- Flagged: Forest Park, Villages at Fiskville, Southpark, and Heights on Parmer

Aged Receivables

- Additional detail needed to ID 30/60/90 days aging
- Most aged receivables should be less than 30 days old.
- Flagged: Silver Springs has an issue with properly updating unit status.

OpEx Costs

- Average \$516
- Based on national market data expected costs would be about \$558/unit/month
- Flagged: None of the reported properties are of concern this month

Budget Variance

- Limited data pool
- Flagged: High monthly budget variances for Silver Springs and Wildhorse

Turnover Rate

- A healthy turnover rate would be no more than 4-5%
- Flagged: Paddock @ Norwood and Heights on Parmer

V. Consent Agenda



Agenda Item V

Minutes June 12th, 2025

VI. Voting Items

Executive Session

Agenda Item VI.A.

Resolution No. SHFC-2025-17

Revised Term Sheet for Workforce Developments

Workforce Housing Term Sheet

Key Proposed Adjustments in Terms

- ☐ **Affordability Mix:** 10% of units at 50% MFI
- ☐ **Adjusted Fees**
 - General Contractor Fee
 - Third Party Fees
 - ~7% decrease to Strategic HFC
- ☐ **Affordability/Hold Period**
- ☐ **Other Legislative Requirements**
 - Upfront public benefit analysis and annual audit
 - Required tenant protections

Workforce Deals - Bonus Point Revisions

	Existing	Proposed
Bonus Category		
SHFC Lease Addendum	2.5	2
Public Sector Workers	1	2
Architecture	2.5	2
Decarbonization	1	1
Service Access	1	1
Source of Income Protection	2	0
Transportation Access		2
TOTAL	10	10

PROJECTED CASH OVER OPERATING PERIOD

Mixed-Income Deal Fee Summary

New Construction

Old Terms Fee Summary	Fees at Close	TOTAL OVER 15 YEARS	
Origination Fee - 0.50% of TDC	\$ 250,000	\$ 250,000	6%
Construction Management Fee - 15% of Sales Tax Abatement	\$ 92,813	\$ 185,625	5%
Land Lease - 10% of AVT Abatement	\$ -	\$ 1,474,384	38%
Partnership Management Fee - \$100 per unit	\$ -	\$ 464,973	12%
Share of Operating Cash Flow - 4%	\$ -	\$ 372,640	10%
Share of Proceeds from Sale/Refi - 3%	\$ -	\$ 1,128,302	29%
ANNUAL SUBTOTAL:	\$ 342,813	\$ 3,875,923	

New Terms Fee Summary	Fees at Close	TOTAL OVER 15 YEARS	
Origination Fee - 0.50% of TDC	\$ 250,000	\$ 250,000	8%
Construction Management Fee - \$1,200 per unit	\$ 150,000	\$ 300,000	9%
Land Lease - 10% of AVT Abatement	\$ -	\$ 1,474,384	46%
Partnership Management Fee - \$100 per unit	\$ -	\$ 464,973	14%
Share of Operating Cash Flow - 4%	\$ -	\$ 372,640	12%
Share of Proceeds from Sale/Refi - 1%	\$ -	\$ 376,101	12%
ANNUAL SUBTOTAL:	\$ 400,000	\$ 3,238,097	

Total 15-Yr Operation Fees with Old Terms	\$ 3,875,923
Total 15-Yr Operation Fees with New Terms	\$ 3,238,097

Change: -16%

Discount Rate: 7%

Present Value of 15-Yr Operation Fees with Old Terms	\$1,958,209
Present Value of 15-Yr Operation Fees with New Terms	\$1,827,219

Change: -7%

*Other Changes to Projected Closing Costs:

Old Terms: Estimated 3rd Party Financial Advisor Fee	\$125,000
New Terms: Estimated 3rd Party Public Benefit Analysis Fee	\$20,000
Difference:	(\$105,000)

*reduction in 3rd Party Fees are not reflected in the numbers above

Agenda Item VI.B.

Resolution No. SHFC-2025-18

Revised Term Sheet

4% Low Income Housing Tax Credit & Private Activity Bond Projects

LIHTC/Bond Term Sheet

Proposed Revisions

- **Affordability:** Minimum of 10% of units at 50% of AMI
- **Fee Adjustments:** ~11% reduction
 - **Annual lease payment:** 10% of estimated tax savings (vs. cash flow)
 - **Bond Issuance Fee:** Reduced to 40bps (0.4%) from 50bps (0.5%)
 - **Sale/Refinance Share:** 25% of net proceeds (from average of 30%)
 - **Developer Fee:** 25% (from 30%)

PROJECTED CASH OVER OPERATING PERIOD

4%/Bond Deal Fee Summary

New Construction

Old Term Fee Summary	Close	TOTAL	
Ground Lease - Nominal Annual Payments	\$ -	\$ 150	0%
Share of Developer Fee - 30%	\$ 300,912	\$ 1,440,000	9%
Construction Fee - \$1,500 per door	\$ 187,500	\$ 375,000	2%
Issuance Fee - 0.50% at Close, 0.10% Annually	\$ 135,000	\$ 594,000	4%
Share of Operating Cash Flow - 30%	\$ -	\$ 1,378,310	9%
Share of Proceeds from Sale/Refi - 30%	\$ -	\$ 11,830,897	76%
ANNUAL SUBTOTAL:	\$ 623,412	\$ 15,618,357	

New Terms Fee Summary	Close	TOTAL	
Ground Lease - 10% of AVT	\$ -	\$ 1,474,384	11%
Share of Developer Fee - 25%	\$ 250,760	\$ 1,200,000	9%
Construction Fee - \$1,200 per door	\$ 150,000	\$ 300,000	2%
Issuance Fee - 0.40% at Close, 0.10% Annually	\$ 108,000	\$ 567,000	4%
Share of Operating Cash Flow - 0%	\$ -	\$ -	0%
Share of Proceeds from Sale/Refi - 25%	\$ -	\$ 10,044,373	74%
ANNUAL SUBTOTAL:	\$ 508,760	\$ 13,585,756	

Total 15-Yr Operation Fees with Old Terms	\$ 15,618,357
Total 15-Yr Operation Fees with New Terms	\$ 13,585,756

Change: -13%

Discount Rate: 7%

Present Value of 15-Yr Operation Fees with Old Terms	\$6,068,636
Present Value of 15-Yr Operation Fees with New Terms	\$5,428,745

Change: -11%

Agenda Item VI.C.

Resolution No. SHFC-2025-19

Strategic Outlook 2025-2026

Findings

- Tenant Impact
 - Many Travis County residents spend much of their income on rent
 - Tenants need well-managed affordable housing
- Organizational Considerations
 - The organization must be financially self-supporting
 - Strategic HFC works with a limited set of financing tools
 - Other agencies do similar work
- Market Conditions
 - An influx of rental housing has increased vacancy & pushed rents down
 - New rental housing development has slowed
 - Lack of new units is expected to drive rents back up by 2027

Strategic Actions

- Target participation in housing that maximizes community benefit (Strategic AIM)
- Build reserve funds & focus on revenue-generating activities
- Invest in good stewardship of Strategic HFC's existing portfolio
- Earn a reputation as a collaborative and innovative partner
- Build human capital and organizational infrastructure

Agenda Item VI.D.

Resolution No. SHFC-2025-20

Cambridge Villas Purchase and Sale Agreement

Cambridge Villas

Overview

Property

- 15711 Dessau Rd Pflugerville, TX 78660
- 208-unit senior 9% tax credit deal
- Built in 2007, Garden Style 1-story fourplexes
- Mix of 1- and 2-bedroom units

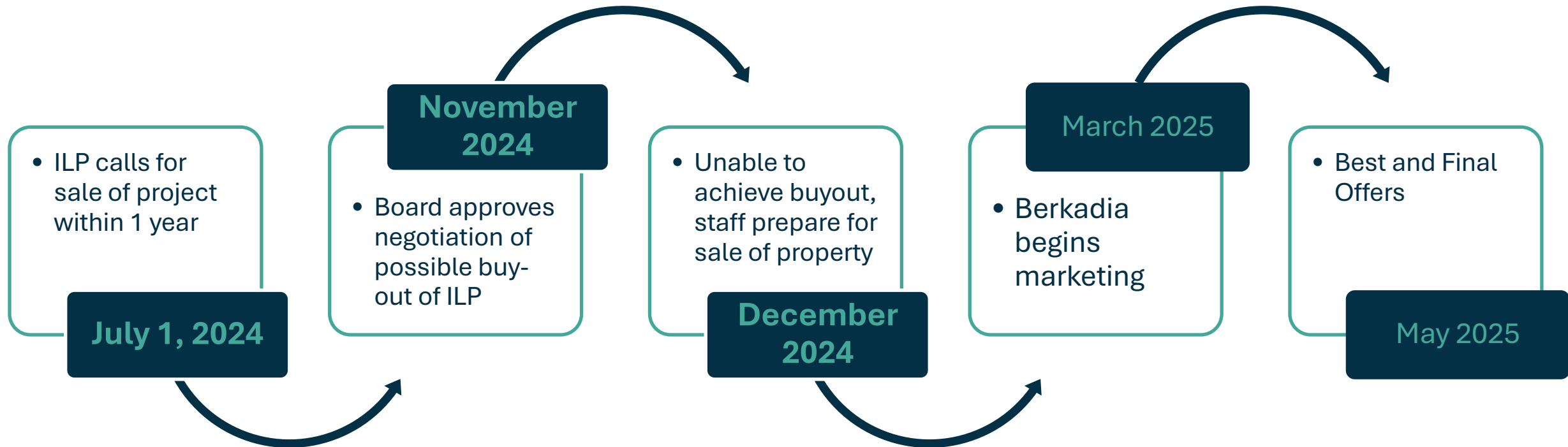
Affordability Mix:

- 21 units @ 30% MFI
- 179 units @ 60% MFI
- 8 Market Rate units



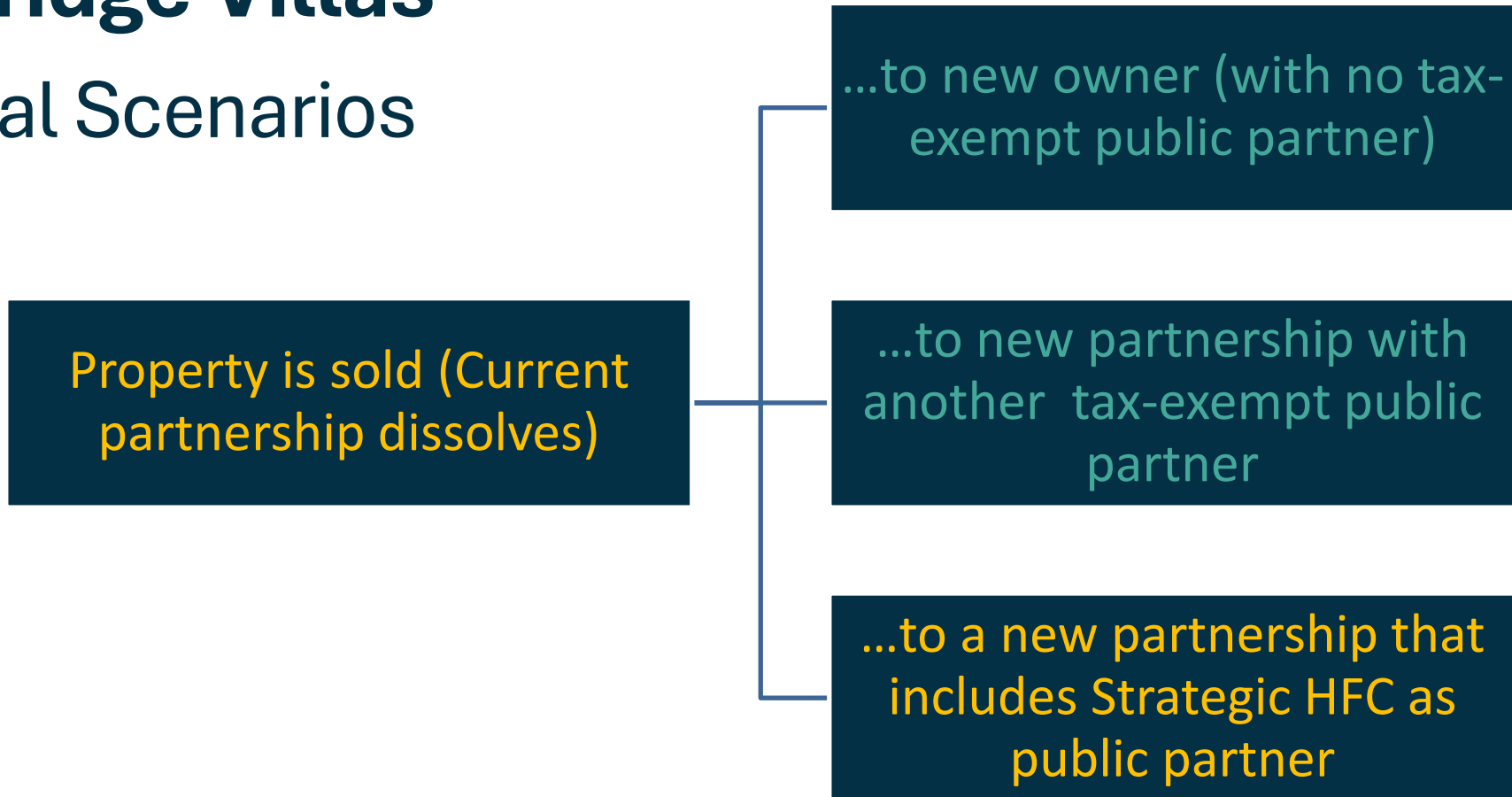
Cambridge Villas

Timeline



Cambridge Villas

Potential Scenarios



August agenda: Board consideration of new partnership with Fairfield Residential

Purchase & Sale Agreement

Cambridge Villas

Key Terms

- **Purchase Price:** \$20,200,000
- **Deposit:** \$500,000
- **Inspection Period:** 30 days
- **Additional Approvals:** Formal approval of TDHCA and Alden Torch
- **Closing Date:** Within 30 days of TDHCA approval (as early as August)
- **Other Conditions:** Satisfaction of any existing liens and/or litigation

Purchase & Sale Agreement

Cambridge Villas

Financial Impact

- **Expected Proceeds:** ~\$12M (after satisfying mortgage/closing costs)
- **Estimated Surety Bond/Escrows:** ~\$7M
- **Balance to Distribute:** ~\$5M
- **Strategic HFC Share:** 90%
- **Partnership Distribution:** \$4.5M
- **Additional funds** may be available once litigation is resolved

VII. Discussion Item

Residences at Decker – NRP Group



RESIDENCES AT DECKER

PROGRESS UPDATE

Towing/Parking

Revised tagging process limits tagging to Tow Owner and CM with management approval before towing. Parking Snap Software implemented. Designated visitor parking with new signage goes live 7/15/2025, residents notified 7/1/2025.

Maintenance/Property Upkeep

Residents reminded of service request options, trash schedules, and 48-hour work order standards. Surveys and weekly callbacks continue. Property Wide German cockroach treatment started (first service completed 6/11, next July 2025).

Security / Pothole / Accessibility Projects

- LPR Project: On hold; collaborating with DTA on a resident survey.
- Doors: Replacement/repair project to finish by end of August 2025.
- Lighting: Began 7/1/2025; 8 new wall packs in pool and playground courtyards.
- Cameras: Phase 1 starts end of September 2025, installing 18 cameras at exterior doors and stairwells (part of a larger \$140K project).
- Pothole: Fully repaired 4/23/2025.

- **High utility bills, disrespectful communication from mgt, unfair lease violations**

NRP reviews monthly water reports and addresses high-usage units biweekly; only one unit showed high usage in May and was resolved. RPM oversees all resident communication and reviews site team outreach. Staff is reminded to work with residents before issuing violations and to consult RPM when unsure. Administrative time was implemented for follow-up, and resident events remain ongoing to strengthen relationships.

Recent Items discussed during 6/27 meeting

Amenity Access: NRP is reviewing after-hours lounge access and the refundable deposit policy for reservations.

The pool reopened on 6/26/2025

Amenity Cleanliness: Daily schedules were adjusted as a result of previous meetings to prioritize property cleanliness.

Balcony Compliance: Regular inspections conducted; residents notified to remove unauthorized items. NRP is reviewing notice language.

Police Involvement: No evidence of excessive calls; police are contacted only if staff feel threatened. Team received de-escalation training and guidance on appropriate situations for police involvement.

Trash Accessibility for Residents with Disabilities: NRP is working with the supportive service provider to explore available resources that can assist with trash disposal and offer additional services if needed

Pot Hole Repair



Clean Hallways



Power washed siding



Pool open for use



Designated Visitor parking



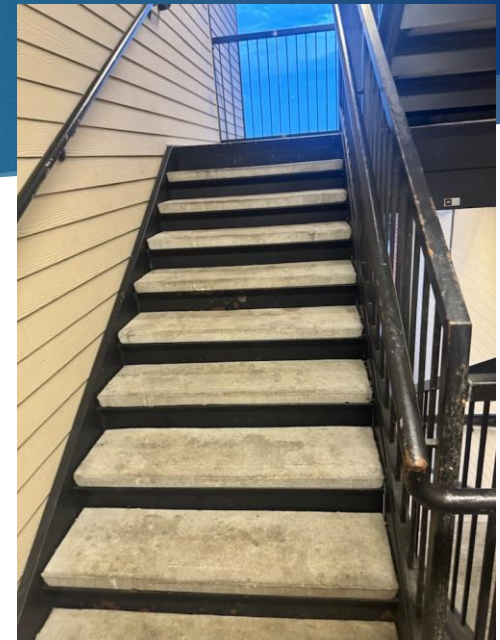
Wall Pack lighting



Clean and operable
Laundry center



Power washed stairwells



EVICTON MITIGATION

Eviction Mitigation-Current Actions:

1. 75% Paydown on Rent Owed: If a tenant owes rent or is under eviction and they can pay at least 75% of their current balance, we will cancel the current filing.
 1. Five residents have taken advantage of this option
 2. Payments are accepted from rental assistance programs and third parties.
2. Voucher Qualification: Our voucher holders require only 2.5 times their portion of rent to qualify. This adjustment highlights our commitment to improving the process.
3. Premium Listing Exposure: To increase our voucher holder penetration, we have increased AffordableHousing.com's exposure to a premium listing for 2025.
 1. Voucher Penetration: Our voucher penetration is 17% at Decker.

EVICTON MITIGATION CONTINUED.

1. Flex Payment Service: We have FLEX in place to support residents with smaller rental payments. Flex is a rent payment service that allows tenants to split their rent into smaller, more manageable monthly payments, aiding in cash flow and financial stability. On average, we have about 15 residents per month utilize this resource.
2. Our property management site team hosts rental assistance nights to help our residents. Residents bring in their forms, and the on-site team helps them through the process if they need assistance. They were able to help six tenants get rental assistance.
3. Reduction in Late Fees: Reduced our late fee from 10% to 5%.

EVICTON MITIGATION CONTINUED.

Future Additions:

1. Rent Forgiveness Program: We are in the process of deploying a Rent Forgiveness Program
 1. This will assist residents who have previously been consistent with rent payments, are current on their recertification, have no lease violations, and have a balance of \$10,000 or less.
 1. We are still working through the details, but these are some examples.
2. Include “Renters’ Rights and Resources” with any eviction notices, sharing key points of the process and resources so tenants understand their rights.

Moving Forward



RPM will host weekly team meetings to ensure continued follow-through on action items. After three meetings with DTA and SHF, future meetings will shift to a quarterly schedule due to progress made.

THANK YOU

VIII. Adjourn