

**October 09, 2025
11:00 A.M.**

The Board of Directors will meet at 1033 La Posada Drive, Suite 180 Austin, Texas 78752 and via Zoom.

Join the Meeting by using the Link provided below:

<https://us06web.zoom.us/j/89962622179?pwd=8uyj31JWaNPRPzziF1wXiYbg6uy255.1>

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

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

II. PUBLIC FORUM / CITIZEN COMMUNICATION

- *Anyone desiring to comment on items related to Strategic HFC's work may address the Board of Directors.*
- *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 should register prior to the start of the Board Meeting by emailing Debbie Honeycutt at Debbie.Honeycutt@strategichfc.org*
- *Three-minute limit per speaker.*

III. ADMINISTRATIVE ITEM

- A. Creation Ad Hoc Committee: Tenant & Community Engagement

IV. DIRECTOR'S REPORT

- A. Update from the Executive Director – *Dianna Grey*
1. Financial Report
 2. Portfolio Report
 3. Calendar Overview & Reminders

V. CONSENT AGENDA

- A. Approval of the Minutes from the September 11, 2025 Regular Meeting

- B. Resolution No. SHFC-2025-31: Consideration and possible action to approve a Family and Medical Leave Act Policy
- C. Resolution No. SHFC-2025-32: Consideration and possible action to approve a revised Employee Benefits Policy
- D. Resolution No. SHFC-2025-33: Authorizing the cancellation of Resolution No. SHFC-2020-11 and the removal of restrictions on funds set aside via Resolution No SHFC-2020-11

VI. ACTION ITEMS

- A. Resolution No. SHFC-2025-34: Consideration and possible action to approve Housing Market Report & Strategic AIM Goals
- B. Resolution No. SHFC-2025-35: Consideration and possible action to authorize the execution of a Purchase and Sale Agreement with respect to a potential sale of Cambridge Villas Apartments, a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660 (the “Development”); and containing other provisions related thereto

VII. EXECUTIVE SESSION

The Board of Directors may consider any item posted on the Agenda in Executive Session if there are issues that require consideration, and the Board of Directors announce that the item will be considered during such time in accordance with one or more of the following:

- *Texas Government Code Annotated 551.071, Consulting with Attorney*
 - *Texas Government Code Annotated 551.072, Real Property*
 - *Texas Government Code Annotated 551.074, Personnel Matters*
 - *Texas Government Code Annotated 551.076, Security*
 - *Texas Government Code Annotated 551.087, Economic Development Negotiation*
- A. Consult with counsel on litigation related to TX Lakeway Apartments, TX Creekview Austin, Austin Colorado Creek Apartments, and TX Austin Manor



**Strategic
Housing Finance
Corporation**
of TRAVIS COUNTY

AGENDA FOR THE REGULAR BOARD MEETING

Strategic Housing Finance Corporation of Travis County
1033 La Posada Drive, Suite 180
Austin, Texas 78752

VIII. DISCUSSION ITEM

A. 2026 Operating Budget and Associated Financial Policies

IX. ADJOURNMENT



ACTION ITEM SUMMARIES



Board Meeting Date: October 09, 2025

Agenda Item V.B.

Resolution No. SHFC-2025-31: Family and Medical Leave Act Policy

Background Information

Staff has recently received legal guidance indicating that the Family and Medical Leave Act (FMLA) is *likely* applicable to Strategic HFC the organizational level. As the memo from counsel indicates, there is some ambiguity around Strategic's status. Resolving this with certainty would require requesting an opinion from the Department of Labor.

Though the organization itself **may** be subject to the FMLA, counsel advises that Strategic HFC currently has **no eligible employees** that would qualify for benefits under the Act. This is principally because to be eligible for FMLA leave, an employee must work at a location where the employer has at least 50 employees within a 75-mile radius.

Even with no FMLA-eligible employees, employers subject to the FMLA must comply with other requirements of the Act, including maintaining an organizational FMLA policy.

Given that Strategic HFC has no eligible employees **even if it is subject to the FMLA**, staff recommend **assuming that the organization is subject to the FMLA** and adopting an FMLA policy as required by law. This avoids the time and potential cost of securing a firm opinion from the Department of Labor regarding applicability of the FMLA to Strategic HFC, and provides additional clarity for employees.

Adopting this policy does not preclude the board from revisiting the organization's policies around unpaid leave at another time.

Recommended Action: To maintain compliance with the Family and Medical Leave Act (FMLA), Strategic HFC should adopt the proposed FMLA policy.

Fiscal Impact: There is no immediate fiscal impact of the Resolution.

Attachments:

1. Resolution No. SHFC-2025-31
2. FMLA Memo prepared by Naman Howell



Board Meeting Date: October 09, 2025

Agenda Item V.C.

Resolution SHFC-2025-32: Revised Employee Benefits Policy

Background Information

Strategic HFC recently received guidance regarding compliance needs with the Family and Medical Leave Act (FMLA). This guidance underlined a need to clarify language in the existing Employee Benefits Policy, passed via Resolution No. SHFC-2025-14 on May 08, 2025.

Updates to the Employee Benefits Policy include the addition of six weeks of optional unpaid leave when an eligible employee takes Parental Leave, as well as modest language changes in associated parts of the document for clarity.

Recommended Action

Strategic HFC staff recommend the Board adopt the revised Employee Benefits Policy.

Fiscal Impact

There is no fiscal impact of the Resolution.

Attachments:

1. Resolution No. SHFC 2025-32
2. Revised Employee Benefits Policy (Proposed)



Board Meeting Date: October 09, 2025

Agenda Item V.D.

Resolution SHFC-2025-33: Authorizing the cancellation of Resolution No. SHFC-2020-11, and the removal of restrictions on funds set aside via Resolution No SHFC-2020-11

Background Information

Purpose: Cancel a Board resolution passed in 2020, removing any restriction on associated funds.

Original Resolution: In 2020, the Board of Strategic HFC passed Resolution SHFC-2020-11, which directed the use of proceeds generated via projects where Strategic HFC issues Multifamily Housing Revenue Bonds **but does not** participate in the ownership structure of the development. The resolution required that at least 50% of revenues from these projects be set aside to subsidize affordable housing units affordable to households earning 30% or less of Area Median Income (AMI).

Fund History: In part because Strategic HFC participates in very few “bond only” projects, funds set aside under this resolution have been modest. As of December 31, 2023, the audit showed a balance of \$79,963 designated for use in 30% AMI units.

Though the resolution was originally passed as a companion to an identical resolution by the Commissioners of the Housing Authority of Travis County (HATC), it remained in place after the dissolution of the Inter-Local Agreement HATC in 2024.

Policy Changes: At year-end 2024, the Strategic HFC board created a new board-designated fund which may be utilized to subsidize more deeply affordable housing units. The “Housing Production Fund” currently has a balance of \$15M. Staff believe the previous set-aside is duplicative of the purpose of Housing Production Fund.

Auditor Recommendation: Unless the board desires to maintain the separate board-designated fund under the 2020 resolution, Strategic HFC’s independent audit firm (Baker & Tilly) recommends that the board formally terminate the previous resolution and retroactively release set-aside funds.



Fiscal Impact

Upon adoption of Resolution No. SHFC-2025-33, the entire balance of funds will be unrestricted, and no additional funds will be restricted moving forward as an effect of the previous resolution. This will increase organizational liquidity by \$79,963.

Should Resolution No. SHFC-2025-33 not be adopted, SHFC-2020-11 will remain in effect. With the completion of the 2024 audit, \$12,500 will be added to the balance, for a total of \$92,463 of board-designated funds under the resolution.

Attachments

1. Resolution No. SHFC-2025-33
2. Resolution No. SHFC-2020-11



Board Meeting Date: October 9, 2025

Agenda Item VI.A.

Resolution No. SHFC-2025-34: Housing Market Report & Strategic AIM Goals

Background Information

This resolution adopts the Strategic Affordability Impact Metric (“Strategic AIM”) production targets for 2025 and 2026.

The Strategic AIM Production targets are informed by the 2025 Housing Market Data Report, which utilizes historical and current Austin and Travis County real estate market data to create a Production Forecast Score.

Through the Production Forecast Score and relevant qualitative factors, staff proposes the following Strategic AIM production targets:

	Target	Range – Low	Range - High
2025 (retroactive)	1,114	1,114	5,000
2026	11,125	2,500	20,000

Fiscal Impact

This resolution has no fiscal impact.

Attachments

1. 2025 Housing Market Data Report
2. Resolution No. SHFC-2025-34



Board Meeting Date: October 9, 2025

Resolution No. SHFC-2025-35: Consideration and possible action to authorize the Executive Director to execute a Purchase & Sale Agreement and related documents necessary to effectuate the potential sale of Cambridge Villas. This action would replace Resolution SHFC-2025-20.

Background Information

Recommended Action: This resolution authorizes the execution of an updated Purchase and Sale Agreement ("PSA") for Cambridge Villas, a 208-unit senior housing project within Strategic HFC's portfolio, located in Pflugerville.

Reason for Sale: In July 2024, Alden Torch, the Investor Limited Partner (ILP), exercised its right under the partnership agreement to remarket Cambridge Villas.

Original Purchase & Sale Agreement: The property was listed for sale in March 2025, and the Board previously authorized the Executive Director, through Resolution SHFC-2025-11, to negotiate the PSA for \$20.2M with an affiliate of Fairfield Residential. The Board subsequently approved the PSA and related terms through Resolution SHFC-2025-20 on July 10, 2025. The PSA was never executed, as an impasse was reached when Alden Torch declined to provide their required consent to potential revisions to the PSA.

Buyout of Alden Torch Interest: On September 11th, 2025 the Board approved a buyout of Alden Torch from the existing partnership. Once that transaction has closed, Strategic will be the 100% owner of the existing partnership. This will remove the requirement that Alden Torch consent to the terms of the sale and has allowed staff to re-negotiate the PSA with Fairfield only.

Key Changes: The most significant change from the previous agreement is a purchase price reduction from \$20.2 million to \$18.1 million. The request corresponds to an increase in the projected rehabilitation cost for the property from \$10,000 to \$30,000 per residential unit. Fairfield has committed to funding these improvements, to be completed within five years following closing. The PSA also memorializes Fairfield's commitment to sharing some risk of the buyout of Alden Torch.



Key Financial Terms

- **Purchase Price:** \$18,112,000
- **Deposit:** \$250,000 (Initial) + \$250,000 (Additional)
- **Inspection Period:** 15 business days
- **Closing Date:** Within 30 days of receipt of TDHCA approvals
- **Other Conditions:** Satisfaction of any existing liens and/or litigation, including SRP Environmental and High Tech

Fiscal Impact

After satisfaction of the existing mortgage at closing, Strategic HFC is entitled to 100% of net sales proceeds, which are anticipated to be approximately \$9 million.

However, closing the transaction will require escrowing funds or securing bonds related to a lien and ongoing litigation associated with Winter Storm Uri damages. Staff have conservatively estimated this amount at \$6.5 million.

If the litigation settles favorably, a portion of the \$6.5 million in funds would eventually be released for distribution to Strategic, but the net proceeds available for immediate distribution at closing will be significantly reduced, to approximately \$2.5 million.

Attachments

1. Resolution SHFC-2025-35
2. [Draft Purchase and Sale Agreement](#)



BACKUP DOCUMENTS



IV.A. DIRECTOR'S REPORT

1. Portfolio KPIs
2. Financial Narrative
3. Monthly Financial Reports

AUGUST PORTFOLIO KPI OBSERVATIONS



End of Month Occupancy	Aged Receivables	OpEx Costs	Budget Variance	Turnover Rate
• Portfolio Average: 85% Flagged: • Forest Park • Villages at Fiskville • Southpark	• Portfolio Average: \$131 per unit Flagged: • The Beckett • Silver Springs – (non-payment, lack of evictions, support resources)	• Portfolio Average \$545 Flagged: • Residences @ Decker • Silver Springs	• Portfolio Average: Over by (5%) Flagged: • Silver Springs	• Portfolio Average: 2% • A decrease in turnover rate – may be due to a lack of data collected for August 2025



Strategic Housing Finance Corporation *of TRAVIS COUNTY*

	Aging Accounts Receivable / Unit	Opex / Unit	Budget Variance	End of Month Occupancy	Turnover Rate
# of Properties Reporting	10	12	12	12	12
AVERAGE	\$131	\$545	(-5%)	85%	2%
Residences at Decker	\$240	\$772	17%	89%	2%
Silver Springs	No Data	\$852	33%	83%	2%
Cambridge Villas	\$70	\$474	(21%)	85%	1%
Beckett	\$454	\$491	(16%)	86%	1%
Southpark	\$50	\$527	(11%)	79%	4%
Forest Park	\$8	\$193	(5%)	78%	2%
Villages @ Fiskville	\$126	\$567	11%	72%	1%
Commons @ Manor	No Data	\$526	(9%)	87%	1%
Manchaca Commons	\$40	\$514	(3%)	95%	2%
Paddock @ Norwood	\$95	\$555	9%	92%	3%
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	\$114	\$652	(62%)	76%	4%
Wildhorse Flats	No Data	No Data	No Data	No Data	No Data
William Cannon	\$108	\$436	(4%)	93%	2%



August 2025 Finance Narrative

Summary

At the close of August, Strategic HFC's net assets totaled \$23.96M.

Performance against budget is strong and favorable, with YTD revenues of \$8.43M exceeding YTD budgeted revenue (\$2.89M) and total YTD expenditures of \$1.88M under budgeted projections (\$2.34M).

Strategic HFC's net income for this reporting period is \$6.5M - a notable increase over budgeted projections (\$553K). This positive position is largely attributable to the closing of the Silver Springs transaction in March, which brought in \$7.2M in unbudgeted revenue.

Cash Management

Reporting Period: August 31, 2025	
Cash in bank (IBC)	\$ 235,322.00
Housing Production Fund (held in TexPool)	\$ 15,000,000.00
Reserve Fund (held in TexPool)	\$ 3,600,000.00
Unallocated cash in Texpool investments	\$ 4,728,091.00
Total Cash	\$ 23,563,413.00
Estimated monthly operating expenses (2025)	\$ 292,794.42
Months of operating cash in Board Designated Fund: Operating Reserve	12.30
Months of unobligated operating cash	16.95
Total months of operating cash available	29.25

- For 2025, Strategic HFC's budgeted operating expenses per month are \$292.8K.



- Combining the Reserve Fund, cash in bank accounts, and unallocated cash held in the TexPool account, Strategic HFC has nearly 30 months of operating cash on hand. This does not include funds held in the board-designated Housing Production Fund.
- The sale of Silver Springs in March makes up 85% of all revenue received YTD in 2025.

Budget Performance

Year to Date Budget Performance

At the end of August, 67% of the 2025 fiscal year had passed. So far, the organization has earned 194% of total anticipated revenue and spent 54% of anticipated expenditures. This means that Strategic HFC is currently ahead of schedule for revenue and currently underspent on expenses.

INCLUDING SILVER SPRINGS SALE REVENUE				
	2025 Actuals (YTD)	2025 Budget (Full Year)	Progress Through Annual Budget	Progress Through Year
Revenue	\$ 8,429,091	\$ 4,343,147	194%	67%
Expenses	\$ 1,884,518	\$ 3,513,533	54%	67%
Net	\$ 6,544,573	\$ 829,614		

Most of the revenue recorded in 2025 was from the sale of Silver Springs. When excluding those funds, the revenue progress made so far is behind budgeted goals, largely due to current market conditions that have diminished the number of new deals, postponed closings, and negatively impacted cash flow in the operating portfolio. Without Silver Springs revenue, Strategic HFC has earned 29% of annual budgeted revenue. However, an anticipated receipt of an anticipated \$800K+ developer fee by year-end would move the organization significantly closer to annual projected revenue levels even when excluding Silver Springs sale revenue.

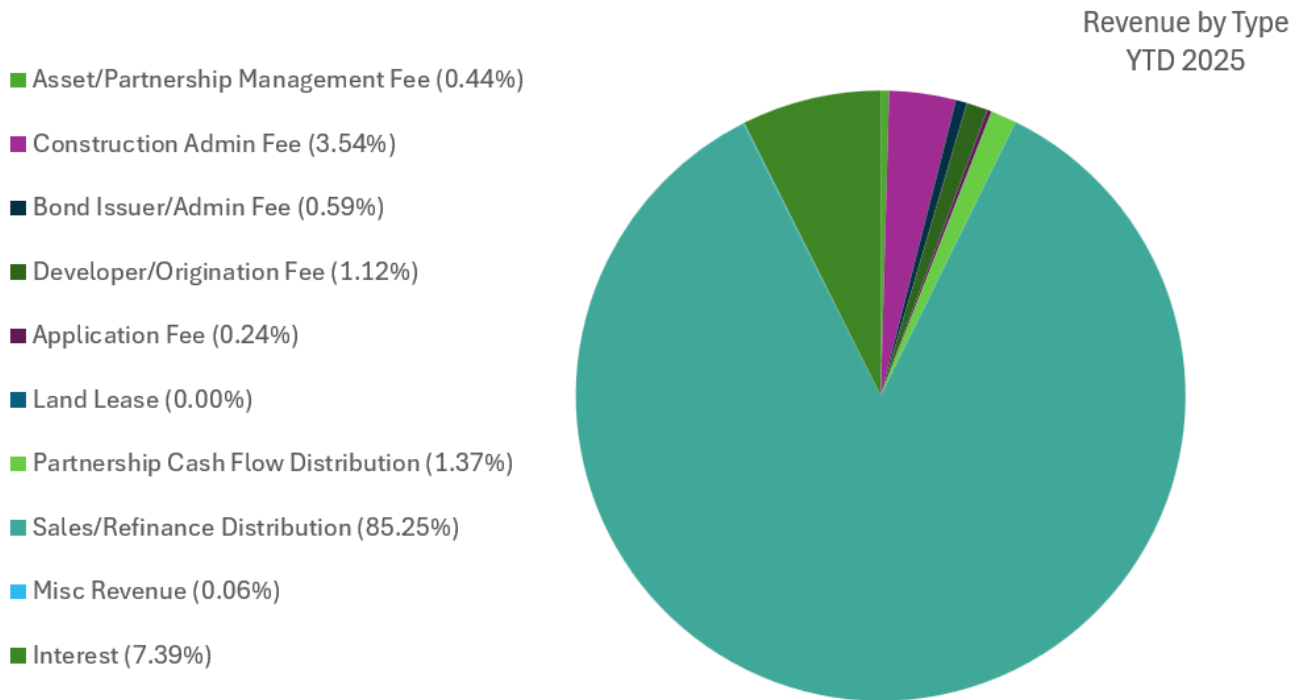
EXCLUDING SILVER SPRINGS SALE REVENUE				
	2025 Actuals (YTD)	2025 Budget (Full Year)	Progress Through Annual Budget	Progress Through Year
Revenue	\$ 1,243,417	\$ 4,343,147	29%	67%
Expenses	\$ 1,884,518	\$ 3,513,533	54%	67%
Net	\$ (641,101)	\$ 829,614		



Budget Performance Detail: Revenue & Expense

Revenue

Specific revenue receipts in August included on application fee totaling \$5K, as well as \$87.7K in interest income. As discussed above, the majority of revenue recorded in 2025 is associated with the sale of Silver Springs, though later months have seen an increase in programmatic revenue received.





Notable Expense Budget-to-Actual Variances

The 2025 budget is spread equally over the 12 months of the year, which may present as spending over budget when expenditures are not evenly spaced. For August 2025, most expenses are at or under budgeted goals.

Employee Expenses: Overall, Employee Expenses are significantly under budget, due to hiring timelines and savings associated with negotiated salary levels. However, "Paid Time Off" has trended higher than budgeted, due to its uneven usage throughout the year. Any overages in PTO will be counterbalanced by savings in the salary line item by year end. In June, Strategic HFC updated the way Paid Time Off (PTO) is reflected, so that the category now tracks actual usage of PTO rather than full liability of PTO. The full liability of the Paid Time Off category will be updated at the close of the fiscal year in December 2025.

Software & Hardware < \$5,000: This line has exceeded budget by \$17.05K YTD as new tools have been purchased for the organization. The largest expenditures in this line are the following:

- Lobby CRE – a tool to connect to the property management systems of properties in our portfolio, allowing us to access data, metrics, and other information. Strategic HFC has invested ~\$11.2K into this tool so far, and total annual cost is estimated at \$19.8K. Expenditures for this purpose were initially contemplated as part of the Contract & Consulting budget line item, which is under budget by \$180K YTD.
- Asana – a project management tool that was recently implemented org wide. This tool has a total annual cost of ~\$5K. Strategic opted to pay the annual cost in full for a discount on the tool.

Attorney & Legal: Legal expenditures have exceeded year-to-date budgeted amounts as Strategic has continued to engage counsel for ongoing or anticipated litigation as well as routine matters. Previously, Strategic HFC estimated the non-routine costs of legal to total approximately \$150K, but no formal amendment was made to the annual budgeted amount of \$80,000.

- As of August 31, the non-routine legal costs have exceeded this estimate and currently total \$298.6K (87%) of the \$344.4K total legal spend.
- Strategic HFC staff is monitoring the budget to ascertain whether savings in other line items can cover the anticipated overage in Legal expenses. One of the purposes of the board-designated Operating Reserve is to cover non-routine legal costs. Funds could be drawn from



the Operating Reserve to cover this additional expenditure with approval from the Board of Directors if necessary.

Furnishings & Fixtures >\$5000: Costs of \$8,021 YTD are associated with the office expansion and related furniture and fixture needs and exceed the YTD budget by \$3,755. Spending in this category was higher than budgeted as staff optimized a new office space in Q1 2025 and is expected to surpass budgeted amounts by year end, particularly if a new office space is confirmed and occupied in 2025.

Staff Development: Expenditures YTD total \$21.9K, representing \$8.6K over the YTD budget. This overage is largely associated with a weeklong intensive training institute in February, which six staff members attended. This will likely be the largest single training expense of the year. Still, as Strategic focuses on equipping a new team with necessary skills and growth opportunities, total spending for this line item will surpass budgeted amounts by year end.

Business Taxes & Licensing Fees: No funds were assigned here in Strategic HFC's 2025 budget. The line currently contains notary registration expenses for 3 administrative staff, as well as payments made for outstanding prior year franchise tax work to Naman Howell, LLC.



Financial Dashboard - August 2025

Strategic Housing Finance Corp.
August 2025

Financial Statements

STATEMENT OF FINANCIAL POSITION	2025 (YTD)	2024 (YTD)	Variance (\$)
ASSETS			
Cash & Equivalents			
Cash			
IBC Checking x0896	\$235,322	\$192,451	\$42,871
Tex Pool Investment x0001	\$23,328,091	\$8,841,523	\$14,486,569
Total Cash & Equivalents	\$23,563,413	\$9,033,974	\$14,529,439
Accounts Receivable			
Accounts Receivable	\$497,500	\$472,500	\$25,000
Other Current Assets			
Other Current Assets			
Prepaid Expenses	\$469	\$445	\$24
Security Deposit	\$7,284	\$5,073	\$2,211
Total Other Current Assets	\$7,753	\$5,518	\$2,235
Total Current Assets	\$24,068,666	\$9,511,992	\$14,556,674
Fixed Assets			
Fixed Operating Assets			
Computers and IT	\$3,885	\$3,885	\$0
Furniture, Fixtures, & Equipment	\$0	\$13,605	(\$13,605)
Lease Office (ROU)	\$73,092	\$39,915	\$33,177
Total Fixed Operating Assets	\$76,977	\$57,405	\$19,572
Accum Depreciation - Fixed Operating Assets			
Accum Deprec - Computers and IT	(\$3,885)	(\$3,626)	(\$259)
Accum Deprec - Furn, Fix, Equip	\$0	(\$2,633)	\$2,633
Accum Deprec - Lease Office (ROU)	(\$64,233)	(\$9,211)	(\$55,022)
Total Accum Depreciation - Fixed Operating ...	(\$68,118)	(\$15,470)	(\$52,649)
Total Fixed Assets	\$8,858	\$41,935	(\$33,077)
Investments or Other Non-Current Assets			
Notes Receivable			
HATC GP - SEA RAD LP Note-Notes receiv...	\$1,561,000	\$1,561,000	\$0
SEA RAD LP-Notes receivables	\$179,702	\$179,702	\$0
HATC GP for SEA RAD LP Oper Reserve-No..	\$301,035	\$301,035	\$0
SEA RAD LP - SHFC-Notes receivables	\$357,231	\$357,231	\$0
Total Notes Receivable	\$2,398,968	\$2,398,968	\$0
Allowance for Notes Receivable	(\$2,398,968)	(\$2,398,968)	\$0
Southpark Ranch Fractional Ownership	\$645,000	\$645,000	\$0
Total Investments or Other Non-Current Assets	\$645,000	\$645,000	\$0
Total Non-Current Assets	\$653,858	\$686,935	(\$33,077)
Total Assets	\$24,722,525	\$10,198,927	\$14,523,597
LIABILITIES			
Short Term Debt			
FNBO Visa CC x5118	\$6,437	\$12,633	(\$6,195)
Divvy Payable	\$5,694	\$0	\$5,694
Total Short Term Debt	\$12,132	\$12,633	(\$501)
Accounts Payable			
Accounts Payable (A/P)	\$6,718	\$21,282	(\$14,564)
Other Current Liabilities			
Accrued Liabilities			
Accrued Expenses	\$0	\$2,957	(\$2,957)
Lease Office Liability	\$10,350	\$36,233	(\$25,883)
Total Accrued Liabilities	\$10,350	\$39,190	(\$28,840)
Accrued Payroll			
Accrued Payroll - PTO	\$29,954	\$0	\$29,954
Grants Payable	\$702,000	\$0	\$702,000
Total Other Current Liabilities	\$742,304	\$39,190	\$703,114
Total Current Liabilities	\$761,155	\$73,106	\$688,049

	2025 (YTD)	2024 (YTD)	Variance (\$)
Total Non-Current Liabilities	\$0	\$0	\$0
Total Liabilities	\$761,155	\$73,106	\$688,049
NET ASSETS			
Retained Net Assets			
Net Assets without Donor Restrictions	\$7,636	\$8,791,252	(\$8,783,616)
Current Net Assets			
Net Revenue	\$6,544,364	\$1,334,569	\$5,209,795
Other Net Assets			
Housing Production Fund	\$13,809,370	\$0	\$13,809,370
Reserve Fund	\$3,600,000	\$0	\$3,600,000
Total Other Net Assets	\$17,409,370	\$0	\$17,409,370
Total Net Assets	\$23,961,370	\$10,125,822	\$13,835,548
Total Liabilities & Net Assets	\$24,722,525	\$10,198,927	\$14,523,597

STATEMENT OF ACTIVITIES	Aug 2025	Budget (Aug 2025)	This month vs budget (%)	This month vs budget (\$)
Income				
Program Sales & Fees				
Asset/Partnership Management Fee	\$0	\$20,321	-100.00%	(\$20,321)
Construction Admin Fees	\$0	\$5,635	-100.00%	(\$5,635)
Bond Issuer/Admin Fee	\$0	\$21,600	-100.00%	(\$21,600)
Developer/Origination Fee	\$0	\$116,577	-100.00%	(\$116,577)
Application Fee	\$5,000	\$0	-	\$5,000
Land Lease	\$0	\$13,773	-100.00%	(\$13,773)
Partnership Cash Flow Distribution	\$0	\$11,333	-100.00%	(\$11,333)
Total Program Sales & Fees	\$5,000	\$189,240	-97.36%	(\$184,240)
Misc. Revenue	\$698	\$141,439	-99.51%	(\$140,741)
Uncategorized Income	\$2,750	\$0	-	\$2,750
Interest	\$87,691	\$31,250	180.61%	\$56,441
Total Income	\$96,138	\$361,929	-73.44%	(\$265,791)
Expenses				
Salaries & Related Expenses				
Salaries & Wages	\$91,661	\$120,255	-23.78%	(\$28,593)
Retirement Fund Contributions	\$4,349	\$4,810	-9.59%	(\$461)
Employee Benefits	\$17,201	\$39,669	-56.64%	(\$22,468)
Payroll Taxes	\$8,257	\$10,402	-20.62%	(\$2,145)
Payroll Service Fees	\$610	\$674	-9.54%	(\$64)
Paid Time Off	\$16,860	\$2,909	479.69%	\$13,952
Employee Incentive Pay	\$0	\$7,096	-100.00%	(\$7,096)
Workers Comp	\$302	\$247	22.01%	\$54
Total Salaries & Related Expenses	\$139,239	\$186,061	-25.16%	(\$46,822)
Contract Service Expenses				
Contract & Consulting	\$18,873	\$45,042	-58.10%	(\$26,169)
Accounting	\$2,884	\$4,417	-34.70%	(\$1,533)
Attorney & Legal	\$60,584	\$6,667	808.76%	\$53,917
IT Consultant	\$2,920	\$4,167	-29.92%	(\$1,247)
Marketing Consultant	\$1,500	\$8,667	-82.69%	(\$7,167)
Total Contract Service Expenses	\$86,761	\$68,958	25.82%	\$17,802
Nonpersonnel Expenses				
Supplies	\$21	\$600	-96.43%	(\$579)
Food & Refreshments	\$754	\$1,000	-24.64%	(\$246)
Telephone & Internet	\$1,406	\$1,654	-14.97%	(\$248)
Postage & Shipping	\$0	\$100	-100.00%	(\$100)
Equipment Rental	\$357	\$400	-10.63%	(\$43)
Software & Hardware < \$5,000	\$4,844	\$2,649	82.85%	\$2,195
Printing & Copying	\$0	\$208	-100.00%	(\$208)
Subscriptions	\$42	\$300	-86.14%	(\$258)
Furnishings & Fixtures < \$5,000	\$0	\$533	-100.00%	(\$533)
Total Nonpersonnel Expenses	\$7,424	\$7,444	-0.27%	(\$20)
Facility Expenses				
Office & Storage Rent	\$4,462	\$4,529	-1.47%	(\$67)
Utilities	\$2,094	\$1,812	15.57%	\$282
Repairs & Maintenance	\$0	\$625	-100.00%	(\$625)
Total Facility Expenses	\$6,556	\$6,966	-5.88%	(\$410)
Travel & Conference Expenses				
Transportation	\$58	\$500	-88.31%	(\$442)
Airfare	\$380	\$1,200	-68.30%	(\$820)

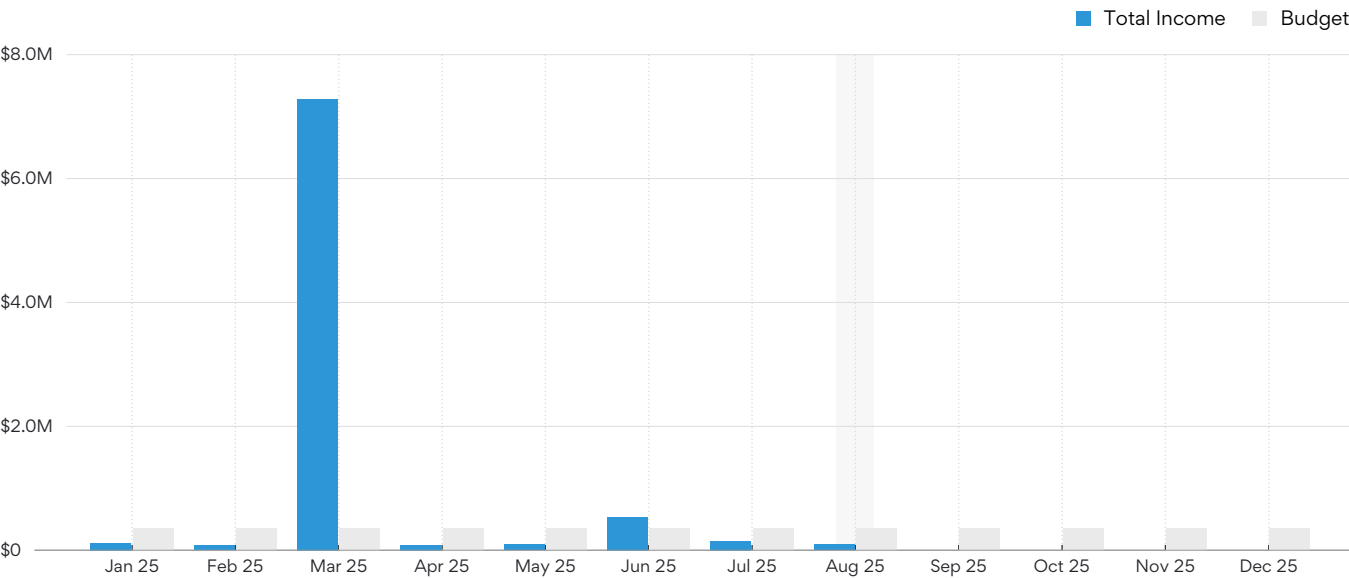
	Aug 2025	Budget (Aug 2025)	This month vs budget (%)	This month vs budget (\$)
Meals	\$360	\$736	-51.09%	(\$376)
Hotels & Lodging	\$2,006	\$1,950	2.87%	\$56
Conference Registration Fees	\$0	\$2,200	-100.00%	(\$2,200)
Vehicles	\$0	\$1,150	-100.00%	(\$1,150)
Total Travel & Conference Expenses	\$2,805	\$7,736	-63.74%	(\$4,931)
Other Program Specific Expenses				
Community Events	\$0	\$1,250	-100.00%	(\$1,250)
Other Expenses				
Insurance - Non-employee Related	\$0	\$4,167	-100.00%	(\$4,167)
Membership Dues - Organization	\$82	\$625	-86.84%	(\$543)
Staff Development	\$3,539	\$1,663	112.85%	\$1,876
Advertising Expenses	\$445	\$100	345.00%	\$345
Sponsorships	\$0	\$2,083	-100.00%	(\$2,083)
Other Expenses	\$0	\$5,741	-100.00%	(\$5,741)
Total Other Expenses	\$4,066	\$14,379	-71.72%	(\$10,313)
Total Expenses	\$246,850	\$292,794	-15.69%	(\$45,944)
Operating Surplus/Deficit	(\$150,712)	\$69,135	-318.00%	(\$219,847)
Change in Net Assets	(\$150,712)	\$69,135	-318.00%	(\$219,847)

STATEMENT OF ACTIVITIES	2025 (YTD)	Budget (YTD)	This year vs budget (%) YTD)	This year vs budget (\$) YTD)
Income				
Program Sales & Fees				
Asset/Partnership Management Fee	\$37,400	\$162,565	-76.99%	(\$125,165)
Construction Admin Fees	\$298,148	\$45,081	561.36%	\$253,067
Bond Issuer/Admin Fee	\$49,950	\$172,802	-71.09%	(\$122,852)
Developer/Origination Fee	\$94,602	\$932,618	-89.86%	(\$838,016)
Application Fee	\$20,000	\$0	-	\$20,000
Land Lease	\$0	\$110,187	-100.00%	(\$110,187)
Partnership Cash Flow Distribution	\$115,671	\$90,665	27.58%	\$25,006
Sales/Refinance Distribution	\$7,185,674	\$0	-	\$7,185,674
Total Program Sales & Fees	\$7,801,445	\$1,513,919	415.31%	\$6,287,526
Misc. Revenue	\$2,205	\$1,131,512	-99.81%	(\$1,129,307)
Uncategorized Income	\$2,750	\$0	-	\$2,750
Interest	\$622,691	\$250,000	149.08%	\$372,691
Total Income	\$8,429,091	\$2,895,431	191.12%	\$5,533,659
Expenses				
Salaries & Related Expenses				
Salaries & Wages	\$720,227	\$962,037	-25.14%	(\$241,811)
Retirement Fund Contributions	\$33,159	\$38,481	-13.83%	(\$5,323)
Employee Benefits	\$138,977	\$317,350	-56.21%	(\$178,373)
Payroll Taxes	\$64,045	\$83,216	-23.04%	(\$19,171)
Payroll Service Fees	\$4,687	\$5,391	-13.06%	(\$704)
Paid Time Off	\$114,505	\$23,268	392.11%	\$91,237
Employee Incentive Pay	\$3,065	\$56,769	-94.60%	(\$53,703)
Workers Comp	\$1,823	\$1,977	-7.83%	(\$155)
Total Salaries & Related Expenses	\$1,080,487	\$1,488,489	-27.41%	(\$408,003)
Contract Service Expenses				
Contract & Consulting	\$180,321	\$360,333	-49.96%	(\$180,012)
Accounting	\$35,710	\$35,333	1.06%	\$376
Attorney & Legal	\$315,050	\$53,333	490.72%	\$261,717
IT Consultant	\$21,954	\$33,333	-34.14%	(\$11,379)
Marketing Consultant	\$30,326	\$69,333	-56.26%	(\$39,007)
Total Contract Service Expenses	\$583,361	\$551,667	5.75%	\$31,694
Nonpersonnel Expenses				
Supplies	\$2,441	\$4,800	-49.14%	(\$2,359)
Food & Refreshments	\$5,383	\$8,000	-32.71%	(\$2,617)
Telephone & Internet	\$9,642	\$13,230	-27.12%	(\$3,588)
Postage & Shipping	\$195	\$800	-75.57%	(\$605)
Equipment Rental	\$2,586	\$3,200	-19.20%	(\$614)
Software & Hardware < \$5,000	\$38,239	\$21,193	80.44%	\$17,047
Printing & Copying	\$1,255	\$1,667	-24.67%	(\$411)
Subscriptions	\$394	\$2,400	-83.59%	(\$2,006)
Furnishings & Fixtures < \$5,000	\$8,021	\$4,267	88.00%	\$3,755
Total Nonpersonnel Expenses	\$68,158	\$59,556	14.44%	\$8,602
Facility Expenses				
Office & Storage Rent	\$40,527	\$36,233	11.85%	\$4,294
Utilities	\$14,461	\$14,493	-0.22%	(\$32)
Repairs & Maintenance	\$1,988	\$5,000	-60.24%	(\$3,012)
Total Facility Expenses	\$56,976	\$55,727	2.24%	\$1,249
Travel & Conference Expenses				
Transportation	\$1,376	\$4,000	-65.60%	(\$2,624)

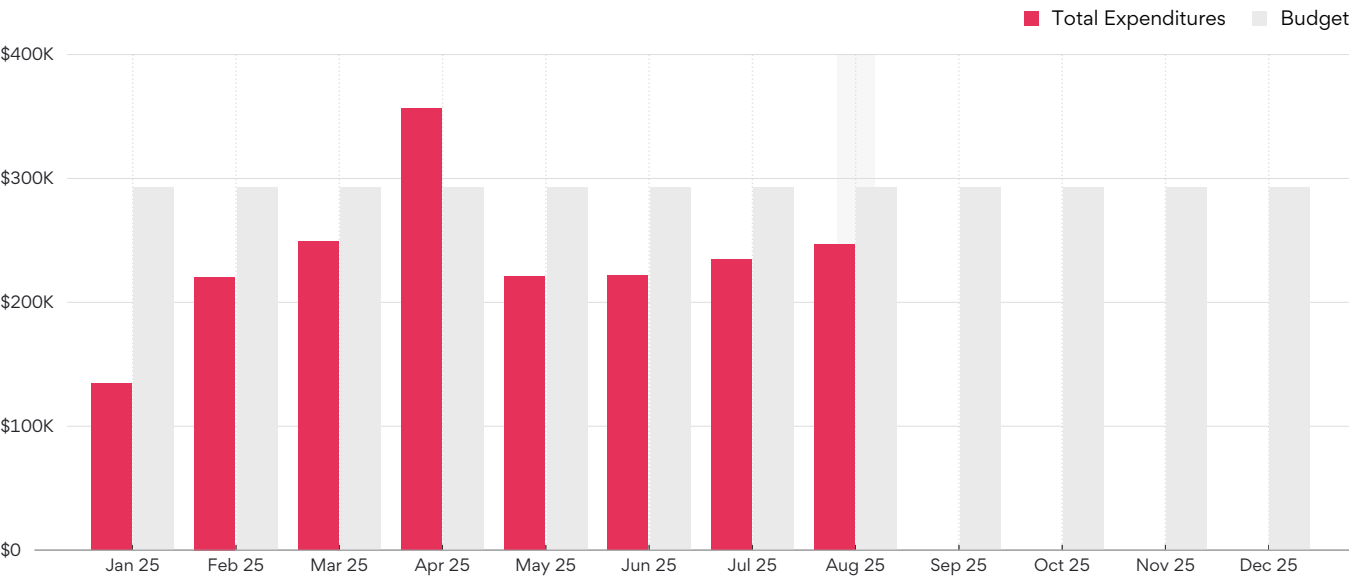
	2025 (YTD)	Budget (YTD)	This year vs budget (% YTD)	This year vs budget (\$ YTD)
Airfare	\$7,225	\$9,600	-24.74%	(\$2,375)
Meals	\$4,508	\$5,888	-23.43%	(\$1,380)
Hotels & Lodging	\$11,228	\$15,600	-28.02%	(\$4,372)
Conference Registration Fees	\$19,094	\$17,600	8.49%	\$1,494
Vehicles	\$458	\$9,200	-95.02%	(\$8,742)
Total Travel & Conference Expenses	\$43,890	\$61,888	-29.08%	(\$17,998)
Other Program Specific Expenses				
Community Events	\$0	\$10,000	-100.00%	(\$10,000)
Other Expenses				
Insurance - Non-employee Related	\$0	\$33,333	-100.00%	(\$33,333)
Membership Dues - Organization	\$3,681	\$5,000	-26.38%	(\$1,319)
Staff Development	\$21,918	\$13,300	64.79%	\$8,618
Bank Fees	\$220	\$0	-	\$220
Advertising Expenses	\$927	\$800	15.88%	\$127
Sponsorships	\$20,750	\$16,667	24.50%	\$4,083
Business Taxes & Licensing Fees	\$4,197	\$0	-	\$4,197
Other Expenses	\$163	\$45,929	-99.65%	(\$45,766)
Total Other Expenses	\$51,855	\$115,029	-54.92%	(\$63,174)
Total Expenses	\$1,884,727	\$2,342,355	-19.54%	(\$457,629)
Operating Surplus/Deficit	\$6,544,364	\$553,076	1,083.27%	\$5,991,288
Change in Net Assets	\$6,544,364	\$553,076	1,083.27%	\$5,991,288

Budget vs. Actuals Overview

Monthly Revenue vs Budget



Monthly Expenses vs Budget



KPIs (This year vs target)	Aug 2025	Budget (This Month)	YTD	Budget (YTD)	Budget (Current Year)
Total Income	\$96,138	\$361,929	\$8,429,091	\$2,895,431	\$4,343,147
Total Expenditures	\$246,850	\$292,794	\$1,884,727	\$2,342,355	\$3,513,533



V.A. CONSENT AGENDA

Approval of the Minutes from the September 11, 2025 Regular Meeting

STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY
BOARD OF DIRECTORS
REGULAR MEETING
1033 La Posada Drive, Suite 180
Austin, Texas 78752
September 11, 2025
11:00 a.m.

MINUTES

Strategic Housing Finance Corporation of Travis County held a Regular Board of Directors Meeting at 1033 La Posada Drive, Suite 180 Austin, Texas 78752 and via Zoom.

A recording and transcript of the meeting can be found online at:
<https://strategichfc.org/board-meetings/september-11-2025>

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

A quorum was established, and President Jan Wenig called the meeting to order at 11:02 a.m.

Directors in attendance: President Jan Wenig; First Vice-President Kecia Prince; Second Vice-President Ashley Huddleston; Director Julio Gonzalez Altamirano; Director Kerri Dorman (joining via Zoom at 11:07am); Director Beatriz (Bea) Arce.

Executive Coordinator Debbie Honeycutt certified the quorum.

Guest: Scott Marks and Danny Heidtke with Duane Morris LLP

Staff in Attendance: Executive Director Dianna Grey; Deputy Director David Dinoff; Executive Coordinator Debbie Honeycutt; Administration Katie Adams; Operations Assistant Marisol Guerra; Director of Real Estate Alex Radtke; Development Manager Keith Hoffpauir; Development Analyst II Jackson Mabray; Portfolio Manager Chelley Lenz; Affordable Housing Assistant Anna Martinez; Development Analyst II Gloria Nguyen; Director of Planning & External Affairs Jim Ward; and consultants Kevin Bryniak.

II. PUBLIC FORUM / CITIZEN COMMUNICAION

There were no speakers.

III. DIRECTOR'S REPORT

A. Update from the Executive Director

- July 2025 Financials provided by Dianna Grey, Executive Director.
- Executive Director Dianna Grey presented the calendar overview.
- Additional items discussed Portfolio KPIs: Occupancy steady YTD at 83%, New office space, Travis County Commissioners' Court Briefing Update, Residences at Decker Tenants Association and SHFC Board Vacancy.

IV. CONSENT AGENDA

A. Approval of the Minutes from the August 14, 2025 Regular Meeting.

President Jan Wenig called for a unanimous consent to **Approve** Item IV.A. The Item was **Approved** by unanimous consent.

V. ACTION ITEM

A. Resolution No. SHFC-2025-30: Consideration and possible action to authorize negotiation for the acquisition of Limited Partner interests in Cambridge Villas Apartments Limited Partnership (The "Partnership"); and the execution and delivery of an assignment agreement and other necessary documents to effectuate such interests acquisition, in connection with the partnership's operation of a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660 (The "Development:"); and containing other provisions related thereto

Director Julio Gonzalez Altamirano made a **motion** to approve Item V.A. Resolution No. SHFC-2025-30. Second Vice-President Ashley Huddleston seconded the motion, which **passed** unanimously.

VI. DISCUSSION ITEMS

A. 2026 Budget: 2026 Staff Proposal and Board Priorities

Dianna Grey and Katie Adams presented the 2026 Staff Proposals, and Revenue Projections and Board Designated Funds.

B. Portfolio Risk Rating System

Alex Radtke and Chelley Lenz presented the Portfolio Risk Rating System.

C. Introduction to Strategic Affordability Impact Metric (“Strategic AIM”)

David Dinoff presented the Strategic Affordability Impact Metric (“Strategic AIM”)

VII. EXECUTIVE SESSION

- The Board of Directors may consider any item posted on the Agenda in Executive Session if there are issues that require consideration, and the Board of Directors announce that the item will be considered during such time in accordance with one or more of the following:
 - *Texas Government Code Annotated 551.071, Consulting with Attorney*
 - *Texas Government Code Annotated 551.072, Real Property*
 - *Texas Government Code Annotated 551.074, Personnel Matters*
 - *Texas Government Code Annotated 551.076, Security*
 - *Texas Government Code Annotated 551.087, Economic Development Negotiations*

A. Consult with counsel on litigation related to TX Lakeway Apartments, TX Creekview Austin, Austin Colorado Creek Apartments, and TX Austin Manor

Director Julio Gonzalez Altamirano made a **motion** to adjourn to Executive Session under Texas Government Code Annotated 551.071, Consulting with Attorney to discuss Item VII.A. Director Prince seconded the motion, which **passed** unanimously.

The Board adjourned to Executive Session at 1:04 p.m.
The Board reconvened at 2:11p.m. No action taken.

VIII. ADJOURNMENT

There being no further business, the meeting adjourned at 2:12 p.m.

Respectfully submitted,

Dianna Grey, Executive Director and Secretary



V.B. CONSENT AGENDA

Resolution No. SHFC-2025-31: Consideration and possible action to approve a Family and Medical Leave Act Policy



October 09, 2025

Resolution No. SHFC-2025-31: To consider and take action to approve a Family and Medical Leave Act (FMLA) Policy

WHEREAS, Strategic Housing Finance Corporation of Travis County (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Texas Local Government Code, Chapter 394, as amended (the “Act”), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Corporation has received guidance on whether it is subject to the Family and Medical Leave Act (“FMLA”)

WHEREAS, the Corporation’s public entity status likely makes it subject to the FMLA

WHEREAS, Organizations subject to the FMLA are required to adopt an FMLA policy

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Strategic Housing Finance Corporation of Travis County hereby authorizes the adoption of the attached Family and Medical Leave Act (FMLA) Policy

[Signature and Certification Page Follows]

PASSED AND APPROVED this 9th day of October, 2025.

Jan Wenig
President, Board of Directors

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 9th day of October, 2025, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand this 9th day of October, 2025.

By: _____
Dianna Grey
Executive Director and Secretary



Family and Medical Leave Act (FMLA) Policy

Strategic HFC complies with the Family and Medical Leave Act (FMLA) and will grant up to 12 weeks of leave during a 12-month period to **eligible employees** (or up to 26 weeks of military caregiver leave).

The purpose of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law. If you have any questions, concerns or disputes with this policy, please contact Strategic HFC's Director of Finance & Administration.

Eligibility

To be eligible for leave under this policy, employees must meet **all** of the following requirements:

- Have worked at least twelve (12) months for Strategic HFC.
- Have worked at least 1,250 hours for Strategic HFC over the twelve (12) months preceding the date the leave would commence.
- Currently work at a location where there are at least fifty (50) employees within seventy-five (75) miles.

The 12 months of employment do not have to be consecutive. All periods of absence from work due to or necessitated by service in the uniformed services are counted as hours worked in determining eligibility.

Per the employee eligibility criteria listed above, Strategic HFC does not have any eligible employees at this time. However, all eligible organizations must maintain an FMLA policy.

Reasons for Leave

To qualify as FMLA leave under this policy, the leave must be for one of the following reasons:

- The birth of a child or placement of a child with the employee for adoption or foster care.
- To care for a spouse, child, or parent who has a serious health condition.

- For a serious health condition that makes the employee unable to perform the essential functions of their job.
- For any qualifying exigency arising out of the fact that a spouse, child, or parent is a military member on covered active duty or on call to covered active-duty status.
- To care for a covered service member with a serious injury or illness.

Amount of Leave

An eligible employee can take up to 12 weeks of FMLA leave during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses leave under this policy. Each time an employee requests FMLA-qualifying leave, the company will track the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the total 12 weeks of available leave. The remaining balance is the amount the employee is entitled to take for the current request.

An eligible employee can take up to 26 weeks for the FMLA military caregiver leave during a single 12-month period. For this military caregiver leave, the company will measure the 12-month period as a single 12-month period measured forward from the first day the employee begins such leave. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

Eligible spouses who both work for the company may only take a combined total of 12 weeks of leave for the birth of a child, adoption, or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition. Both may only take a combined total of 26 weeks of leave to care for a covered injured or ill service member (if each spouse is a parent, spouse, child, or next of kin of the service member).

Intermittent Leave or a Reduced-Work Schedule

Employees may take FMLA leave in one consecutive block of time, may use the leave intermittently (take time periodically when needed over the 12 months), or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced-hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill service member) in a 12-month period.

The company may temporarily transfer an employee to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule, in instances when leave for the employee or employee's family member is foreseeable, and for planned medical treatment, including recovery from a serious health condition or to care for a child after birth or placement for adoption or foster care.

For the birth, adoption, or foster care of a child, the company and the employee must mutually agree to the schedule before the employee may take the leave intermittently or work a reduced-hour schedule. Leave for birth, adoption, or foster care of a child must be taken within one year of the birth or placement of the child.

When leave is needed for planned medical treatment, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt the company's operations.

Employee Notice Requirement

All employees requesting FMLA leave must provide verbal or written notice of the need for leave to their department manager or the Director of Finance & Administration.

When the need for the leave is foreseeable, the employee must provide the company with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave fewer than 30 days in advance, the employee must provide notice of the need for the leave either the same day the need for leave is discovered or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave, absent unusual circumstances.

Within five business days after the employee has provided this notice, the Director of Finance & Administration will complete and provide the employee with a Notice of Eligibility & Rights and Responsibilities (Form WH-381) and request a medical certification or other supporting documentation as necessary.

Designation of FMLA Leave

Within five business days after the employee has submitted the required certification or other documentation, the Director of Finance & Administration will complete and provide the employee with a written response to the employee's request for FMLA leave using the FMLA Designation Notice (Form WH-382).

Employee Status and Benefits During Leave

Strategic HFC will continue an employee's health benefits during the leave period at the same level and under the same conditions as if the employee was continuously at work.

While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of insurance premiums. While on unpaid leave, the employee must make this payment, either in person or by mail. The payment must be received in the accounting department by the fifth day of each month. If the payment is more than 30 days late, the employee's health care coverage may be dropped for the duration of the leave. The company will provide 15 days' notification prior to the employee's loss of coverage.

If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member or a circumstance beyond the employee's control, the company will require the employee to reimburse the company the amount it paid for the employee's health insurance premium during the leave period.

If the employee contributes to a life insurance or disability plan, the company will continue making payroll deductions while the employee is on paid leave. While the employee is on unpaid leave, the employee may request continuation of such benefits and pay their portion of the premiums, or the company may elect to maintain such benefits during the leave and pay

the employee's share of the premium payments. If the employee does not continue these payments, the company will discontinue coverage during the leave. If the company maintains coverage, the company may recover the costs incurred for paying the employee's share of any premiums, whether or not the employee returns to work.

Employee Status After Leave

An employee who takes medical leave under this policy may be asked to provide a fitness for duty clearance from a health care provider. This requirement will be included in the company's response to the FMLA request. Generally, an employee who takes FMLA leave will be able to return to the same position or a position with equivalent status, pay, benefits, and other employment terms. The position will be the same or one that is virtually identical in terms of pay, benefits, and working conditions. The company may choose to exempt certain key employees from this requirement and not return them to the same or similar position when doing so will cause substantial and grievous economic injury to business operations. Key employees will be given written notice at the time FMLA leave is requested of his or her status as a key employee.

Use of Paid and Unpaid Leave

An employee who is taking FMLA leave because of the employee's own serious health condition or the serious health condition of a family member must use all paid vacation, personal or sick leave prior to being eligible for unpaid leave. Sick leave may run concurrently with FMLA leave if the reason for the FMLA leave is covered by the established sick leave policy.

Leave taken for an employee's serious health condition, including pregnancy-related leave, short-term disability (STD), or workers' compensation, will be designated as FMLA leave and will run concurrently, to the extent the reason qualifies under the FMLA. For example, if an employee takes six weeks of Strategic HFC's pregnancy disability leave, those six weeks will count toward the employee's 12-week FMLA entitlement.

If an employee is receiving wage replacement benefits (such as through a disability plan or workers' compensation), the company will not require the use of accrued paid leave (e.g., vacation, personal, or sick leave) during the compensated portion of the leave. However, an employee and employer may agree to use accrued paid leave to supplement partial wage replacement benefits, where permitted by law and company policy.

If an employee is not receiving wage replacement benefits, an employee will be required to use accrued paid leave concurrently with FMLA leave.

Employees taking FMLA leave for the adoption or foster care placement of a child will be required to use all available paid vacation, personal, or family leave before transitioning to unpaid FMLA leave.

An employee who is using military FMLA leave for a qualifying exigency must use all paid vacation and personal leave prior to being eligible for unpaid leave. An employee using FMLA military caregiver leave must also use all paid vacation, personal leave, or sick leave (as long

as the reason for the absence is covered by the company's sick leave policy) prior to being eligible for unpaid leave.

Intent to Return to Work from FMLA Leave

On a basis that does not discriminate against employees on FMLA leave, Strategic HFC may require an employee on FMLA leave to report periodically on their status and intent to return to work.



Writer's Email Address:
jrivera@namanhowell.com

400 Austin Avenue
Suite 800
Waco, Texas 76701
(254) 755-4100
Fax (254) 754-6331

To: Katie Adams,
DIRECTOR OF FINANCE & ADMINISTRATION
Strategic Housing Finance Corporation

From: Joe Rivera

Date: September 23, 2025

Re: Application of FMLA to SHFC

Offices in:

- Austin
- Fort Worth
- Houston
- San Antonio
- Waco

www.namanhowell.com

Strategic Housing Finance Corporation (SHFC) has asked our firm about whether and to what extent the Family and Medical Leave Act (FMLA) applies to SHFC. We offer the following comments in response.

SUMMARY

(1) Under the current circumstances, whether SHFC is an “employer” subject to the FMLA depends whether SHFC falls within the FMLA’s definition of a “public agency”. There is no clear authority definitively establishing whether SHFC is a public agency under the FMLA, but there is certainly authority that suggests that SHFC is a public agency subject to the FMLA.

(2) Even assuming that SHFC is a public agency subject to the FMLA, under the current circumstances, its employees would never be eligible to take FMLA leave. However, SHFC would need to post notice of FMLA rights and go through the evaluation process to avoid violating the FMLA, and would need to consider the ADA as a basis for accommodations for employees with health issues, including possibly granting leave as an accommodation.

DISCUSSION

The FMLA applies to any “employer”, which, as relevant to SHFC’s specific inquiry, is defined by the FMLA to include (1) any person or entity engaged in an activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year and (2) any “public

agency”, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)). See 29 U.S.C. § 2611(4); 29 C.F.R. § 825.104.

Per the information that SHFC has provided to us, it would not qualify as an employer under the FMLA first option of the definition of “employer” because SHFC does not have 50 or more employees. As we have discussed on the phone, there is a strong possibility that SHFC does meet the definition of public agency, thus making it an employer under the FMLA. Whether a particular entity such as SHFC is a “public agency” depends on the specific attributes of the entity, including whether it has taxing authority, whether its officers or board members are elected by voters or are appointed or approved by elected officials, and similar considerations. 29 C.F.R. § 825.108(b). Per the information from SHFC, SHFC does not have taxing authority and its officers and board are not elected by voters. And per the Local Government Code, a housing finance corporation exists as a non-profit corporation, indicating separateness from the local governmental entities that create it. These considerations weigh against SHFC and housing finance corporations like it falling within the “public agency” aspect of the FMLA’s definition of employer.

On the other hand, the stated statutory purpose of housing-finance entities such as SHFC is for the public purpose of providing decent, safe, sanitary and affordable housing while promoting the public health, safety, and morals, facilitating efficient and well-planned urban development, and promoting and increasing ad valorem taxes. *Tex. Loc. Gov’t Code* § 394.002. The statute states that housing finance corporations are formed for the benefit of the people of the state and to serve public purposes and are created by local governmental entities as a “public instrumentality”. And per the information we have been provided by SHFC, SHFC’s board members are appointed by a governmental body—the Travis County Commissioners Court after an open application process. The Department of Labor has ruled that a not-for-profit corporation with similar attributes is a “public agency” subject to the FMLA. See Wage & Hour Op. Letter No. 1641 (1986) CCH Wage-Hour Admin Rulings ¶ 31834. And at least one Texas Court has ruled that a housing finance corporation is a governmental entity for purposes of governmental immunity from suit. *Johnson v. Guerra*, No. 14-20-00260-CV, 2021 Tex. App. LEXIS 8531 (Tex. App.—Houston [14 th Dist.] 2021, no pet.) (mem. op.).

All this said, there is no clear authority definitively establishing whether SHFC is a public agency under the FMLA. If SHFC wants a more definitive answer, we would need to ask the Department of Labor for an opinion. Our firm could assist with that process.

Even if SHFC is subject to the FMLA, the questions then become how does that law apply to SHFC and what does SHFC have to do to comply? Every employer subject to the FMLA must provide its employees with notice of the rights provided by the FMLA, including

through a poster made available by the DOL. See 29 U.S.C. § 2611; see <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/fmlaen.pdf>.

As for whether any of SHFC's employees could take FMLA leave, to be eligible for leave the employee would have to meet all of the requirements set out by the FMLA. That would include having worked at SHFC for at least 12 months and for at least 1250 hours during that time. 29 USCS § 2611(2)(A)(ii). To be eligible for FMLA leave, the employee must also work at a worksite at which the employer employs 50 or more employees or relative to which the employer has at least 50 employees within 75 miles. 29 U.S.C. § 2611(2)(B)(2); 29 C.F.R. § 825.108(d). That is, even though SHFC might be an "employer" under the FMLA due to status as a "public agency" regardless of whether it has 50 or more employees, for any particular employee to actually take FMLA leave, that employee must satisfy all of the FMLA's eligibility requirements, which includes being employed at a site where 50 or more employees work or with 50 or more employees within a 75 mile radius.

Because (as of the date of this memo) SHFC does not have 50 or more employees overall, none of its employees can show eligibility for FMLA leave.

SHFC should note that the Americans with Disabilities Act (ADA) applies to any employer with 15 or more employees and that the ADA might require SHFC to consider, under appropriate circumstances, granting leave to any employee with a medical issue. To evaluate that, SHFC should engage in the ADA's "interactive process" to assess any employee request for medical-related accommodation and the propriety of leave as an accommodation.

If SHFC has any further questions about these or any other issues, please let us know.

Regards,

NAMAN, HOWELL, SMITH & LEE, PLLC

By:



Joe Rivera



V.C. CONSENT AGENDA

Resolution No. SHFC-2025-32: Consideration and possible action to approve a revised Employee Benefits Policy



Agenda Item V.C.

October 9, 2025

Resolution No. SHFC-2025-32: To consider and take action to approve the revised Employee Benefits Policy

WHEREAS, Strategic Housing Finance Corporation of Travis County (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, as amended, Texas Local Government Code, Chapter 394 (the “Act”), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Board of Directors of the Corporation (the “Board”) has reviewed and considered the “Employee Benefits Policy” for the Corporation, a copy of which is attached to this Resolution as Exhibit A and incorporated herein for all purposes (the “Policy”); and

WHEREAS, the Board of Directors of the Corporation (the “Board”) previously approved the “Employee Benefits Policy” via Board Resolution SHFC-2025-14 on May 08, 2025

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY, THAT:

Section 1: The Policy is hereby approved and adopted.

Section 2: The Policy supersedes and terminates the “Employee Benefits Policy” previously adopted via Board Resolution SHFC-2025-14 on May 08, 2025.

Section 3: This Resolution shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this 9th day of October, 2025.

Jan Wenig

President, Board of Directors

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 9th day of October, 2025. , is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand this 9th day of October, 2025.

By: _____

Dianna Grey

Executive Director and Secretary

EXHIBIT A

Employee Benefits Policy



Employee Benefits Policy

The Strategic Housing Finance Corporation of Travis County (Strategic HFC) aims to provide competitive compensation to employees, including wages and a benefits package. Strategic HFC's commitment to supporting the health and wellbeing of its employees is demonstrated by benefit options that address the diverse needs of employees and their families. Any deviation from or exception to these policies must be documented and approved by the Executive Director.

Eligibility

Eligibility to participate or enroll in the full suite of Strategic HFC sponsored benefits is limited to employees in regular positions who are scheduled to work 30 hours or more each week, considered full-time employees. Regular employees who work fewer than 30 hours per week and temporary employees may have access to ~~a subset~~ some of ~~the~~ benefits identified in this policy. Eligibility for specific benefits may be dependent upon an employee's classification and length of service.

Strategic HFC Paid Benefits

Health Insurance

Strategic HFC pays 100% of an employee's own medical insurance premiums. If elected by an employee, Strategic HFC will cover a reduced percentage of premiums for an employee's spouse and/or children. Health insurance coverage takes effect on the first of the month following an employee's date of hire.

Dental & Vision Insurance

Strategic HFC pays 100% of an employee's own dental and vision insurance premiums and will contribute a reduced percentage of the dental and vision premium for dependents. Dental and vision insurance coverage takes effect on the first of the month following an employee's date of hire.

Basic Life and Accidental Death & Dismemberment (AD&D)

Strategic HFC pays 100% of the cost of basic life and AD&D coverage. Basic life insurance protects families and other beneficiaries from a loss of income in the event of death. AD&D insurance provides additional protection in the event of an accidental death or loss of limb or eyesight.

Strategic HFC also offers optional increased life insurance coverage (beyond basic life insurance) at the expense of the employee. Depending on the elected amount of life insurance coverage, employees may be subject to certain health screenings and surveys to allow life insurance vendors to determine pricing.

Disability Insurance

Strategic HFC pays 100% of the cost to cover employees with both short-term and long-term disability insurance. This insurance provides a portion of your income if you become unable to work due to a qualifying illness or injury. Disability insurance coverage takes effect on the first of the month following an employee's date of hire, though to utilize the benefit employees must have been active with the plan for the full length of the designated waiting period. This waiting period is generally between 14-90 days.

Defined Contribution 401(k) Retirement Plan

All regular full-time employees are automatically enrolled in the voluntary Strategic HFC adopted Pooled Employer 401(k) Plan. Employees may opt out or adjust their deferral amounts. Each pay period (26 bi-weekly pay periods annually), the selected amount (4% is the automatic enrollment level) of an employee's wages are withheld and contributed on the employee's behalf to the Plan, as a pre-tax elective deferral contribution. Strategic HFC provides a 100% match contribution to the Plan on behalf of each employee, up to 4% of salary. Participating employees have full and immediate vesting. Eligibility for this plan takes effect immediately, with enrollments performed on the first of the month following an employee's first paycheck.

Flexible Spending Accounts

Strategic HFC offers optional participation in the organization's Flexible Spending Accounts. These accounts allow employees to set aside money on a pre-tax basis to pay for qualified expenses. These accounts are funded entirely by employees via payroll deduction. Strategic HFC offers both a Standard Health Care FSA as well as a Dependent Care FSA that employees can utilize with eligible expenses.

Paid Time Off

All regular employees will benefit from paid time off during their employment with Strategic HFC. Paid time off, or paid leave, falls into the following categories:

- Holidays
- Floating Holidays
- Vacation
- Sick / Medical
- Situational Leave, such as the following:
 - Bereavement Leave
 - Jury Duty
 - Extreme Weather / Unscheduled Closure
 - Military Leave
 - Disability Leave
 - Administrative Leave

Strategic HFC uses a bi-weekly payroll schedule, with 26 pay periods per calendar year. Paid leave that is earned over time (Vacation and Sick) accrues during each pay period of employment. Accrued hours appear in an employee's Leave Bank the pay period *after* the hours are earned and they are available for use anytime thereafter. Strategic HFC does not have a probationary or waiting period before hours in an employee's Leave Bank can be used.

Holidays

Observed holidays are automatically paid at 8 hours per holiday for full-time employees. Part-time employees are paid at the number of regular hours normally scheduled on the holiday.

Regular (full-time and part-time) employees of Strategic HFC receive pay for 12.5 days of observed holidays throughout the calendar year. When a holiday falls on Saturday during a

particular year, the paid holiday is observed on Friday. When a holiday falls on a Sunday, it is observed on Monday.

An additional half-day holiday will be determined by the Executive Director each year.

Observed Holidays
New Year's Day
Martin Luther King, Jr. Day
Presidents Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Veterans Day
Thanksgiving Day
Thanksgiving Friday
Christmas Eve Observed
Christmas Day Observed

Floating Holidays

Each regular employee receives 3 Floating Holidays per calendar year. This benefit will appear as 24 hours of paid leave, applied to an employee's Leave Bank at time of hire and again during the first pay period of each calendar year. Part-time employees will receive pro-rated hours based on their number of regularly scheduled work hours. This paid time off can be used for any reason an employee chooses to take paid time off work.

Floating Holiday leave should be requested in advance and must be approved by the designated supervisor. Floating Holidays do not roll-over into the next calendar year, and they are not eligible to be paid out upon employee separation from Strategic HFC.

Vacation

Paid vacation time or vacation leave is accrued each pay period (26 pay periods each calendar year), per the following schedule of continuous employment for full-time employees:

Tier 1:	0 – 5 years employment	5 hours per pay period (130 hours/yr)
Tier 2:	5+ years employment	6 hours per pay period (156 hours/yr)

Vacation leave can be used for any purpose. Vacation leave should be requested in advance and must be approved by the designated supervisor. Hours begin to accrue at the Tier 1 rate immediately upon start of employment. Vacation hours accrued during the first pay period will be available for use starting the following pay period.

Vacation leave for individuals qualifying as part-time employees is accrued on a pro-rated basis, directly proportional to hours reported per pay period (including paid holidays and/or eligible paid leave). For example, if an employee is hired to work 20 hours per week (40 hours per 2-week pay period), they would initially accrue Vacation leave at 2.5 hours per pay period.

In order to qualify for Tier 2, and begin accruing Vacation leave at a higher rate, an employee must have completed the equivalent of 5 years of full-time work, or 10,400 hours reported on timesheets. Starting with the pay period containing hour 10,401 worked, a part-time employee will accrue Vacation leave at a prorated Tier 2 amount.

Vacation leave earned during one year may be rolled over to the following year. The maximum amount of Vacation leave in an employee's leave bank is 320 hours. When an employee separates from Strategic HFC, the maximum payout of unused Vacation leave is 240 hours.

Sick / Medical Leave

Employees accrue 4 hours of Sick/Medical leave per pay period. Sick/Medical leave can be used for unplanned illness or injury, scheduled medical appointments or procedures, recovery time and/or other medical reasons for the employee or an immediate family member or household member of the employee.

If an employee has been approved to use vacation or personal holiday leave for paid time off, and then becomes ill or injured during that time, they have the option to change the type of leave used to Sick/Medical paid time off for the applicable number of hours.

Sick/Medical leave should be requested in advance when possible, and must be approved by designated supervisor

Sick/Medical leave earned during one year may be rolled over to the following year and remain in an employee's Leave Bank up to a maximum of 520 hours. When an employee separates from Strategic HFC, there is no payout of unused Sick/Medical leave.

Situational ~~Paid~~ Leave

Background and Overview

Strategic HFC provides employees with several types of situational ~~paid~~ leave, as outlined below. These types of leave are only provided as needed, and in some cases documentation of the need may be required.

Bereavement Leave

All regular employees may be granted paid bereavement leave for a period not to exceed three consecutive workdays in case of a death in their immediate family. Immediate family is defined as an employee's spouse, parents, stepparents, children, stepchildren, adopted children, grandchildren, sister, brother, grandparents, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, or persons within the same household with whom the employee shares a significant relationship of mutual caring.

This leave will not be charged against sick, vacation or floating holiday accrued leave. Bereavement leave is for the purpose of attending funerals, making arrangements, or otherwise attending to the affairs of the deceased. An employee may be required to provide information which will document the necessity of absence.

Jury Duty / Court Leave

All regular employees will be granted paid leave for the purpose of serving as a juror, appearing as a witness, or participating in other official court proceedings of a legally recognized court or other body having power of subpoena, when the employee is not a party to the proceedings. Employees must notify their immediate supervisor upon receiving notices of court appearance and shall return to work during those periods when not required to remain at court. This leave will not be charged against sick, floating holiday or vacation leave.

Extreme Weather / Unscheduled Closure

During extreme weather or other significant events, it may be necessary to close Strategic HFC offices during normal business hours of operation. The Executive Director (or their designee) will notify all employees of Strategic HFC temporary business closures. A closure may occur for a partial day (e.g., a delayed start or early dismissal), full day or multiple continuous days, depending on length and severity of circumstances. All regular Strategic HFC employees will be granted paid leave for normally scheduled work hours during the duration of each event.

When Strategic HFC offices are closed due to extreme weather and/or emergency events, the Executive Director may use discretion in assigning employees to perform work duties through teleworking in remote work locations. - In such instances, regular pay for regular work hours will be assessed.

Military Leave -

All regular employees are eligible for paid leave for the purpose of responding to orders of military service as a member of the active service, reserve unit, National Guard or other official special unit engaging in authorized training, duty ordered or duty authorized by proper authority. A maximum of 15 days paid military leave per calendar year is available, subject to the following conditions:

- a. All requests for leave must be accompanied by a copy of the orders, directive, notice or other document requiring absence from scheduled work.
- b. Travel time included in the orders and paid for or reimbursed by the service may be counted as military leave.
- c. Military leave is not granted for diagnosis or treatment of any service-connected sickness or disability, for obtaining or sustaining any disability rating or treatment in any government facility. However, administrative leave may be granted by the Executive Director for these purposes.
- d. Time required for physical examinations for selection or admission to the military service to determine or maintain a selective service rating or to maintain reserve status is counted as military leave. Pay is limited to the regularly scheduled hours lost.
- e. Time required over and above the maximum allowed must be taken as vacation leave, floating holiday leave or unpaid leave of absence.
- f. Leave pay is not granted for hours before or after the regularly scheduled working hours or for overtime hours scheduled.

Paid Administrative Leave

The Executive Director may grant an employee paid administrative leave up to a maximum of 10 days annually, when it is in the best interest of Strategic HFC to:

- Relieve the employee of their duties pending the results of an investigation, when an employee could be suspended, demoted or terminated
- Protect the health and safety of employees
- Award an employee for outstanding performance
- Support blood bank donations
- Allow time off to vote in national, state, or local elections
- Account for work hours lost on the day of an on-the-job injury

The examples above do not constitute an exhaustive list, and approval of paid administrative leave is at the sole discretion of the Strategic HFC Executive Director. Time charged to administrative leave must be documented and it will function as regular time worked.

~~Paid~~ Parental Leave

Employees in regularly budgeted positions who have worked for Strategic HFC for at least four months may receive up to six weeks of paid leave and up to six weeks of additional unpaid leave (prorated based on regularly scheduled working hours) upon the birth or adoption of a child. Documentation of birth or adoption must be provided to the designated Strategic HFC supervisor before an employee can code their time as ~~paid~~ parental leave. Temporary employees are not eligible.

Budgeted/Scheduled Work Week	Paid Parental Leave Hours
40	240
30 - 39	180
20 - 29	120
Less than 20	60

Employees in regularly budgeted positions who provide foster care of a child or multiple children are eligible to receive paid parental leave for up to two weeks at the time of each foster care placement. Documentation of foster care placement must be provided to the

designated Strategic HFC supervisor before an employee can code their time as paid foster leave. Temporary employees are not eligible. See chart below for pro-rated hours available.

Budgeted/Scheduled Work Week	Paid Foster Care Placement Leave Hours
40	80
30 - 39	60
20 - 29	40
Less than 20	20

Other Unpaid Leave

At the Executive Director's discretion, an employee may be granted an unpaid leave of absence due to extenuating circumstances. Such leave will only be granted once all other available paid leave has been exhausted. The specific duration and conditions of this leave will be at the discretion of the Executive Director.



V.D. CONSENT AGENDA

Resolution No. SHFC-2025-33: Authorizing the cancellation of Resolution No. SHFC-2020-11 and the removal of restrictions on funds set aside via Resolution No SHFC-2020-11



October 09, 2025

Resolution No. SHFC-2025-33: Authorizing the cancellation of Resolution No. SHFC-2020-11 and the removal of restrictions on funds set aside via Resolution No. SHFC-2020-11.

WHEREAS, Strategic Housing Finance Corporation of Travis County (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Texas Local Government Code, Chapter 394, as amended (the “Act”), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Corporation previously approved a resolution designating certain funds for use to support the creation of housing units affordable to extremely low-income households.

WHEREAS, the Corporation’s Board of Directors have since established a Housing Production Fund, which serves as an alternative vehicle for supporting deeply affordable housing units.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Strategic Housing Finance Corporation of Travis County hereby authorizes the cancellation of Resolution No. SHFC-2020-11, and authorizes the removal of Board restrictions on funds as defined in Resolution No. SHFC-2020-11.

[Signature and Certification Page Follows]

PASSED AND APPROVED this 9th day of October, 2025.

Jan Wenig
President, Board of Directors

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 9th day of October, 2025, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand this 9th day of October, 2025.

By: _____
Dianna Grey
Executive Director and Secretary



Strategic Housing Finance Corporation, Texas
502 E. Highland Mall Blvd., Suite 106-B
Austin, Texas 78752

**SHFC Action Item IV.A.
November 6, 2020**

Resolution No. SHFC-2020-11: To Authorize the set-aside of a minimum of 50% of all proceeds generated via the issuance of Multifamily Housing Revenue Bonds only, and whereby a Partnership Agreement is not contemplated, to be specifically utilized for the development of extremely low income, deeply affordable housing units. This would include the *Limestone Canyon* and *Parkside Crossing* developments, and future projects meeting the tenets of this Resolution.

WHEREAS, There is a severe shortage of affordable housing options in the US; and

WHEREAS, Specifically, the growth of housing development hasn't kept up with the pace of the population boom Austin-Travis County has experienced over the past decade, making affordable options extremely scarce; and

WHEREAS, traditional funding sources do not adequately incentivize the development of deeply affordable housing units; and

WHEREAS, the provision of set-asides is consistent with the mission of this organization.

NOW, THEREFORE, BE IT RESOLVED THAT The Board of Directors of SHFC hereby:

1. Approves Resolution No. SHFC-2020-11;
2. Authorizes the Executive Vice President to execute all necessary documents and extensions.

Passed and approved this 6th day of November 2020.

Wilmer Roberts, President, Board of Directors

Attested and approved as to form:

Patrick B. Howard, Executive Vice President



Strategic Housing Finance Corporation, Texas
502 E. Highland Mall Blvd., Suite 106-B
Austin, Texas 78752

**SHFC Action Item IV.A.
November 6, 2020**

Resolution No. SHFC-2020-11: To Authorize the set-aside of a minimum of 50% of all proceeds generated via the issuance of Multifamily Housing Revenue Bonds only, and whereby a Partnership Agreement is not contemplated, to be specifically utilized for the development of extremely low income, deeply affordable housing units. This would include the *Limestone Canyon* and *Parkside Crossing* developments, and future projects meeting the tenets of this Resolution.

Background Information:

At its 10 October meeting, the Board of Directors had a robust discussion regarding its role in the provision of extremely low-income, deeply affordable multifamily housing. The general consensus of the Board was that, while issuance of multifamily bonds don't directly target the aforementioned vulnerable populations, the established of a set-aside of funds for such would help to incentivize future development.

Recommended Action:

Consideration and appropriate action regarding Resolution No. SHFC-2020-11: To Authorize the set-aside of a minimum of 50% of all proceeds generated via the issuance of Multifamily Housing Revenue Bonds to be specifically utilized for the development of extremely low income, deeply affordable housing units.

Alternate Option:

The Board of Directors could elect to Not Approve the proposed set-aside.

Fiscal Impact:

N/A

Attachment:

N/A

Prepared and Approved by:

Patrick B. Howard

Patrick B. Howard, Executive Vice President



VI.A. ACTION ITEM

Resolution No. SHFC-2025-34: Consideration and possible action to approve Housing Market Report & Strategic AIM Goals



October 09, 2025

Resolution No. SHFC-2025-34: Establishing a Strategic Affordability Impact Metric production target goal for the 2025 and 2026 calendar years.

WHEREAS, Strategic Housing Finance Corporation of Travis County (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Texas Local Government Code, Chapter 394, as amended (the “Act”), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Corporation’s Board of Directors (the “Board”) desires to measure the value of new housing added to the Corporation’s portfolio with a method that goes beyond simple unit count; and

WHEREAS, the Corporation has devised a metric to measure its production of new housing opportunities by considering a development’s number of bedrooms, depth of affordability, duration of affordability covenants, physical quality and design characteristics, and location within Travis County, called the Strategic Affordability Impact Metric (“Strategic AIM”); and

WHEREAS, the Board has considered market conditions, production forecast scores, and other factors in the Corporation’s 2025 Housing Market Data report.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY, THAT:

Section 1: The Strategic AIM production target for calendar year 2025 is 1,114.

Section 2: The Strategic AIM production target for calendar year 2026 is 11,125.

Section 3: The Executive Director must present a Housing Market Data Report and a proposed Strategic AIM production target for the following calendar year on an annual basis to the Board.

[Signature and Certification Page Follows]

PASSED AND APPROVED this 9th day of October, 2025.

Jan Wenig
President, Board of Directors

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 9th day of October, 2025, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand this 9th day of October, 2025.

By: _____
Dianna Grey
Executive Director and Secretary



Housing Market Data Report

October 2025

Summary

While 2025 multifamily market conditions in Austin were generally unfavorable to new investments into multifamily housing. Rent growth continued to decline 3.89% year-over-year, however, that decline is slowing down compared to the 24-month change of -9.90%. The market appears to be getting closer to equilibrium, with a difference between units absorbed and units added of -3,105 in the first half of 2025, compared to 2024 which had a difference of -11,724 units.

Interest rates and equity investor interest remain a constraining factor on multifamily real estate development. The 10-year treasury bond note yield remained elevated compared to pre-pandemic levels and was virtually unchanged between 2024 and 2025. Tax credit pricing for 4% low-income housing tax credit applications dropped nearly 2 points in 2025, with only half the number of applications filed compared to 2024.

Strategic HFC's ability to produce new housing units was further constrained by state legislation in the 89th legislative session. House Bill 21 was passed into law in May, substantially reforming Chapter 394 of the Local Government Code and creating significant uncertainty for HFC-sponsored public private partnerships. Virtually all deal flow has stalled as financial institutions and equity investors sit on the sidelines, waiting for the Texas Department of Housing and Community Affairs to complete rulemaking on HB21 later this year.

2026 should be a better year for Strategic HFC's production compared to 2025, mostly due to the expectation that HB21's rulemaking will bring back some confidence in HFC-sponsored public-private partnerships. Market conditions are improving somewhat, but it is expected that new units added will continue to outpace units absorbed, further limiting rent growth and depressing the need for subsidized housing. Continued uncertainty around federal monetary, tariff, and immigration policy may negatively impact

the real estate development and construction industries appetite for new investments into housing. Finally, the launch of the Housing Production Fund at the end of 2025 should facilitate additional deal flow to Strategic HFC.

Production Forecast Score

As the inaugural Housing Market Data Report, the 2025 report will forecast production for 2026 and retroactively forecast production for 2025 by using market data from 2025 and 2024, respectively. Additionally, housing market data for 2023 is presented as a frame of reference. The components, constraint/support ratings, importance coefficients, and production forecast scores (PFS) for 2025 and 2026 are as follows:

2026 PFS: 3.7

Component	Data	Rating	Importance
10-Year US Treasury Yield	4.35%	5	20%
Net Absorptions-to-Completions Ratio	0.55	1	20%
Rent Growth Rate	-3.90%	2	25%
Tax Credit Pricing	\$0.858	4	20%
Housing Production Fund	\$15,000,000	8	15%

*Data is from July 1, 2024, through June 30, 2025

2025 PFS: 3.25

Component	Data	Rating	Importance
10-Year US Treasury Yield	4.29%	5	20%
Net Absorptions-to-Completions Ratio	0.77	3	20%
Rent Growth Rate	-4.60%	2	25%
Tax Credit Pricing	\$0.876	5	20%
Housing Production Fund	\$0	1	15%

*Data is from July 1, 2023, through June 30, 2024

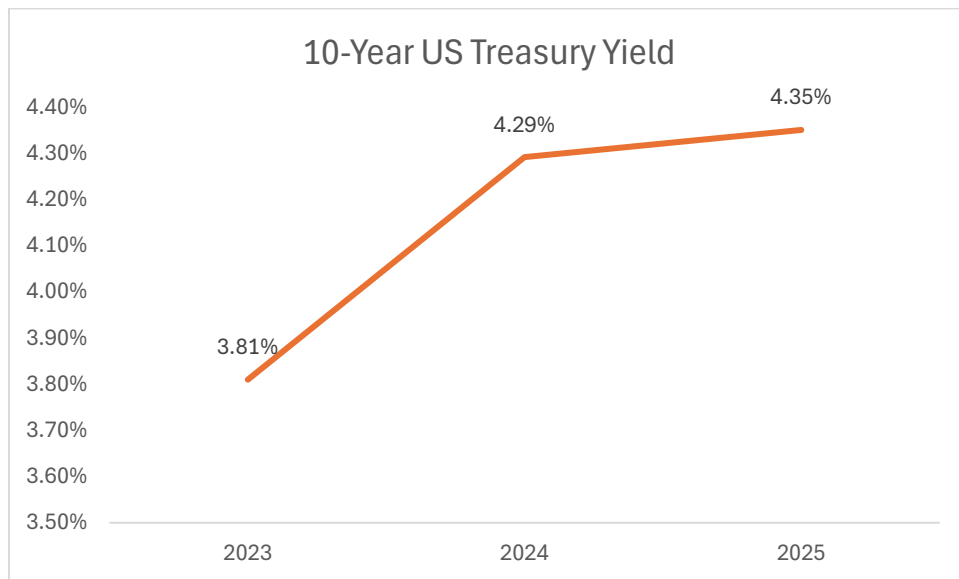
2024 PFS: 4.55

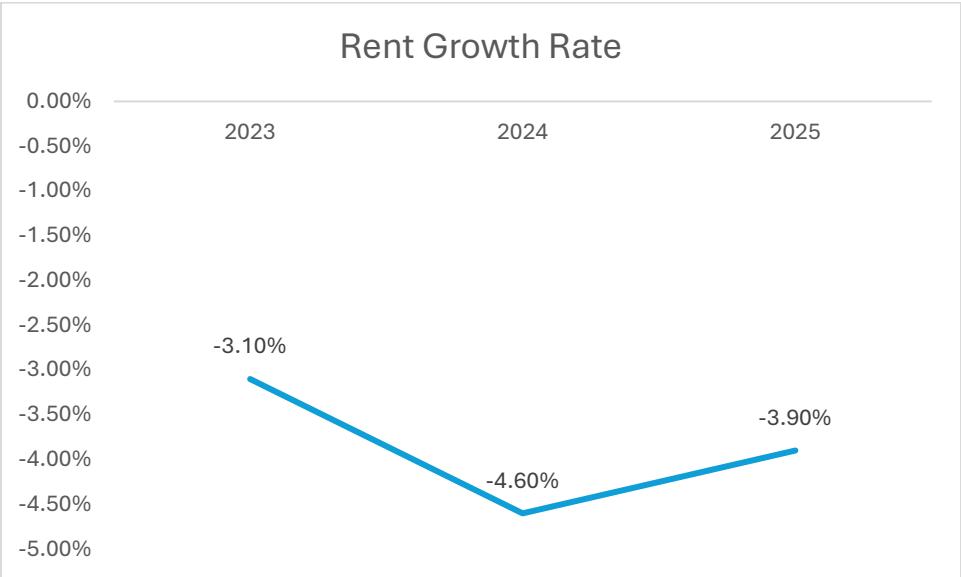
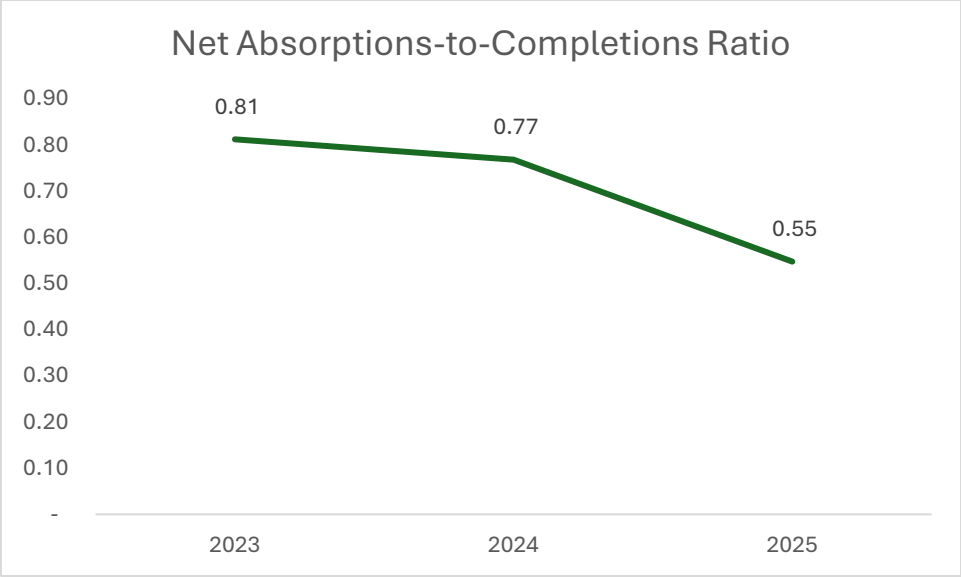
Component	Data	Rating	Importance
10-Year US Treasury Yield	3.81%	7	20%
Net Absorptions-to-Completions Ratio	0.81	4	20%
Rent Growth Rate	-3.10%	4	25%
Tax Credit Pricing	\$0.884	6	20%
Housing Production Fund	\$0	1	15%

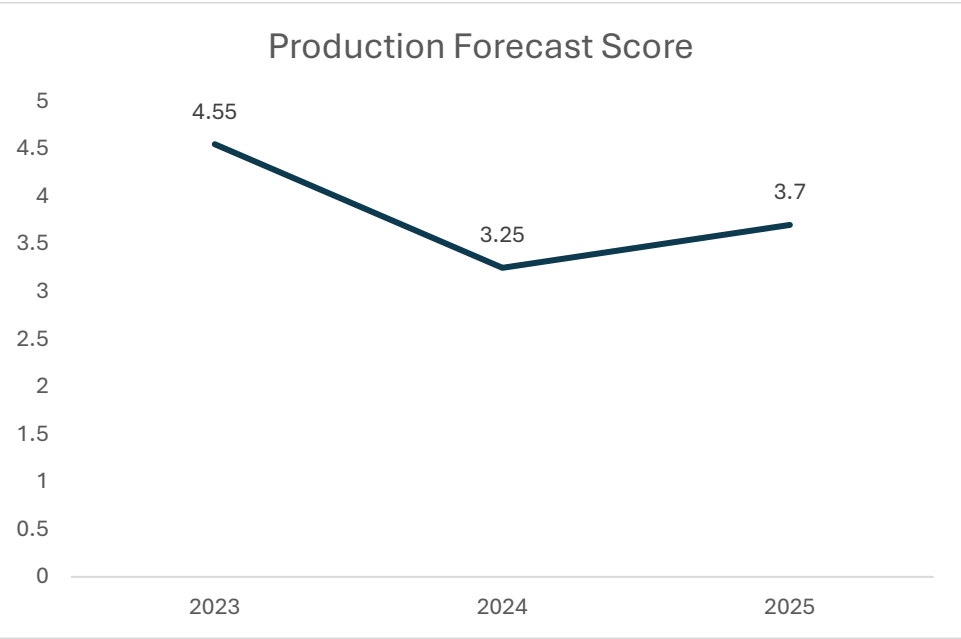
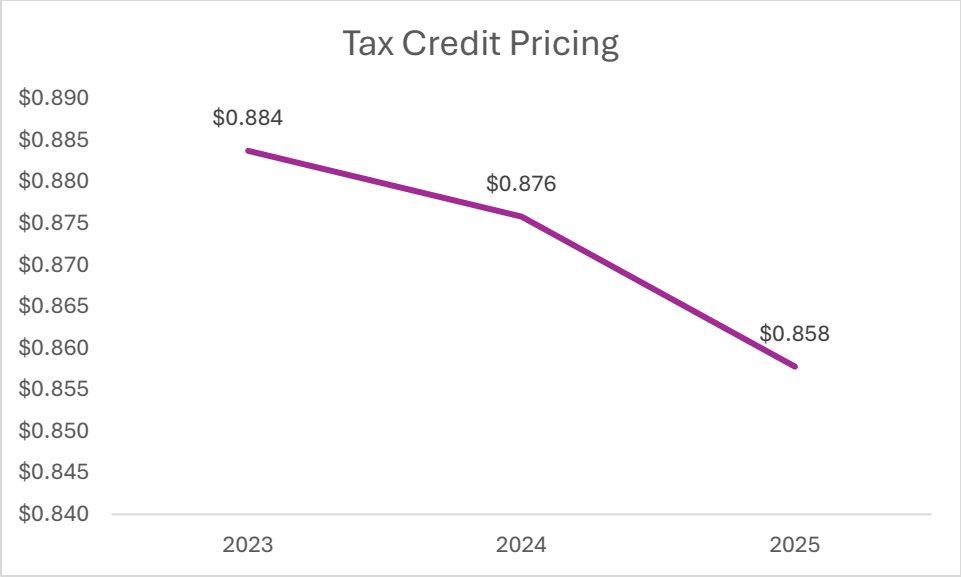
*Data is from July 1, 2022, through June 30, 2023

Sources: Yardi Matrix, Federal Reserve, Walker & Dunlop

Historical Trends





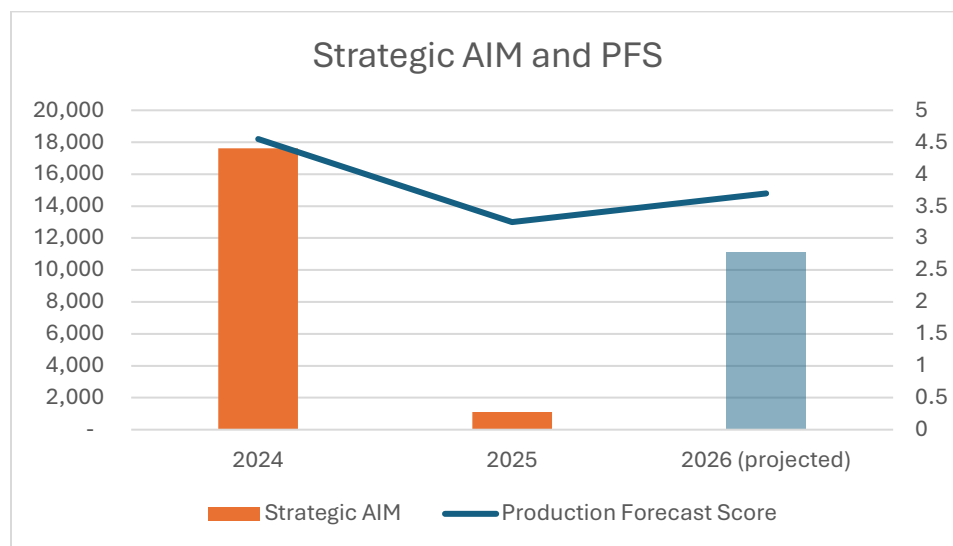


Target Recommendation

As seen from the historical trends, many components that would be conducive to multifamily development have been on a downward trend for the last few years. 2023 had more favorable market conditions, which may demonstrate a correlation between the PFS of 2023 and the Strategic HFC production throughout 2024. 2024 and 2025 market data produce similar PFS, which may indicate that 2026 will be a similar year to 2025 production-wise. One factor that existed this year that should not be as much of an issue next year is the cooling effect the introduction of House Bill 21 had during the 89th legislative session and the uncertainty in the period between its passage and the release of TDHCA rules. Strategic HFC measures production by the Strategic AIM totals of new public-private partnership deals with memorandums of understandings approved by the board of directors.

Subject to board adoption, the Strategic AIM goals for 2025 and 2026 are as follows:

	Target	Range – Low	Range - High
2025 (retroactive)	1,114	1,114	5,000
2026	11,125	2,500	20,000



Year	2024	2025	2026 (projected)
Production Forecast Score	4.55	3.25	3.7
Strategic AIM	17,623	1,114	11,125

Potential Strategic AIM Scenario - 2026

LIHTC A 300+ Units	10,000
WFH A 200+ Units	1,100
WFH B 325+ Units	1,900
WFH C 100+ Units	600
LIHTC B 200+ Units	6,400
Total	20,000

*LIHTC means a development subsidized by the Low-Income Housing Tax Credit program

*WFH means a mixed-income project, sometimes referred to as workforce housing



VI.B. ACTION ITEM

Resolution No. SHFC-2025-35: Consideration and possible action to authorize negotiation for the acquisition of Limited Partner interests in Cambridge Villas Apartments Limited Partnership (The “Partnership”); and the execution and delivery of an assignment agreement and other necessary documents to effectuate such interests acquisition, in connection with the partnership’s operation of a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660 (The “Development:”); and containing other provisions related thereto

OCTOBER 9, 2025

RESOLUTION NO. SHFC-2025-35:

RESOLUTION (THE “*RESOLUTION*”) OF THE BOARD OF DIRECTORS OF STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY (THE “*CORPORATION*”) APPROVING A PURCHASE AND SALE AGREEMENT WITH RESPECT TO A POTENTIAL SALE OF CAMBRIDGE VILLAS APARTMENTS, A MULTIFAMILY RESIDENTIAL DEVELOPMENT LOCATED AT 15711 DESSAU ROAD, PFLUGERVILLE, TEXAS 78660 (THE “*DEVELOPMENT*”); AND CONTAINING OTHER PROVISIONS RELATED THERETO

A. APPROVAL OF PURCHASE AND SALE AGREEMENT

WHEREAS, Strategic Housing Finance Corporation of Travis County (the “*Corporation*”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, as amended, Texas Local Government Code, Chapter 394 (the “*Act*”), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, Jan Wenig is President of the Board of Directors of the Corporation (the “*President*”); and

WHEREAS, Dianna Grey is Executive Director of the Corporation (the “*Executive Director*”); and

WHEREAS, the Corporation owns fee title to the land (the “*Land*”) on which the multifamily residential development known as “Cambridge Villas Apartments” (the “*Development*”) is located and, in the Corporation’s capacity as landlord under that certain Ground Lease dated as of May 1, 2006 (the “*Ground Lease*”) between the Corporation and Cambridge Villas Apartments Limited Partnership, a Texas limited partnership (the “*Partnership*”), the Corporation has leased the Land to the Partnership in connection with the Partnership’s operation of the Development; and

WHEREAS, the Corporation is the sole member of SHFC Cambridge Villas, LLC, a Texas limited liability company (the “*General Partner*”) of the Partnership, which is governed by that certain Amended and Restated Agreement of Limited Partnership, dated as of May 1, 2006, and as amended (the “*Partnership Agreement*”); and

WHEREAS, the Development is subject to affordability restrictions set forth in that certain Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Credits, dated as of September 13, 2007, and as amended (the “*Affordability Restrictions*”); and

WHEREAS, the structure described herein has allowed the Development to receive a full abatement of ad valorem taxes pursuant to the Act (the “*Exemption*”); and

WHEREAS, the Special Limited Partner, a subsidiary of Alden Torch (the “*Special Limited Partner*”), has exercised its right under the Partnership Agreement to require a sale of the Development; and

WHEREAS, pursuant to SHFC Resolution No. SHFC-2025-11, the Board previously authorized the Executive Director, on behalf of the Corporation, as sole member of the General Partner to cause the Partnership to market the Development for sale and to negotiate sale terms with a qualified third-party purchaser approved by the Special Limited Partner; and

WHEREAS, pursuant to a Purchase and Sale Agreement and Escrow Instructions (the “*PSA*”), FRH Realty LLC, a Delaware limited liability company (the “*Purchaser*”), intends to purchase and the Partnership intends to sell the Development, to be owned and operated by a new limited partnership to be established among the General Partner and affiliates of the Purchaser, in order to continue the Exemption for the Development.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY (THE “*BOARD*”), THAT:

Section 1: The Executive Director, on behalf of the Corporation, acting on its own behalf and on behalf of the General Partner, acting on behalf of the Partnership, is hereby authorized, upon written consent from the Special Limited Partner, to execute and deliver the PSA, and such other documents and instruments that may be necessary and desirable to effectuate the PSA.

Section 2: That the President, Secretary and Executive Director of the Corporation are each individually authorized to certify and attest to the adoption and approval of the foregoing Resolution.

Section 3: If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 4: This Resolution hereby replaces SHFC Resolution No. SHFC-2025-20 in its entirety.

[Signature page and certification to follow]

PASSED AND APPROVED this 9th day of October, 2025.

Jan Wenig
President, Board of Directors

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 9th day of October, 2025, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand this 9th day of October, 2025.

By: _____
Dianna Grey
Executive Director and Secretary