

Official Board Packet



November Board Meeting

To be held at the offices of
Texas State Affordable Housing Corporation
2200 East Martin Luther King Jr. Blvd.
Austin, TX 78702

Friday November 13, 2009
1:30 p.m.

BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION
To be held at the offices of
Texas State Affordable Housing Corporation
2200 East Martin Luther King Jr. Blvd
Austin, Texas 78702
November 13, 2009 at 1:30 pm

CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM

Bob Jones
Chair

The Board of Directors of Texas State Affordable Housing Corporation will meet to consider and possibly act on the following:

AUDIT COMMITTEE REPORT

Jo Van Hovel

PRESIDENT'S REPORT

David Long

- Program Area Reports
- Monthly Budget and Investment Reports

ACTION ITEMS IN OPEN MEETING:

- | | |
|--------|---|
| Tab 1 | Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on September 11, 2009. |
| Tab 2 | Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on October 9, 2009. |
| Tab 3 | Presentation by Citi Bank of a Grant Award to the Corporation in the amount of \$40,000 in support of the Texas Foreclosure Prevention Task Force. |
| Tab 4 | Presentation, Discussion and Possible Approval of a Resolution Regarding the Conversion of Reservation for Allocation of Private Activity Bonds to Mortgage Credit Certificates and resolving other matters incident and related thereto. |
| Tab 5 | Presentation, Discussion and Possible Approval of a Resolution Authorizing the Issuance, Sale and Delivery of Single Family Mortgage Revenue Bonds Series 2009A; Authorizing a Trust Indenture, an Origination, Sale and Servicing Agreement, a Bond Purchase Agreement and Continuing Disclosure Agreement, Making Certain Findings and Determinations; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Corporation's Single Family Home Loan Programs; and Containing Other Matters Incident and Related Thereto. |
| Tab 6 | Presentation Discussion and Possible Approval of a Resolution to Approve the Participation of the Corporation in the New Issue Bond Program Sponsored by the United States Treasury Department. |
| Tab 7 | Presentation, Discussion and Possible Approval of a Resolution regarding the Submission of an Application for 2010 Allocation of Private Activity Bonds, Notice of Intent to Issue Bonds and State Bond Application to the Texas Bond Review Board Relating to the Corporation's Single Family Mortgage Revenue Bond Program. |
| Tab 8 | Presentation, Discussion and Possible Approval of the Publication for Public Comment of Replacement Reserve Guidelines for Multifamily Rental Properties for which a Replacement Reserve is Held by the Corporation in Connection with a Loan from the Corporation. |
| Tab 9 | Presentation, Discussion and Possible Approval of Scoring Criteria and Targeted Areas for the Allocation of Qualified Residential Rental Project Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2010. |
| Tab 10 | Presentation, Discussion, and Possible Approval of a Resolution to Restate, Ratify, and Affirm the Officers of the Corporation, and to Designate Officers with Signature Authority for the Corporation. |

PUBLIC COMMENT

CLOSED MEETING

Consultation with legal counsel on legal matters – Texas Government Code § 551.071
Deliberation regarding purchase, exchange, lease, or value of real property – Texas Government Code § 551.072
Deliberation regarding prospective gift or donation to the state or Texas State Affordable Housing Corporation – Texas Government Code § 551.073
Personnel Matters – Texas Government Code § 551.074
Implementation of security personnel or devices – Texas Government Code § 551.076
Other matters authorized under the Texas Government Code

OPEN MEETING

Action in Open Meeting on Items Discussed in Closed Meeting

ADJOURN

Individuals who require auxiliary aids or services for this meeting should contact Laura Ross, ADA Responsible Employee, at 512-477-3560 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that the appropriate arrangements can be made.

Texas State Affordable Housing Corporation reserves the right to recess this meeting (without adjourning) and convene at a later stated time, if and to the extent allowed by law. If Texas State Affordable Housing Corporation adjourns this meeting and reconvenes at a later time, the later meeting will be held in the same location as this meeting. Texas State Affordable Housing Corporation also reserves the right to proceed into a closed meeting during the meeting in accordance with the Open Meetings Act, Chapter 551 of the Texas Government Code. If permitted by the Open Meetings Act, Chapter 551 of the Texas Government Code, any item on this Agenda to be discussed in open meeting may also be discussed by the Board (and any other authorized persons) in closed meeting.

AUDIT COMMITTEE REPORT

Discussion

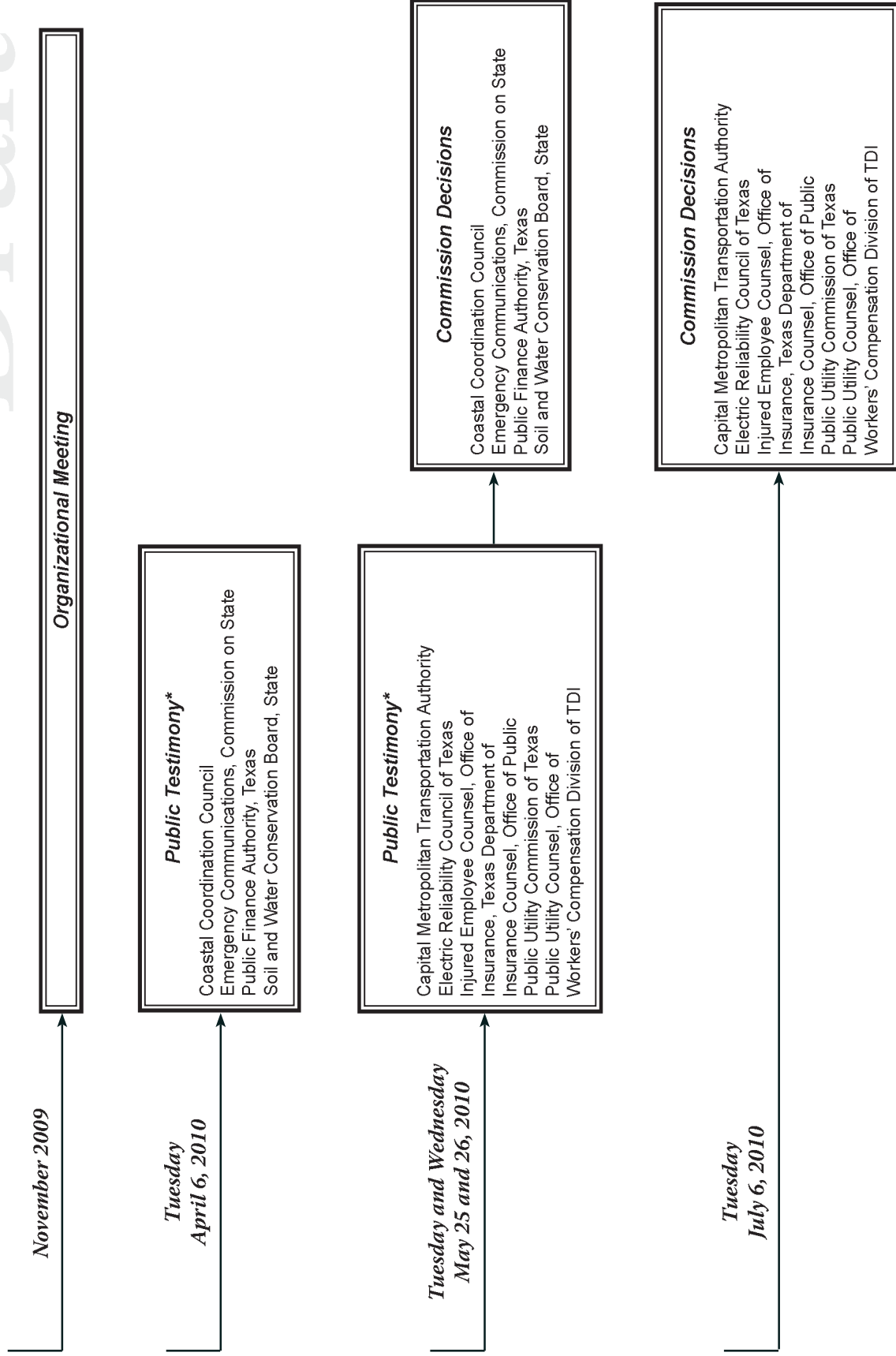
PRESIDENT'S REPORT

SUNSET ADVISORY COMMISSION

Meeting Schedule 2009 – 2011

(Proposed)

Draft



* Staff reports issued approximately one month earlier

SUNSET ADVISORY COMMISSION

Meeting Schedule 2009 – 2011

(Proposed)

Draft

*Tuesday and Wednesday
November 16 and 17, 2010*

*Public Testimony**

Hearing Instruments, State Committee of Examiners in the Fitting and Dispensing of
Housing and Community Affairs, Texas Department of Information Resources, Department of Railroad Commission of Texas
Speech-Language Pathology and Audiology, State Board of Examiners for
Water Development Board, Texas

*Wednesday and Thursday
December 15 and 16, 2010*

*Public Testimony**

Environmental Quality, Texas Commission on Equine Research Account Advisory Committee
Forest Service, Texas
Housing Corporation, Texas State Affordable Juvenile Probation Commission, Texas
On-site Wastewater Treatment Research Council
Racing Commission, Texas
Transportation, Texas Department of Youth Commission, Texas

*Wednesday
January 12, 2011*

Compliance Report

Sunset Recommendations from
the 81st Legislature

Commission Decisions

Hearing Instruments, State Committee of Examiners in the Fitting and Dispensing of
Housing and Community Affairs, Texas Department of Information Resources, Department of Railroad Commission of Texas
Speech-Language Pathology and Audiology, State Board of Examiners for
Water Development Board, Texas

Commission Decisions

Environmental Quality, Texas Commission on Equine Research Account Advisory Committee
Forest Service, Texas
Housing Corporation, Texas State Affordable Juvenile Probation Commission, Texas
On-site Wastewater Treatment Research Council
Racing Commission, Texas
Transportation, Texas Department of Youth Commission, Texas

* Staff reports issued approximately one month earlier

Sunset Review Schedule 2009 - 2010

DRAFT

Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
	Coastal Coordination Council					Department of Information Resources Electronic Government Program Management Office	TxDOT*									Compliance
	Commission on State Emergency Communications						TYC* TJPC*									
	State Soil and Water Conservation Board						Texas Department of Housing and Community Affairs									
	Texas Public Finance Authority						Texas Water Development Board									
	Capital Metropolitan Transportation Authority*						Fitting and Dispensing of Hearing Instruments Speech-Language Pathology and Audiology									
						Railroad Commission of Texas									Racing* Equine*	
	Division of Workers' Compensation of TDI Office of Injured Employee Counsel Texas Department of Insurance* Office of Public Insurance Counsel*					Texas Forest Service										
	Public Utility Commission of Texas Electric Reliability Council of Texas (ERCOT)* Office of Public Utility Counsel					Texas Commission on Environmental Quality On-site Wastewater Treatment Research Council										

* Subject to a focused, limited scope, or special purpose review

Program Area Reports



**2009 Mortgage Credit Certificate Program
As of June 9, 2009 through November 3, 2009**

Month	# of Loans	% of Total Loans	Total Originated
Jun-09	27	44%	\$3,219,539
Jul-09	16	26%	\$1,861,404
Aug-09	13	21%	\$1,389,777
Sep-09	2	3%	\$193,921
Oct-09	3	5%	\$270,901
Totals	61	100%	\$6,935,542

Lender	Originated	# of Loans	Total %
PrimeLending	\$2,734,509	22	36%
Cornerstone	\$914,907	10	16%
Bank of America	\$716,208	5	8%
Shelter Mortgage	\$468,660	5	8%
NCMC	\$327,973	3	5%
SFMC	\$267,386	2	3%
Flagstone	\$240,783	2	3%
Network Funding	\$210,198	2	3%
Allied Home Mortgage	\$207,759	2	3%
InterLinc Mortgage	\$204,237	2	3%
National City Mortgage	\$184,831	2	3%
Wells Fargo (Ashtonwood)	\$137,954	1	2%
Colonial Savings	\$127,645	1	2%
MetLife	\$114,875	1	2%
Global Mortgage	\$77,617	1	2%
Total Committed	\$6,935,542	61	100%

Total Allocation \$7,142,857
Remaining to Commit \$207,315

At a Glance	
Total Amount Originated	\$6,935,542
Average Annual Income	\$39,384
Average Purchase Price	\$121,014
Average Loan Amount	\$113,666
Average Interest Rate	5.54%
Average Household Size	2
New/Existing	
New	36%
Existing	64%
Professional Breakdown	
Professional Educator	23%
Texas Hero	7%
80% AMFI or below	70%
Type of Loan	
Conventional	3%
FHA	87%
VA	3%
USDA-RD	7%
Ethnicity	
American Indian/Alaskan Native	0%
Asian or Pacific Islander	3%
Black	10%
Hispanic	30%
White	8%
Other	0%
Not Defined	49%
Top Originating Counties	
Harris	31
Dallas	15
Collin	3
Tarrant	2
Williamson	2
Bexar	1
Fort Bend	1
Galveston	1
Grayson	1
Hill	1
Parker	1
Travis	1



**2009A Mortgage Credit Certificate Program
As of October 1, 2009 through November 3, 2009**

Month	# of Loans	% of Total Loans	Total Originated
May-09	2	1%	\$197,625
Jun-09	0	0%	\$0
Jul-09	4	2%	\$422,852
Aug-09	15	9%	\$1,741,476
Sep-09	65	38%	\$8,222,880
Oct-09	84	49%	\$11,187,363
Totals	170	100%	\$21,772,196

Lender	Originated	# of Loans	Total %
MSH Mort., sub. of Imortgage.com	\$4,821,827	34	20%
PrimeLending	\$2,534,568	19	11%
Comerstone	\$2,377,135	19	11%
NTFN	\$2,361,359	18	11%
Bank of America	\$1,190,670	9	5%
NCMC	\$1,129,249	10	6%
DHI	\$1,079,930	8	5%
Flagstone dba 1st Choice	\$999,007	9	5%
Primary Res dba First Choice	\$810,139	6	4%
WR Starkey	\$552,702	5	3%
UAMC	\$515,876	3	2%
IHS Mortgage	\$373,510	3	2%
Service First	\$362,731	4	2%
Brazos Nat'l Bank	\$299,692	3	2%
Taylor Morrison Home Funding	\$285,478	2	1%
SFMC	\$272,927	3	2%
Network Funding	\$249,250	2	1%
Imortgage.com	\$219,469	2	1%
Fairway Independent Mort	\$213,878	2	1%
Shelter Mortgage	\$182,030	2	1%
Stanford Lending	\$158,564	1	1%
Palm Lending, LLC	\$155,677	1	1%
Allied Home Mortgage	\$151,879	1	1%
First Continental Mtg Co.	\$141,450	1	1%
Wells Fargo	\$117,724	1	1%
MetLife Home Loans	\$115,862	1	1%
SWBC	\$99,613	1	1%
Total Committed	\$21,772,196	170	100%

Total Allocation **\$21,428,571**
Remaining to Commit **-\$343,625**

At a Glance	
Total Amount Originated	\$21,772,196
Average Annual Income	\$38,182
Average Purchase Price	\$133,825
Average Loan Amount	\$128,072
Average Interest Rate	5.34%
Average Household Size	2
New/Existing	
New	54%
Existing	46%
Professional Breakdown	
Professional Educator	11%
Texas Hero	4%
80% AMFI or below	85%
Type of Loan	
Conventional	6%
FHA	67%
VA	3%
USDA-RD	24%
Ethnicity	
American Indian/Alaskan Native	3%
Asian or Pacific Islander	0.5%
Black	4%
Hispanic	6%
White	15%
Other	0%
Not Defined	22.5%
Top Originating Counties	# of Loans
Harris	51
Travis	42
Dallas	24
Williamson	10
Bexar	9
Hays	7
Brazoria	5
Collin	3
Guadalupe	3
Hill	3
Bastrop	2
Bell	2
Austin	1
Bosque	1
Caldwell	1
El Paso	1
Fort Bend	1
Galveston	1
Gillespie	1
Hockley	1
Tarrant	1



**Single Family Mortgage Revenue Bond Programs
Delinquency and Foreclosure Quarterly Report
October 2009**

Program	Total Committed	Average Loan Amount	# of Closed/Pooled Loans	30 Days Delinquent	60 Days Delinquent	90 Days Delinquent	In Foreclosure	Overall Delinquency Rate	Overall Foreclosure Rate
2002A: Professional Educators	\$10,717,082.00	\$94,009.49	49	3	0	0	0	6.12%	0.00%
2004B: Professional Educators/Heroes	\$38,787,165.00	\$104,547.61	260	12	7	3	1	8.46%	0.38%
2005A: Professional Educators	\$24,043,522.12	\$113,950.34	196	4	1	4	1	4.59%	0.51%
2006A: Professional Educators	\$23,712,665.69	\$119,760.94	143	5	0	1	0	4.20%	0.00%
2007A: Professional Educators	\$35,167,101.00	\$118,010.41	283	7	3	2	1	4.24%	0.35%
2007A-3: Professional Educators	\$37,087,780.00	\$116,996.15	299	12	2	5	1	6.35%	0.33%
2007B: Professional Educators	\$22,744,275.00	\$117,238.53	181	2	8	6	1	8.84%	0.55%
Total	\$192,259,590.81	\$112,894.65	1411	45	21	21	5	6.17%	0.35%
2005B: Homes for Texas Heroes	\$19,970,801.99	\$99,854.01	161	7	1	4	0	7.45%	0.00%
2006B: Homes for Texas Heroes	\$22,867,307.00	\$102,543.98	181	16	2	4	0	12.15%	0.00%
2007C: Homes for Texas Heroes	\$23,020,029.00	\$115,100.15	187	13	1	3	3	9.09%	1.60%
Total	\$65,858,137.99	\$105,711.30	529	36	4	11	3	9.64%	0.57%
2006C: Home Sweet Texas Loan	\$23,464,543.15	\$99,426.03	199	28	3	12	3	21.61%	1.51%
2007D: Home Sweet Texas Loan	\$22,583,766.00	\$94,889.77	229	25	5	16	2	20.09%	0.87%
Total	\$46,048,309.15	\$97,148.33	428	53	8	28	5	20.79%	1.17%
Grand Total	\$304,166,037.95	\$108,630.73	2368	134	33	60	13	9.59%	0.55%



Development Finance Programs Report

November 13, 2009

Summary of Activities

Multifamily Bond Programs

Staff posted the draft 2010 Private Activity Bond Request for Proposals and 501(c)(3) Bond program rules in October, but has not received any comments on the revised policies. After speaking with our professional service providers and housing stakeholders we will be presenting the final draft of the policies to the board for approval at the November board meeting.

Affordable Communities of Texas Program

After a careful review and discussions with general counsel, the Corporation has executed its contract with the Texas Department of Housing and Community Affairs ("TDHCA") regarding the Neighborhood Stabilization Program ("NSP-1"). The Corporation was awarded \$4,020,000 to purchase foreclosed residential properties for its ACT land banking program, \$650,000 to demolish blighted structures, and \$354,100 for administration of the program. Under the contract agreement the Corporation has until April 1st to acquire approximately 120 homes or lots that will benefit households that are 80% or below the area median incomes.

At the September 2009 board meeting, staff presented and the board approved the advance commitment of \$1 million in NSP-1 funds to two of our local partners, Affordable Homes of South Texas and NHS of Waco. Staff is preparing additional commitments to our other 12 local partners and plans to fully commit NSP-1 funds at the December board meeting.

Additionally, staff has been working with the U.S. Department of Housing and Urban Development ("HUD") and the TDHCA to expand the utilization of our relationship with the National Community Stabilization Trust ("NCST") with other local NSP-1 subrecipients. We have received guidance from HUD staff in Washington D.C. and are planning a meeting with TDHCA and HUD Fort Worth staff to discuss the implementation of this strategy. If these discussions are fruitful, the Corporation will be able to act as a buyer's agent for local sub-recipients and increase the benefit that the NSCT foreclosure listing system can have in Texas.

Lending Programs

The Willows Apartments, in Austin, Texas, is moving ahead smoothly with the closing process. Loan agreements and other documents have been drafted and the borrower, Mary Lee Communities, is finalizing their due diligence materials. We anticipate that the loan will close this month. Construction on the project should start immediately with an anticipated completion date of Dec. 2010.

Quarterly Compliance Status for TSAHC

As of the Third Quarter Ending September 30, 2009

Marshall Meadows

Marshall Meadows

LI Occupancy 52% 40% required
VLI Occupancy

Commonwealth Multifamily (White Rock), LLC

White Rock*

LI Occupancy 49% 75% Required
VLI Occupancy 21%

American Housing Foundation

	Aston Brook	Bent Creek	Cimarron Park	Creekwood**	Fountaingate	Northwoods	Pine Creek
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LI Occupancy	49%	30%	49%	25%	35%	38%	48%
VLI Occupancy	29%	56%	28%	49%	43%	41%	29%

	One Willow Chase	One Willow Park	Settler's Cove	Shadowridge	Stony Creek	Woodedge
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LI Occupancy	41%	48%	54%	36%	46%	37% 75% Required
VLI Occupancy	39%	30%	25%	40%	29%	39%

South Texas Affordable Properties Corporation

	Charleston	Remington	Summer Oaks*	The Rafters	The Wharf*	Willowick
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LI Occupancy	41%	44%	46%	38%	48%	48% 75% Required
VLI Occupancy	39%	32%	21%	37%	26%	28%

American Opportunity for Housing, Inc.

	Briarcrest	Clover Hill	Hillcrest	Mill Creek	One Westfield Lake
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LI Occupancy	52%	40%	36%	47%	37% 75% Required
VLI Occupancy	35%	51%	51%	39%	47%

San Antonio Low Income Housing, LLC

Aguila Oaks

LI Occupancy 56% 75% Required
VLI Occupancy 21%

July 2009 Resident Services

	Activity	Sponsor	Attendance
American Housing Foundation			
Aston Brook	Dental Fair Day	Summit Dental/Aston Brook	18
	Computer Facilities	Aston Brook	3
	Phone Usage	Aston Brook	25
	Copier Usage	Aston Brook	45
	Fax Usage	Aston Brook	32
	CHIPS/Application Guidelines	Aston Brook/Harris Count Hospital	18
Bent Creek	Book Mobile	AHF/Dallas Public Library	0
	Bicycle Safety	AHF	0
	Crime Watch	AHF/CAM	16
	Summer Lunch Program	CAM/Central Dallas Ministry	40
	Fitness Boot Camp	CAM	20
	Build a Better Career/Find your Calling	CAM	10
	Computer Facilities	CAM/AHF	31
Cimarron Park	Free Vitamin Program	Cimarron Park	5
	Breast Cancer Awareness Handouts	Cimarron Park	11
	Senior Meals	Cimarron Park	5
	Computer Facilities	Cimarron Park	3
	Business Center	Cimarron Park	7
	Bible Study	Cimarron Park	5
Creekwood Village	Crime Watch	Creekwood Village	7
	Computer Facilities	Creekwood Village	18
	Fax/Copier/Scanner	Creekwood Village	4
	Hot Diggity Dog	Creekwood Village	20
	Nacho Cheese	Creekwood Village	14
Fountaingate	Kids Club	Dottie & Keith	20
	Teen Time	Dottie & Keith	6
	Basketball Game	Dottie & Keith	6
	Angle Food Distribution	Dottie & Keith	20
	Cook Out	Dottie & Keith	23

	Took Resident to Dr.	Deneice Keck	2
	Fax Machine	Fountaingate	3
	Computer	Fountaingate	2
	Phone	Fountaingate	5
	Bus Passes	American Housing	2
Northwoods	Computer Facilities	Northwoods	69
	Pool Party	Northwoods	50
One Willow Chase	Pool Party	OWC	9
	Rent Assistance	OWC/Gulf Coast	2
	Chip Application	OWC	2
One Willow Park	Pool Party	OWP	6
	Rent Assistance	OWP/Gulf Coast	4
	Phone, Fax, Copier	OWP	6
	Chip Applications	OWP	3
Pine Creek	English as a Second Language Classes	Literacy Volunteers of America	6
	Phone/Fax/Copier	Pine Creek	
Settler's Cove	Crime Watch	Sheriff Blankenship	0
	Fitness Center	Code changes monthly	15
	Children Multi Vitamins	Vitamin Relief USA	1
	Fax and Copier	Settler's Cove	2
	Bus Tickets	American Housing Foundation	2
Shadowridge	Bible Study	A team child evangelism fellowship dallas	6
	Fax	Shadowridge	7
Stony Creek	English as a Second Language Classes	Literacy Volunteers of America	5
	Phone/Fax/Copier	Stony Creek	12
Woodedge	Children Overall Vitamins	AHF	1
	Crime Meeting	Concierge Management	5
	Phone/Fax/Copier	Concierge Management	5

American Opportunity for Housing

Briarcrest	Programs	Summer Program AOH	4
	Free Lunch	City of Houston	24
Clover Hill	Youth Programs	Summer Program AOH	17
	Mission Arlington Food and Games	Mission Arlington	17
	Teen Night	AOH	10
	Carnival	Mission Arlington	30
	Bible Study	Mission Arlington	15
Hillcrest	none		
Mill Creek	Youth Programs	5 day event with local church	30
	Reading Club	Mrs. Lane	7
	School Supplies	Mrs. Lane	7
One Westfield Lake	Job search	AOH	0
	Youth Programs	AOH Summer Programs	8
	Free Summer Lunch	City of Houston	9
	Weight Reduction Club	AOH	3

South Texas Affordable Properties

Remington	Money Matters	365 Connect/Learn TV	46
	Green Living	365 Connect/Learn TV	57
	Educational Programs	365 Connect/Learn TV	63
	Kids Zone	365 Connect/Learn TV	63
	Breakfast W/Grilling Tips	Remington Mgt.	7
	Hurricane Safety Flyer	Remington Mgt.	158
	Health & Nutritional Courses	365 Connect/Learn TV	73
	Health & Fitness	365 Connect/Learn TV	61
	Travel & Events	365 Connect/Learn TV	55
	Technology	365 Connect/Learn TV	60
	General How to Tips	365 Connect/Learn TV	44
	Community Newsletter	Remington Mgt.	158
	Town Hall Meeting	Remington Mgt.	22
	Family & Parenting Services	365 Connect/Learn TV	54
	Resident BC Internet	Remington Mgt.	37

	Resident Portal Education	365 Connect/Learn TV	81
Summer Oaks	Job interview boot camp	365 Connect/Learn TV	12
	Women and money	365 Connect/Learn TV	20
	How much is a trillion	365 Connect/Learn TV	15
	Budgeting	365 Connect/Learn TV	16
	Athletics	365 Connect/Learn TV	20
	When & how to talk to children about sex	365 Connect/Learn TV	12
	Homemade popsicles	365 Connect/Learn TV	14
	Value and respect	365 Connect/Learn TV	19
	Newsletter	Summer Oaks	256
	Swimming pool safety	Summer Oaks	8
	Health screening services	365 Connect/Learn TV	24
	Best abs and inner thigh	365 Connect/Learn TV	25
	Good carbs vs bad carb	365 Connect/Learn TV	10
	No weight gain	365 Connect/Learn TV	19
	Counseling Services	365 Connect/Learn TV	17
	Question to ask before you retire	365 Connect/Learn TV	13
	Think you know your insurance	365 Connect/Learn TV	25
	What are book	365 Connect/Learn TV	12
	Business Center (computer, phone, fax)	Summer Oaks	30
The Charleston	Money matters	365 Connect/Learn TV	50
	Parenting tips	365 Connect/Learn TV	38
	Voters Registration	365 Connect/Learn TV	9
	Kids zone	365 Connect/Learn TV	36
	Summer camp	Houston Council Of Alcohol and Drug Abuse	19
	Luau Helpers	The Charleston Staff	9
	Crime watch	The Charleston Staff & HPD Officer Drew Ryser	9
	Renter's insurance	365 Connect/Learn TV	18
	Alarm activation	The Charleston Staff	10
	Zero tolerance letter	The Charleston Staff	263
	Home delivery	The Charleston Staff	23
	Rent concession for pool monitor	The Charleston Staff	1
	Rent concession for book/video library	The Charleston Staff	1
	Heat and health	The Charleston Staff	13
	Educational development	365 Connect/Learn TV	43

	Rent paid for senior citizen	Neighborhood collaborative development	1
	Copier and fax services	The Charleston Staff/365 Connect	43
	Summer Luau	The Charleston Staff	31
	Transport elderly resident to Dr.'s office	The Charleston Staff	1
	Transport elderly to pets mart	The Charleston Staff	1
	Resident portal, health, education, etc.	365 Connect/Learn TV	937
	Business Center	The Charleston Staff	83
The Rafters	Budgeting	365 Connect/Learn TV	26
	Green Living	365 Connect/Learn TV	26
	Public Services	365 Connect/Learn TV	13
	Continuing Education	365 Connect/Learn TV	33
	Youth Programs	Calallen Baptist Camp	40
	Kids Zone	365 Connect/Learn TV	28
	Local School Information	365 Connect/Learn TV	13
	Local interest	365 Connect/Learn TV	10
	General interest	365 Connect/Learn TV	18
	Home delivery	The Rafter's Staff	6
	Utilities assistance	The Rafter's Staff helped residents understand bill	4
	Landscape & Facility Monitor Rent	The Rafter's Staff	5
	Angel Food Program	Anaville Baptist Church/Rafters	1
	Fitness & Healthy Cooking	365 Connect/Learn TV	49
	Medical Centers	365 Connect/Learn TV	13
	Technology Videos	365 Connect/Learn TV	27
	Travel Videos	365 Connect/Learn TV	20
	Family & Parenting Services	365 Connect/Learn TV	26
	How to Videos	365 Connect/Learn TV	26
	Business Center	The Rafter's Staff	10
The Wharf	Bargain shopping	365 Connect/Learn TV	42
	Women and money	365 Connect/Learn TV	42
	Movie night	The Wharf Staff	5
	Yoga for kids	365 Connect/Learn TV	31
	Business center monitor-rent discount	The Wharf	1
	Pool monitor/Cleaner-Rent Discount	The Wharf	1
	Porter Monitor-Rent Discount	The Wharf	1
	Boosting your immunity	365 Connect/Learn TV	46

	Good carbs vs bad	365 Connect/Learn TV	50
	Children & Divorce	365 Connect/Learn TV	39
	Passports explained	365 Connect/Learn TV	48
	Business Center	The Wharf	16
	Swimming Safety	365 Connect/Learn TV	39
Willowick	Public Services	365 Connect/Learn TV	8
	Green living-Environmental Education	365 Connect/Learn TV	7
	Money matters	365 Connect/Learn TV	4
	Property Courtesy Officer	Willowick	1
	Property Resident Service Monitor	Willowick	1
	How to Tips	365 Connect/Learn TV	6
	Health and Fitness	365 Connect/Learn TV	3
	Willowick resident portal	365 Connect/Learn TV	11
	Money Matters	365 Connect/Learn TV	8
	Business Center	Willowick	11
Common Wealth			
White Rock	Budgeting	365 Connect/Learn TV	42
	Public Service	365 Connect/Learn TV	40
	Environmental Education	365 Connect/Learn TV	61
	Educational/Scholastic Tutoring	365 Connect/Learn TV	42
	Ice Cream Social	White Rock Staff	13
	School Supply Giveaway	White Rock Staff	86
	Technology	365 Connect/Learn TV	32
	Travel Video	365 Connect/Learn TV	39
	Bagel Day	White Rock Staff	4
	DVD Library	White Rock DVD Library	18
	4th of July Kick Off	White Rock Staff	11
	Business Center	White Rock Business Center	31
	Family and Parenting Services	365 Connect/Learn TV	44
Marshall Meadows			
Marshall Meadows	Youth Programs	AOH Summer Program	15
	Free Summer Lunch	San Antonio Food Bank	22
	Movie Night	AOH	9
	Crime Watch	AOH	6

	Adult Bingo	AOH	7
SOA			
Aguila Oaks	Computer Literacy Classes	Americorps	15
	Educational/Scholastic Tutoring	Americorps VISTA	15
	Youth Programs	VISTA, National Service	22
	Learning Summer Programs	VISTA, National Service	15
	Free lunch program	Human Services	45
	Computer Facilities	Americorps	15
Rainbow			
Chaparral Village	GED Classes	Catholic Charities	1
	Child Care	CCMS, Headstart	2
	Utilities Assistance	United Way	0
	Rent Assistance	United Way-Salvation Army, Crossroads Ministries	3
	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamp Program-TXDHHS	22
	Health and Nutritional Courses	WIC Program	7
	Home Care	Star Care Home Health, Nurses Unlimited, Inc.	2
	Para Transit Svcs.	EZ Rider	1
Cove Village	Recycling Training	City of Copperas Cove	11
	Child Care	Headstart, Turkey Creek Academy	4
	Utilities assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Care and Training of Disabled	TX Home Health-Housekeeping	3
	Home Care	TX Home Health	3
	Senior Meals	Meals on Wheels	4
	Community Meeting	RHAC/Cove Village	23
	Special Transit Services	HOP Transit	2
	Taxi Cab Transport	Cove Taxi	2
El Nido	GED Classes	TX Workforce	1
	Child Care	CCMS-Corner Daycare	1
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0

	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamp Program-TX DHHS	10
	Home Care	InHome Health Care	2
	Adult Day Care	La Victoria Adult Services	1
Garden Apartments	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
High Plains	Utilities Assistance	United Way	0
	Rent Assistance	United Way	1
	Case Management	Rainbow Housing	0
JAE	GED Classes	Workforce	1
	Child Care	Corner Day care	1
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamp Program-TX DHHS	3
	Heath Screening Services	Centro San Vicente	1
	Health and Nutritional Courses	WIC Program-TX DHHS	1
Los Ebanos	Child Care	Headstart Program	8
	At risk teen camp	Premier High School	6
	Summer get together	Los Ebanos	26
	Vacation Bible School	First Baptist Church	30
	Resident Watch	Los Ebanos resident volunteers	65
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamp Program-TX DHHS	50
	Health and Nutritional Courses	WIC Program	50
	Home Care	Carino Sunser, Happy Faces	8
	Medical Services	TX Visiting Nuerses Assoc., Ideal Care	4
Peppertree Acres	Housekeeping	TruClean Cleaning Co.	90
	Child Care	Headstart	5

	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Tarrant Co.-Visiting Nurses Association	2
	Senior Meals	Tarrant Co.-Meals on Wheels	2
	Special Transit Services	Tarrant Co.-Wheels Program	2
	Senior Resources	National Council on Aging	8
	Utility Assistance	Green Mountain Energy	0
River Park Village	Recycling Training	Lampasas Recycling Center	26
	Child Care	Headstart	3
	Youth Programs	New Covenant Church	12
	Home Delivery	MPS Medical	2
	Utilities Assistance	Lampasas Senior Center	1
	Rent Assistance	United Way-Salvation Army, Crossroads Ministries	0
	Case Management	Rainbow Housing	0
	Home Care	TX Home Health	3
	Seniors Meals	Meals on Wheels	2
	Community Meeting	RHAC/River Park	36
	Special Transit Services	HOP Transit	2
Salem Village	GED Classes	Adult Learning Center	1
	Child Care	CCMS	3
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamps Program-TXDHHS	12
	Health and Nutritional Courses	WIC Program	7
	Home Care	Crossroads TX, Home Health, Girling Healthcare	10
	Senior Meals	Meals on Wheels, Area Agency on Aging	4
	Adult Day Care	Armour Adult Care Center	5
	Special Transit Services	Victoria Transit Services	2
	Senior Care Transport Services	Amour Adult Day Care, Affection Arms	5
Sierra Vista	Child Care	Headstart CCMS	8
	Utility Assistance	United Way	0
	Rent Assistance	United Way	0

	Case Management	Rainbow Housing	0
	Food Assistance	Food Stamps Program-TXDHHS	52
	English as a Second Language	Adult Ed.-Scottsdale Elementary	1
	LIFT Transit Services	LIFT Program-Sun Metro	3
	Van Transport Services	LULAC	1
Spring Terrace	Utilities Assistance	United Way	0
	Rent Assistance	United Way	1
	Case Management	Rainbow Housing	0
Win Lin Village	Utilities Assistance	United Way	0
	Rent Assistance	United Way	2
	Case Management	Rainbow Housing	0
	Health and Nutritional Courses	WIC Program	1

August 2009 Resident Services

	Activity	Sponsor	Attendance
American Housing Foundation			
Aston Brook	Crime Watch	Houston Police Dept.	15
	Computer Facilities	Aston Brook/AHF	3
	Phone Usage	Aston Brook/AHF	19
	Fax Usage	Aston Brook/AHF	28
	Copier Usage	Aston Brook/AHF	43
Bent Creek	Book Mobile	AHF/Dallas Public Library	0
	Bicycle Safety	AHF	0
	5-Day Club	AHF	26
	Crime Watch	CAM	12
	Summer Lunch Program	CAM/Central Dallas Ministry	40
	Fitness Boot Camp	CAM	25
	Build a Better Career/Find your calling	CAM	15
	Computer Facilities	CAM/AHF	27
	Fax Facilities	CAM/AHF	12
Cimarron Park	Kids back 2 school party	Cimarron Park	4
	Vitamin Program	AHF	4
	Senior Meals	Cimarron Park	7
	Computer Facilities	Cimarron Park	4
	Bible Study	Cimarron Park	5
	Business Center-Phone-Fax	Cimarron Park	11
Creekwood Village	Crime Watch	Creekwood Village	14
	Computer Facilities	Creekwood Village	8
	Backpack Giveaway	Creekwood Village	13
	Copier/Fax/Scanner	Creekwood Village	9
Fountaingate	Basketball	Scott Graham	4
	Kids Club	Dottie and Keith Resident Services	5
	Swimming Class	Dottie and Keith Resident Services	8
	School Supplies	Dottie and Keith Resident Services	3
	Took resident to Dr.'s appointment	Community Director	1

	Bus Passes	American Housing	8
Northwoods	Back to School-Pool Party	Northwoods	75
	Courtesy Patrol	Northwoods	35
	School Supplies	Northwoods	75
	Computer Facilities	Northwoods	105
	VIP Prestigious Pets	Pet Parents Concierge Meeting	15
One Willow Chase	Rent Assistance	Gulf Coast/OWC	3
	CHIP Applications	AHF/OWC	3
	Phone, Fax and Copier Usage	AHF/OWC	0
One Willow Park	Rental Assistance	Gulf Coast/OWP	2
	Phone, Fax and Copier	OWP	8
	CHIP Application	OWP	2
Pine Creek	ESL Classes	Literacy Volunteers of America	6
	Phone, Fax and Copier Usage	Pine Creek Village Apts.	13
Settler's Cove	Crime Watch	Sheriff Blanenship	0
	Fitness Center	Code changes monthly	16
	Children Multi Vitamins	Vitamin Relief USA	1
	Fax and Copier	Settler's Cove	2
	Bus Tickets	American Housing Foundation	1
Shadowridge	Family Game Night	AHF	8
	Bible Club	AHF	3
	Home Alone Safety	AHF	2
	School Supplies	Shadowridge Staff	22
	Fax Machine	Shadowridge Staff	9
	Copier	Shadowridge Staff	4
Stony Creek	ESL Classes	Literacy Volunteers of America	6
	Phone/Fax/ Copier	Stony Creek Apts.	12
Woodedge	Fax/Copier	Woodedge	5
	Over all vitamins	AHF	2

American Opportunity for Housing

Briarcrest	After School	AOH	9
	Educational/Scholastic Tutoring	AOH	9
	Transport resident to grocery store	AOH	1
Clover Hill	Crime Watch	AOH and Courtesy Officer	10
	School Supplies	AOH and Mission Arlington	80
	Bible Study	Mission Arlington	20
	Bingo for household items	AOH	3
	Doughnuts and coffee	AOH	15
Hillcrest	School Supplies	AOH and Mission Arlington	10
Mill Creek	Summer Program	AOH	4
One Westfield Lake	Job search	AOH	0
	Summer Program	AOH	8
	School Supplies	AOH	8
	Summer lunch program	City of Houston	8
	Health and Nutritional Courses	AOH	

South Texas Affordable Properties

Remington	Money matters	365 Connect/Learn TV	21
	Green living	365 Connect/Learn TV	27
	Educational programs	365 Connect/Learn TV	20
	Kids Zone	365 Connect/Learn TV	11
	Back to School Crafts and Safety Tips	Remington Apts.	4
	School Supplies	365 Connect/Learn TV	4
	Health and Nutritional Courses	365 Connect/Learn TV	30
	Health and Fitness	365 Connect/Learn TV	12
	Travel and Events	365 Connect/Learn TV	29
	Technology	365 Connect/Learn TV	45
	Resident Newsletter	Remington Apts.	158
	Resident Pool party	Remington Apts.	20
	General How to tips	365 Connect/Learn TV	30
	Family and Parenting Services	365 Connect/Learn TV	35

	Resident BC Internet	Remington Apts.	20
	Resident Portal Education	365 Connect/Learn TV	97
Summer Oaks	Money Matters	365 Connect/Learn TV	51
	Educational	365 Connect/Learn TV	44
	Technology	365 Connect/Learn TV	35
	Child Care	365 Connect/Learn TV	28
	Educational/Scholastic Tutoring	365 Connect/Learn TV	34
	Learn TV	365 Connect/Learn TV	40
	Newsletter	Summer Oaks	256
	Health and Fitness	365 Connect/Learn TV	43
	Breakfast at the gate	Summer Oaks	100
	Cooking and Food	365 Connect/Learn TV	46
	Entertainment	365 Connect/Learn TV	74
	Business Center	Summer Oaks	29
The Charleston	Money Matters	365 Connect/Learn TV	30
	Parenting	365 Connect/Learn TV	23
	Voters Registration	365 Connect/Learn TV	6
	Kids Zone	365 Connect/Learn TV	13
	Free School Supplies	The Charleston Staff	15
	Child Identification Kits	The Charleston Staff	20
	Crime Watch	The Charleston and Network Multifamily Alarm C	4
	Renters Insurance	365 Connect/Learn TV	7
	Alarm Activation	The Charleston Staff	3
	Home Delivery	The Charleston Staff	1
	Rent Concession for Pool Monitor	The Charleston Staff	1
	Rent Concession for Library Monitor	The Charleston Staff	
	Educational Development	365 Connect/Learn TV	31
	Rent Paid for Senior Citizen	Neighborhood Development Collaborative	1
	Copier and Fax Services	The Charleston Staff	58
	Transport Resident to Grocery Store	The Charleston Staff	1
	Charleston Residential Portal, Health	365 Connect/Learn TV	408
	Charleston Business Center	The Charleston	70
The Rafters	Budgeting	365 Connect/Learn TV	30
	Green Living	365 Connect/Learn TV	13

	Continuing Education	365 Connect/Learn TV	22
	Kids Zone	365 Connect/Learn TV	16
	Local School Information	365 Connect/Learn TV	13
	Local Interest	365 Connect/Learn TV	11
	General Interest	365 Connect/Learn TV	16
	Home Delivery	Rafter's Staff	2
	School Supplies	Rafter's Staff	31
	Utilities Assistance	Staff help residents understand electric bills	4
	Landscape and Facility Monitor Rent	Rafter's Staff	5
	Health and Nutritional Courses	365 Connect/Learn TV	20
	Healthy Cooking	365 Connect/Learn TV	23
	Medical Centers	365 Connect/Learn TV	14
	Technology Videos	365 Connect/Learn TV	19
	Travel Videos	365 Connect/Learn TV	14
	Resident Errands	Rafter's Staff	3
	Family and Parenting Services	365 Connect/Learn TV	18
	How to Videos	365 Connect/Learn TV	23
	Business Center	Rafter's Staff	18
The Wharf	Money Management	365 Connect/Learn TV	40
	Kids Zone	365 Connect/Learn TV	41
	Snack Friday	The Wharf Office Staff	68
	Health and Fitness	365 Connect/Learn TV	45
	Medical Centers	365 Connect/Learn TV	26
	Parenting	365 Connect/Learn TV	46
	Travel	365 Connect/Learn TV	27
	Annual Pool Party	The Wharf Office Staff	31
	Business Center	The Wharf	23
Willowick	Parenting	365 Learn TV	30
	Green Living-Environmental Education	365 Learn TV/Green Living	31
	Money Matters	365 Learn TV	35
	Kid Zone	365 Learn TV	32
	Educational	365 Learn TV	34
	Shout Box-Residents Directly Communicate	365 Learn TV	56
	School Supplies	Willowick supplied school supplies	37

	Property Courtesy Officer	Discount on rent #506	1
	Property Resident Service Monitor	Discount on rent #1701	1
	How to Tips	365 Learn TV	7
	Health and Fitness	365 Learn TV	28
	Cooking/Foods Information	365 Learn TV	43
	Technology	365 Learn TV	31
	Money Matters	365 Learn TV	7
	Travel/Events	365 Learn TV	20
	Educational Resources	Willowick Business Center	16
Common Wealth			
White Rock	Budgeting	365 Connect/Learn TV	48
	Public Service	365 Connect/Learn TV	42
	Environmental Education	365 Connect/Learn TV	33
	Educational/Scholastic	365 Connect/Learn TV	46
	Kids Craft	White Rock Staff	8
	Health and Nutritional Courses	365 Connect/Learn TV	34
	Technology	365 Connect/Learn TV	31
	Travel Video	365 Connect/Learn TV	19
	Coffee Club	White Rock Staff	4
	End of Summer Luau	White Rock Staff	28
	DVD Library	White Rock DVD Library	14
	Business Center	White Rock	33
	Family and Parenting Services	365 Connect/Learn TV	34
Marshall Meadows			
Marshall Meadows	After School	AOH	15
	Educational/Scholastic Tutoring	AOH	15
	Movie and Pizza	AOH	12
	Story Time	AOH	2
	Summer Lunch Program	Food Bank	17
	Resident Bingo	AOH	4
SOA			
Aguila Oaks	Computer Literacy Classes	Americorps Vista	13
	After School	Americorps Vista	0
	Educational/Scholastic Tutoring	Americorps Vista	0

	Youth Programs	Americorps Vista	22
	Summer Enrichment	Americorps Vista	18
Rainbow			
Chaparral Village	GED Classes	Catholic Charities	1
	Child Care	CCMS, Headstart	2
	School Supplies	Odessa Christian Family Center	48
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Star Care Home Health/Nurses Unlimited	2
	Special Transit	EZ Rider	1
Cove Village	Child Care	Headstart, Turkey Creek Academy	4
	School Supplies	Cove Village/Rainbow Housing	18
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Care & Training of Disabled	TX Home Health	2
	Home Care	TX Home Health	3
	Senior Meals	Meals on Wheels	4
	Special Transit Services	HOP	4
El Nido	GED Classes	TX Workforce	1
	Child Care	Corner Daycare	1
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	SNAP Program-TX DHHS	4
	Health and Nutritional Courses		0
	Home Care	In Home Healthcare	1
	Adult Daycare	La Victoria Adult Services	1
Garden Apartments	Bicycle Repair Class	Vandela Church/Garden Apts.	30
	Crime Watch	South Plains Security/Garden Apts.	4
	Go Green Meeting	Green Queens/Garden Apts.	10
	Utilities Assistance	United Way	0

	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
High Plains	Bicycle Repair Class	Vandela Church/High Plains	2
	Go Green Meeting	Green Queens/High Plains	20
	Resident Meeting	High Plains/Residents	25
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
JAE	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	SNAP Program-TX DHHS	11
	Health and Nutritional Courses	WIC Program-Henderson Clinic	1
Los Ebanos	Child Care	Headstart	8
	Educational/Scholastic Tutoring		0
	At Risk Teen Camp	Premier High School	6
	Resident Watch	Los Ebanos Resident Volunteers	65
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Carino, Sunset, and Happy Faces	8
	Medical Services	TX Visiting Nurses Association, Ideal Care	4
	Community Yard Sale	Los Ebanos	15
Peppertree Acres	Child Care	Headstart	5
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Tarrant Co.-Visiting Nurses Association	2
	Senior Meals	Tarrant Co.-Meals on Wheels	2
	Special Transit	Tarrant Co.-Wheels Program	2
	Senior Resources	National Council on Aging	8
	Utilities Assistance	Green Mountain	0

River Park Village	Youth Programs	New Covenant Church	12
	School Supplies	River Park/Rainbow Housing	41
	Utilities Assistance	United Way, Lampasas Senior Center	1
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Care and Training of Disabled	TX-Home Health	5
	Home Care	TX Home Health	3
	Senior Meals	Meals on Wheels	2
	Special Transit Services	Hop Transit	2
Salem Village	GED Classes	Adult Learning Center	1
	Child Care	CCMS	3
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Crossroads, TX Home Health, Girling & Hospice	10
	Senior Meals	Meals on Wheels, Community Agency for Disabled	4
	Adult Day Care Center	Amour Day Care Center	5
	Special Transit Services	Victoria Transit	2
Sierra Vista	Adult Day Care Transport	Amour Day Care Center/Affectionate Arms	5
	Child Care	Headstart	2
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	SNAP Program-TX DHHS	9
	Health & Nutritional Courses	WIC Program	2
	ESL Classes	Adult Education-Scottdale Elementary	1
	Lift Transit Services	LIFT Program	2
Spring Terrace	Van Transport Services	LULAC	1
	School Supplies	Spring Terrance/Multihousing Outreach	22
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
Win Lin Village	Case Management	Rainbow Housing	0
	School Supplies	Win Lin Village/Multihousing Outreach	15

Utilities Assistance	United Way	0
Rent Assistance	United Way	0
Case Management	Rainbow Housing	0

September 2009 Resident Services

	Activity	Sponsor	Attendance
American Housing Foundation			
Aston Brook	Pet Class for Residents	Prestigious Pets/Aston Brook	7
	Computer Facilities	AHT/Aston Brook	4
	Phone Usage	Aston Brook	8
	Fax Usage	Aston Brook	26
	Copier Usage	Aston Brook	30
	Emergency Services	Harris County Hospital	15
Bent Creek	Book Mobile	AHF/Dallas Public Library	0
	Family Game Night	AHF/CAM	13
	Crime Watch	CAM	19
	School Supplies	CAM	30
	Computer Facilities	CAM/AHF	30
	Fax Usage	CAM/AHF	15
Cimarron Park	Vitamin Program	Cimarron Park	2
	Reading Program	Cimarron Park	5
	Senior Meals	Cimarron Park	4
	Computer Facilities	Cimarron Park	5
	Bible Study	Cimarron Park	4
	Business Center-Fax & Computer	Cimarron Park	11
Creekwood Village	Crime Watch	Creekwood Village	8
	Computer Facilities	Creekwood Village	13
	Fax	Creekwood Village	2
Fountaingate	Kids Club	Dotty & Keith Resident Services	12
	Basket Ball Team	Scott & Darlene unit 1-113	8
	Fax	Fountaingate	6
	Computer	Fountaingate	3
	Phone	Fountaingate	4
	Angel Food	Dotty & Keith Resident Services	25
	Transport resident to Doctor's appt.	Property Manager	1
	Community Gardens	Keith Yarbrough	3

	Bus Passes	American Housing	3
Northwoods	Crime Watch	Courtesy/Security Safety Tips	15
	Computer Facilities	Computer, Fax, Phone	50
	Pet Parents Meeting	Pet Parents Concierge Meeting	10
One Willow Chase	Crime Watch	OWC/HPD	5
	Copier, Phone and Fax	OWC	6
	Rent Assistance	OWC/Gulf Coast	4
	CHIP Application	OWC/AHF	2
One Willow Park	Crime Watch	OWP/HPD	7
	Rent Assistance	OWP/Gulf Coast	2
	Phone, Fax, Copier	OWP	8
	CHIP Applications	OWP/AHF	3
Pine Creek	ESL Classes	Literacy Volunteers of America	8
	Phone, Fax, Copier	Pine Creek Staff	12
Settler's Cove	Crime Watch	Sheriff Blankenship	0
	Fitness Center	Code Changes Monthly	10
	Children Multi-Vitamins	Vitamin Relief USA	1
	Fax and Copier Usage	Settle's Cove	6
	Bus Tickets	AHF	1
Shadowridge	Utilities Assistance	Shadowridge Staff	5
	Fax Machine	Shadowridge Staff	10
Stony Creek	ESL Classes	Literacy Volunteers of America	8
	Phone, Fax, Copier	Stony Creek Staff	10
Woodedge	Phone, Fax, Copier	Woodedge	5
	Vitamins Overall Health	AHF	1
	Pet Parents Meeting	Woodedge	6

American Opportunity for Housing

Briarcrest	English Classes	NOAH	0
	After School	AOH	8
	Educational Scholastic Tutoring	AOH	8
	Clothes	AOH	0
	Grocery Shopping	AOH	0
Clover Hill	After School	AOH	8
	Educational Scholastic Tutoring	AOH	8
	Bible Study and Snacks	Mission Arlington	20
Hillcrest	Afterschool	AOH	9
	Community Awareness	AOH	4
	Free Snacks	Dallas Ministries	11
Mill Creek	After School	AOH	12
	Educational Scholastic Tutoring	AOH	12
	Story Time with Ms Lane	Ms Lane	12
One Westfield Lake	Job Search	AOH	1
	After School	AOH	16
	Educational Scholastic Tutoring	AOH	16
	Teen Troopers	AOH	3
	Fire Safety Meeting	Fire Dept.	0
	Weight Reduction	AOH	0
South Texas Affordable Properties			
Remington	Money Matters	365 CONNECT/LEARN TV	25
	Green Living	365 CONNECT/LEARN TV	23
	Educational programs	365 CONNECT/LEARN TV	22
	Kids Zone	365 CONNECT/LEARN TV	22
	Fire Prevention	Remington MGT	3
	Health & Nutritional Courses	365 CONNECT/LEARN TV	22
	Health & Fitness	365 CONNECT/LEARN TV	20
	Swine Flu	Remington MGT	158
	Travel & Events	365 CONNECT/LEARN TV	24
	Technology	365 CONNECT/LEARN TV	26
	General How to Tips	365 CONNECT/LEARN TV	19

	Community newsletter	Remington MGT	158
	Family & Parenting	365 CONNECT/LEARN TV	26
	Resident BC Internet	Remington MGT	9
	RESIDENT PORTAL EDUCATION	365 CONNECT/LEARN TV	55
Summer Oaks	Budgeting	365 Connect	20
	Good Green	Meet your neighbor night	7
	Learn TV	365 Connect	17
	Green Living	365 Connect	21
	Kids Zone	365 Connect	26
	Parenting	365 Connect	18
	Cook/Foods	365 Connect	26
	Register to Vote	365 Connect	4
	Health & Nutritional Courses	365 Connect	19
	Newsletter	Summer Oaks	256
	Entertainment	365 Connect	87
	Medical Services	365 Connect	55
	Business Center	Summer Oaks	20
The Charleston	Money Matters	365 Connect	22
	Parenting	365 Connect	24
	Voters Registration	365 Connect	5
	Kids Zone	365 Connect	29
	Crime Watch	The Charleston Staff	19
	Renters Insurance	365 Connect	6
	Alarm Activation	The Charleston Staff	5
	Delivery	The Charleston Staff	16
	Rent Concession for Pool Monitor	The Charleston Staff	1
	Rent Concession for Library Monitor	The Charleston Staff	1
	Educational Development	365 Connect	32
	Rent Paid for Senior Citizen	Neighborhood Development Collaborative	1
	Computer Facilities	The Charleston Staff	4
	Copier & Fax Facilities	The Charleston Staff	51
	Transport Resident to Grocery Store	The Charleston Staff	1
	Resident Portal, Health, Edu, Etc...	365 Connect	377
	Business Center	The Charleston Staff	71

The Rafters	Budgeting	365 Connect	33
	Green Living	365 Connect	28
	Public Service	365 Connect	18
	Continuing Education	365 Connect	38
	Kids Zone	365 Connect	31
	Local School Information	365 Connect	19
	Local Interest	365 Connect	24
	General interest	365 Connect	22
	Home Delivery	Rafter's Staff	4
	Utilities Assistance	Property staff informed residents	4
	Landscape & Facility Monitor Rent Discount	Rafter's Staff	5
	Health & Nutritional Courses	365 Connect	29
	Healthy cooking	365 Connect	44
	Medical Centers	365 Connect	18
	Technology Video	365 Connect	35
	Travel Video	365 Connect	39
	ABC Resource Center	Rafter's Staff	6
	Resident Errands	Rafter's Staff	6
	Family & Parenting Services	365 Connect	36
	How to Videos	365 Connect	31
	Business Center	Rafter's Staff	25
The Wharf	Money Management	365 Connect	17
	Kids Club	Baptist Church-Kids Club	1
	Kids Zone	365 Connect	18
	Business Center-Monitor Rent Discount	The Wharf	1
	Pool Monitor/Cleaner Rent Discount	The Wharf	2
	Porter Monitor-Rent Discount	The Wharf	1
	Health & Fitness	365 Connect	9
	Parenting	365 Connect	17
	Travel	365 Connect	14
	Family Game Night	The Wharf	15
	Business Center	The Wharf	20
Willowick	Budgeting	365 Connect	20
	Public Service	365 Connect	43
	Parenting	365 Connect	25

	Learn TV	365 Connect	8
	Kids Zone	365 Connect	24
	Educational	365 Connect	22
	Register to Vote	365 Connect	5
	Porter- Resident Services Discount	Willowick	1
	Health & Nutritional Courses	365 Connect	52
	Green Living	365 Connect	17
	Technology	365 Connect	24
	How to tips	365 Connect	19
	Travel Events	365 Connect	21
	Community Newsletter/Calendar	365 Connect	31
	Business Center	Willowick	9
Common Wealth			
White Rock	Budgeting	365 Connect	26
	Public Service	365 Connect	38
	Environmental Education	365 Connect	34
	School Directory	365 Connect	49
	Educational Scholastic Tutoring	365 Connect	59
	Kids Zone	365 Connect	27
	Health and Nutritional Courses	365 Connect	31
	Flu Fact Sheet Handout	White Rock	336
	Technology	365 Connect	25
	Travel Video	365 Connect	35
	Family Movie Night	White Rock	9
	Coffee Club	White Rock	4
	DVD Library	White Rock	18
	Business Center	White Rock	27
	Family and Parenting Services	365 Connect	34
Marshall Meadows			
Marshall Meadows	After School	AOH	17
	Educational Scholastic Tutoring	AOH	17
	Movie Night/Pizza	AOH	12
	Toddle Time	AOH	2
	Computer Facilities	AOH	19
	Adult Bingo	AOH	5

SOA

Aguila Oaks	Computer Literacy Classes	Americops Vista	21
	After School	NFWSC	25
	Educational/Scholastic Tutoring	NFWSC	24
	Youth Programs	NFWSC Vista	12
	Parent Orientations	NFWSC-RSC Volunteer	15
	Computer Facilities	NFWSC-RSC	15
	Parent Resources	Online	14

Rainbow

Chaparral Village	GED Classes	Catholic Charities	1
	Child Care	CCMS, Headstart	2
	Games and Activities	Odessa Christian Family Center	8
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	United Way	0
	Home Care	Star Care Home Health, Nurses Unlimited	2
	Special Transit	EZ Rider Program	0

Cove Village

	Child Care	Headstart, Turkey Creek Academy	4
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Care & Tranning of Disabled	TX Home Health	3
	Home Care	TX Home Health	3
	Senior Meals	Meals on Wheels	4
	Special Transit Svcs.	HOP Transit	3

El Nido

	GED Classes	TX Workforce	1
	Child Care	Corner Daycare	1
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	SNAP Program	4
	Home Care	In Home Healthcare	1
	Adult Daycare	La Victoria Adult Svcs.	1

Garden Apartments	Weekend Camps	REACH, Vandelia Church	40
	Youth Programs	Garden Apts.	40
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
High Plains	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
JAE	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Food Assistance	SNAP Program	0
	Health & Nutritional Courses	WIC Program-Henderson Clinic	1
Los Ebanos	Child Care	Headstart Little Folks, WIN Program	16
	At risk Teen Program	Premier High School	8
	School Supplies	Golfer's Club-Retired Police Officers	31
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Health & Nutritional Courses	WIC Program	50
	Home Care	Carino, Sunset, Happy Faces	8
	Senior Meals	TX Visiting Nurses Assoc. Ideal Care	6
	Community Yard Sale	Los Ebanos	5
Peppertree Acres	Child Care	Headstart	5
	Utilities Assistance	United Way	0
	Rent Assistance	United Way, Rainbow Housing	31
	Case Management	Rainbow Housing	0
	Home Care	Tarrant Co-Visiting Nurses Assoc.	2
	Senior Meals	Tarrant Co-Meals on Wheels	2
	Transportation	Tarrant Co-Wheels Program	2
	Senior Resources	National Council on Agin	8
	Utilities Assistance	Green Mountain	0

River Park Village	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Care & Training of Disabled	TX Home Health	5
	Home Care	TX Home Health	3
	Senior Meals	Meals on Wheels	2
	Special Transit	HOP Transit	2
Salem Village	Computer Literacy Classes	Adult Learning Center	1
	After School	Mid-Coast Family Svcs	12
	Child Care	CCMS	3
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Home Care	Crossroads, TX Home Health, Girling Healthcare	10
	Seniors Meals	Meals on Wheels, Area Agency of Aging	4
	Adult Day Care	Amour Adult Day Care	5
	Special Transit Svcs	Victoria Transit	2
	Adult Day Care Transport	Amour Adult Day Care/Affectionate Arms	5
Sierra Vista	Child Care	Headstart	2
	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
	Health & Nutritional Courses	WIC Program	2
	ESL Classes	Scottdale Elementary	1
	Special Transit	LIFT Program	2
	Van Transport Svcs	LULAC	1
Spring Terrace	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0
	Case Management	Rainbow Housing	0
Win Lin Village	Utilities Assistance	United Way	0
	Rent Assistance	United Way	0

Case Management

Rainbow Housing

0

Monthly Budget and Investment Reports

TEXAS STATE AFFORDABLE HOUSING CORPORATION
UNAUDITED STATEMENT OF NET ASSETS
As of September 30, 2009

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	2,516,671
Building Maintenance Reserve		38,016
Computer Equipment and Furniture Reserve		166,440
Restricted Assets Held by Bond Trustee:		
Cash and Cash Equivalents		2,737,693
Short-term Investments, at Fair Market Value		1,269,498
Accrued Interest		473,063
Investments, at Fair Market Value		3,981,889
Accounts Receivable & Accrued Revenue, Net of uncollectible amts. of \$1,049,171		251,611
Accrued Interest Receivable		77,880
Loans Receivable, Current Portion		62,219
Notes Receivable, Current Portion		54,402
Prepaid Expenses		23,914

Total Current Assets		11,653,296
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Noncurrent Assets:

Loans Receivable, Net of uncollectible amounts of \$91,726		1,186,448
Notes Receivable		2,733,437
Mortgage Servicing Rights, Net of Accumulated Amortization of \$1,900,423		827,638
Fixed Assets, Net of Accumulated Depreciation of \$254,894		1,287,245
Custodial Cash and Cash Equivalents		203,839
Bond Issuance Costs, Net of Amortization of \$1,133,655		4,444,682
Restricted Investments Held by Bond Trustee, at Fair Market Value		262,533,830

Total Noncurrent Assets		273,217,119
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TOTAL ASSETS		284,870,415
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LIABILITIES & NET ASSETS

Current Liabilities:

Accounts Payable and Accrued Expenses		141,024
Notes Payable, Current Portion		16,636
Other Current Liabilities		20,580
Payable from Restricted Assets Held by Bond Trustee:		
Bonds Payable, Current Portion		11,312,980
Accrued Interest on Bonds		1,169,784

Total Current Liabilities		12,661,004
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Noncurrent Liabilities:

Multifamily Custodial and Reserve Funds		203,839
Notes Payable		2,828,846
Revenue Bonds Payable		251,850,475
Deferred Revenue		572,953

Total Noncurrent Liabilities		255,456,113
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Total Liabilities		268,117,117
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Net Assets:

Invested in Capital Assets		1,287,245
Building Maintenance Reserve		38,016
Computer Equipment and Furniture Reserve		16,440
Unrestricted Net Assets		15,261,597

Total Net Assets		16,603,298
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TOTAL LIABILITIES & NET ASSETS	\$	284,720,415
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TEXAS STATE AFFORDABLE HOUSING CORPORATION
UNAUDITED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
for the month ended September 30, 2009

Operating Revenues

Interest and Investment Income	\$	1,238,038
Net Increase in Fair Value of Investments		711,750
Single Family Program Issuer and Servicing Fees		300
Asset Oversight and Compliance Fees		46,144
Loan Servicing Fees, Net of subservicer fees of \$9,279		20,362
Total Operating Revenues		<u>2,016,594</u>

Operating Expenses

Interest Expense on Bonds and Notes Payable	1,176,755
Salaries, Wages and Payroll Related Costs	110,377
Professional Fees and Services	4,339
Amortization	83,949
Office and Equipment Rental and Maintenance	4,776
Travel and Meals	2,778
Depreciation	1,993
Program and Loan Administration	22,104
Other Operating Expenses	16,314
Total Operating Expenses	<u>1,423,385</u>

Net Income 593,209

Total Net Assets, Beginning 16,010,089

Total Net Assets, Ending \$ 16,603,298

BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION
Held at the offices of
Texas State Affordable Housing Corporation
2200 E. Martin Luther King Jr. Blvd.
Austin, TX 78702
September 11, 2009 at 1:30 pm

Summary of Minutes

Call to Order, Roll Call
Certification of Quorum

The Board Meeting of the Texas State Affordable Housing Corporation (the “Corporation”) was called to order by Bob Jones, Chair, at 1:34 p.m., on September 11, 2009 at the offices of Texas State Affordable Housing Corporation, 2200 E. Martin Luther King Jr. Blvd, Austin, TX 78702. Roll Call certified that a quorum was present.

Members Present

Bob Jones, Chair
Cynthia Leon, Member
William H. Dietz, Member

Members Absent

Jo Van Hovel, Vice Chair

Staff Present

David Long, President
Katherine Closmann, Executive Vice President
Melinda Smith, Chief Financial Officer
Betsy Lau, Accountant
Paige McGilloway, Single Family Programs Manager
David Danenfelzer, Development Finance Programs Manager
Joshua Schirr, Asset Oversight and Compliance Manager
Sarah Schildmier-Bloom, Asset Oversight and Compliance Specialist
Janie Taylor, Manager of Marketing and Development
Katie Howard, Development Coordinator
Cynthia Gonzales, Office Manager and Assistant Corporate Secretary
Laura Ross, Corporate Secretary

Special Guests

Rob Dubbelde, Greenberg Traurig
Elena Peinado, Texas Department of Housing and Community Affairs (TDHCA)
Kathy Tyler, Motivation, Education and Training (MET) Inc.

President’s Report

Mr. Long began by turning the Board's attention to the Mortgage Credit Certificate (MCC) Program. Mr. Long recalled that previous funding under the program had been completely reserved. Mr. Long spoke to how the previous month, the board had authorized staff to release an additional \$30 million in authority for the Program. Mr. Long spoke to the success of the Program.

Mr. Long then moved on to the Development Finance report. He began with the Affordable Communities of Texas Program (ACT), and noted that staff had met with TDHCA about the NSP funding designated for the Program. Mr. Long reported that staff continued to work with National Community Stabilization Trust under the program and that Mr. Danenfelzer was currently working on additional standardized purchase agreements with Bank of America, Countrywide and Citibank. Mr. Long then turned to the Direct Lending Program and informed the board that the Willow Apartments project, a transaction approved by the Board in July, was anticipated to close in December.

Mr. Long then turned to the Marketing and Development report and pointed out what Ms. Taylor and Ms. Howard had been working on over the last few months, including marketing activities, conferences attended, and meetings with TDHCA. Mr. Long then turned to the next report which listed the fundraising activities of the Corporation. Ms. Leon requested that all pending and denied grants and funding be included on future reports.

Mr. Long turned to the Foreclosure Prevention Task Force report. Mr. Long reminded the Board that Ms. Howard was the Corporation's liaison with TDHCA regarding the NFMF funding for the Task Force. Mr. Long refreshed the Board's memory that the Corporation processed and administered this funding as the fiscal agent for the Task Force. Mr. Long recalled that the Corporation had recently been asked by TDHCA to match funds required under the most recent application for round-3 NFMF funding. The Corporation's contribution totaled \$72,000 and the funding used came from the Meadows Foundation grant to the Corporation. Mr. Long made special note that staff had used those funds with the Foundation's permission. Mr. Long further discussed services provided by the Task Force and Mr. Jones requested that the Task Force website be sent to the Board.

Mr. Long turned to the financial report, noting that the numbers contained on the reports were thru the end of July 2009. Mr. Long briefly spoke about the upcoming audit. Mr. Long then turned back to the report and stated that the numbers being presented were on track for meeting the thresholds set forth by the FY 2009 budget.

Mr. Long then turned the Board Members' attention to the 501(c)(3) default notices that were handed out and deferred to Ms. Closmann to explain. Ms. Closmann explained that the packet before the Board contained default notices for American Housing Foundation (AHF), American Opportunity for Housing (AOH) and South Texas Affordable Properties. Ms. Closmann referred to the AHF notice and explained that they had been in financial default for some time and if MBIA was paying on the bonds (which was noted in the notice), it indicated that the Series A debt service reserve had been depleted. Mr. Jones inquired about what would happen to the units should the properties go into foreclosure and Ms. Closmann stated that staff hoped to see the units remain affordable. Discussion briefly turned to when the bonds were financed and the expectations and assumptions made at that time which led to the situation they were currently in. Ms. Closmann noted that the Corporation had no financial risk with the portfolio and had no say in deciding what would happen to these properties. Ms. Closmann spoke to the changes that had been made to the Corporation's underwriting and compliance policies in order to mitigate

anything like this happening again. Should the bonds be foreclosed upon, it was noted that they would be bought by whoever could pay the most for them, and if it was another Community Housing Development Organization (CHDO) then the properties' tax exempt status would be maintained. Discussion followed.

Mr. Long then introduced the guests in attendance at the meeting: Mr. Dubbelde with Greenberg Traurig (general counsel for the Corporation), Elena Peinado with TDHCA, and Kathy Tyler who was here to provide public testimony about the Foundations Fund.

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on August 11, 2009.

It was noted that there was a typo on the agenda and that the minutes for the August 14, 2009 meeting were being presented for approval.

Ms. Leon made a motion to approve the minutes of the Board Meeting held on August 14, 2009. Mr. Dietz seconded the motion. Motion passed unanimously.

Public Comment

Ms. Tyler with Motivation, Education and Training, Inc (MET Inc) presented public testimony with regard to the Texas Foundations Fund and the possible inclusion of farm worker housing in the program.

Tab 6 Discussion on Requirements for Conduct of Meetings of Board of Directors.

Mr. Dubbelde noted that when discussing the conduct of Board Meetings the Corporation was confined by the Bylaws of the Corporation and the Texas Open Meetings Act. Mr. Dubbelde explained that the Modern Rules of Order explicitly stated that Robert's Rules of Order were no longer used for corporations because they focused on parliamentary procedure which was better used at a government level. Mr. Dubbelde also acknowledged that adopting an official rule of order would garner less flexibility. Mr. Dubbelde noted the importance of adhering to the Open Meetings Act, as well as the bylaws of the Corporation.

Mr. Dubbelde turned to the bylaws and pointed out what was said regarding the conduct of board meetings. They stated that notice must be given and a quorum of the Board must be present. They also described how to proceed should both the Chair and Vice Chair be absent. Mr. Dubbelde pointed out that to approve agenda items, a majority of members present at the meeting was needed, except in the case of dissolving the Corporation or selling the Corporation's assets. In these two cases, a majority of the complete board would be needed for approval.

Then, Mr. Dubbelde turned to the Open Meetings Act. He explained that it was more specific about posting notice of the meeting, requiring 7 days. It also ordered that the agenda list everything to be voted on or discussed. At the start of the meeting, the time and date must be stated along with an announcement that the meeting was starting. Adjournment happened under two scenarios – if the meeting was over, or if the board was going into closed session (at which time the time must be noted and the statute allowing for the ability to go into closed session must be stated). The time must also be stated when coming out of closed session and into open session. The Open Meetings Act stipulated that the meetings had to either be recorded or minutes had to be taken (the Corporation does both). Mr. Dubbelde made special note that under the

Open Meetings Act, there should be no discussion amongst the board members during staff reports. Questions could be asked of the staff, but discussion amongst the members was prohibited unless it was listed as an agenda item. Closed sessions could only be for purposes described in the Texas Open Meetings Act, and any reports made in closed session must pertain to an item on the agenda. Mr. Dubbelde also mentioned that votes could be taken in closed session, but would need to be retaken in open session. Discussion followed on this topic. Mr. Dubbelde also spoke about motions, noting that a second wasn't required. Mr. Jones pointed out that to call for a second meant if one wasn't offered the motion died. Mr. Dubbelde stated that it was the board's decision, however he suggested that the Board not adopt formal rules to allow flexibility for the presiding officer to call for (or not call for) a second. Discussion followed. Ms. Closmann pointed out that the most important thing was that the board members knew what they were voting on; this was why it was important to read the motion into the record. Discussion followed.

Tab 2 Presentation, Discussion and Possible Approval of the Publication for Public Comment Guidelines Regarding the 2009 Texas Foundations Fund.

Ms. Closmann announced that in addition to her other duties, Ms. McGilloway had been named the project manager for the Texas Foundations Fund. Ms. Closmann then deferred to Ms. McGilloway. Ms. McGilloway refreshed the Board's memory of the history of the Foundations Fund beginning with its inception in February 2008. She discussed how much was originally set aside for the Fund; who was targeted under the Fund Guidelines; how the Advisory Council members were selected; and details about the two previous fund releases. It was specifically pointed out that only non-profits and government entities serving rural areas could apply for these funds and they had to go to Single Family Rehab and Construction or supportive services. Referring back to Ms. Tyler's public comment, it was noted that farm worker housing would be difficult to provide under this requirement. Ms. McGilloway gave a recap of the funds already allotted. Discussion followed about how funds were being raised for the program. Ms. Taylor joined the conversation, pointing out that the Heron Foundation had awarded the Corporation with (2) \$50,000 grants over a two year period that could in part be used for this program. Ms. Taylor also recalled how, when the Foundations Fund was originally established, the Board allocated \$500,000 for the Fund - \$250,000 to be used for awards and \$250,000 to be set aside as seed money. The board had approved an additional \$250,000 for the hurricane funding cycle, and of that only \$50,000 remained. All told, \$450,000 had been awarded through the first two rounds of funding. It was noted that the \$750,000 total allocated to the Fund (the original \$500,000 and the additional \$250,000 added for the Hurricane cycle) came from unrestricted funds and not through fundraising. Ms. McGilloway agreed to put together a chart mapping out the funding for the Program from its inception. Ms. Taylor spoke further about future fundraising activities for the Fund, such as partnering with local non-profits to hold receptions across the state that would be hosted by the board members or advisory council members. They would invite their friends and contacts to the reception where they would learn about the Foundations Fund, what it was and how they could participate. Ms. Taylor reported that Mr. Romero and Mr. Vandenburg had agreed to host a reception in El Paso. Mr. Jones suggested that offering the ability to earmark donated funds for a certain community would encourage more people to donate. Discussion followed about the receptions. Ms. Taylor also reported that Ms. McGilloway was putting together a page for the website detailing success stories from the past funding cycles.

Ms. McGilloway turned back to the agenda item and informed the Board that two surveys had been sent out to gather information on what people wanted to see done with Foundations Fund, and who they wanted it to serve. The biggest points that were learned were 1) that most people

wanted us to keep single family construction as a priority, 2) that previous grant recipients should have the ability to receive grants during consecutive funding cycles, as well as 3) how to deal with deficiencies. Ms. McGilloway discussed the priorities of past award cycles – to fund supportive housing services, to fund housing for people with disabilities, and to fund rural applications – and how these priorities were still in line with what was needed in the state. Ms. Leon suggested keeping them as broad as possible.

Ms. McGilloway discussed the Guidelines, pointing out the major changes that had been made. She pointed out that the section discussing supportive housing services had been clarified to avoid confusion that it was instead multifamily construction. Ms. McGilloway also pointed out that language was added to ensure the funds would be provided to the individual free of charge. Ms. McGilloway stated that the Guidelines would be posted for public comment for a two-week period with comments due back September 28th. After comments were reviewed and changes were made, the Guidelines would be presented at the October meeting for final approval. She noted that staff would also be asking for another \$200,000 allocation for the program (to go with the \$50,000 that remained from the hurricane funding cycle). Ms. McGilloway explained that a NOFA would be issued and a proposal checklist would be published at that time. It was the staff's hope to make awards in early 2010.

Discussion followed surrounding the specific services that would qualify under the program, as well as who was eligible to be an end user. It was clarified that the non-profit or government entity must own the property where the supportive services would be offered to receive funding for them under the program. Mr. Jones requested that the experience of the applicants be emphasized in the Guidelines.

Ms. Leon made a motion to approve the publication for public comment Guidelines regarding the 2009 Texas Foundations Fund. Mr. Dietz seconded the motion. Motion passed unanimously.

Tab 3 Presentation, Discussion and Possible Approval of Texas State Affordable Housing Corporation Employee Handbook.

This item was pulled.

Tab 4 Presentation, Discussion and Possible Approval of a Resolution Approving a Grant Acceptance Policy for the Corporation and a Fiscal Agent Policy for the Corporation.

Mr. Long referred to the two policies provided as handouts to the Board. It was specifically pointed out that the name of the first policy had been changed from Grant Acceptance Policy to Gift Acceptance Policy, because the word 'Gift' was more commonly used by 501(c)(3) non-profits.

Mr. Long recalled that the Corporation served as fiscal agent for the Task Force, a relationship which was established through an MOU between the two organizations. Mr. Long explained that a potential funder for the Task Force had asked for clarification of the Corporation's role as a Fiscal Agent and asked that a policy be put in place. Mr. Long stated that the policy before the Board would not only satisfy the funder, it would also be in place should similar situations arise in the future.

First, Mr. Dubbelde turned to the Gift Acceptance Policy, a document that described the types of gifts we could receive and how they would be handled. Mr. Dubbelde spoke about non-cash contributions, saying that if they fell under \$10,000 staff could accept them and if they were over that amount they would need to be accepted by the Board. Life insurance would be accepted if the Corporation was the only beneficiary. Discussion followed about the possible scenario where the Corporation was one of multiple beneficiaries. Under IRS guidelines, arts and collectibles could not be accepted. Discussion continued about the acceptance of property, stocks, securities, etc. and how they would be handled. Ms. Closmann pointed out that the Board's approval was needed for all gifts of privately held securities, no matter the amount. Mr. Dubbelde turned to cash contributions – general purpose funding which could be used in any aspect of the Corporation; and endowed funding that would specifically go towards the Foundations Fund. Discussion followed as to how these gifts would be handled. Mr. Dubbelde then spoke to IRS requirements and consultation with legal counsel.

Mr. Dubbelde turned to the Fiscal Agent Policy and stated that it was very similar to the Gift Acceptance Policy only it spoke to taking funds in as a fiscal agent, not as a gift receiver.

Ms. Leon made a motion to approve a resolution approving a Gift Acceptance Policy for the Corporation and a Fiscal Agent Policy for the Corporation. Mr. Dietz seconded the motion. Motion passed unanimously.

Tab 5 Presentation, Discussion and Possible Approval of a Resolution Approving the Corporation's Role as Fiscal Agent for the Texas Foreclosure Prevention Task Force and Authorizing the President to Negotiate and Execute Appropriate Documents Related Thereto.

Mr. Jones briefly stepped out during the presentation.

Mr. Long noted that the resolution before the board clarified the Corporation's role as the fiscal agent for the Task Force. Mr. Long explained that the resolution being presented had been created at the request of Fannie Mae, a potential funder of the Task Force. Mr. Long pointed out that the resolution incorporated new responsibilities Fannie Mae wanted the board to approve and acknowledge, separate and apart from existing responsibilities laid out in the MOU between TDHCA and the Corporation.

Attention turned to the next board meeting which was briefly discussed. Mr. Long then told the members about our new board member, Mr. Akers.

Mr. Jones rejoined the meeting. Ms. Leon made a motion to approve a resolution approving the Corporation's role as Fiscal Agent for the Texas Foreclosure Prevention Task Force and authorizing the President to negotiate and execute appropriate documents relating thereto. Mr. Dietz seconded the motion. Motion passed.

Open Meeting

The next board meeting was tentatively set for Friday, October 9, 2009 at 1:30pm. Discussion turned to the 2-day Board Meeting and Planning Session, and Mr. Long informed the Board that staff would continue to look for dates that would work for all the members. Mr. Long stated that the newest board member, Mr. Akers, would be at the October meeting and his orientation with

Mr. Dubbelde would take place prior to the meeting. Discussion briefly turned to the building and the move. Mr. Long thanked Mr. Danenfelzer and Ms. McGilloway for their effort.

Adjournment

Ms. Leon made a motion to adjourn the meeting. Mr. Dietz seconded the motion. Motion passed unanimously. The meeting was officially adjourned at 3:46 pm.

Respectfully submitted by _____
Laura Ross, Corporate Secretary

BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION
Held at the offices of
Texas State Affordable Housing Corporation
2200 E. Martin Luther King Jr. Blvd.
Austin, TX 78702
October 9, 2009 at 1:30 pm

Summary of Minutes

Call to Order, Roll Call
Certification of Quorum

The Board Meeting of the Texas State Affordable Housing Corporation (the “Corporation”) was called to order by Robert “Bob” Jones, Chair, at 1:40 pm, on October 9, 2009 at the offices of Texas State Affordable Housing Corporation, 2200 E. Martin Luther King Jr. Blvd, Austin, TX 78702. Roll Call certified that a quorum was present.

Members Present

Robert “Bob” Jones, Chair
Jo Van Hovel, Vice Chair
Jeran Akers, Member
Cynthia Leon, Member

Members Absent

William H. Dietz, Jr., Member

Staff Present

David Long, President
Katherine Closmann, Executive Vice President
Nick Lawrence, Controller
Betsy Lau, Accountant
Paige McGilloway, Single Family Programs Manager
David Danenfelzer, Development Finance Programs Manager
Joshua Schirr, Asset Oversight and Compliance Manager
Sarah Schildmier-Bloom, Asset Oversight and Compliance Specialist
Mindy Green, Asset Oversight and Compliance Specialist
Janie Taylor, Manager of Marketing and Development
Cynthia Gonzales, Office Manager and Assistant Corporate Secretary
Laura Ross, Corporate Secretary

Special Guests

Ron Castillo, Fort Bend Corps
Rob Dubbelde, Greenberg Traurig
Brandy Leonhardt, Fort Bend Corps
Robin Miller, First Southwest Company
Chris Spelbring, Morgan Keegan
Barton Withrow, Raymond James

Open Meeting

Mr. Long welcomed Mr. Akers to the Board. Mr. Akers introduced himself and spoke about his background as a business owner in Plano, now retired. It was also noted that he was a former mayor of Plano. Mr. Jones and his fellow board members welcomed him to the Board.

President's Report

Mr. Long first noted that Mr. Dietz was not able to attend the meeting today, because of weather conditions. Then, Mr. Long introduced the professionals and guests in attendance at the meeting: Mr. Miller with First Southwest Company (the Corporation's financial advisor), Mr. Spelbring with Morgan Keegan (the Corporation's co-underwriter), Mr. Withrow with Raymond James (formally a member of the Corporation's underwriting team with RBC), two representatives from Fort Bend Corps that would be introduced later in the meeting, and Mr. Dubbelde with Greenberg Traurig (the Corporation's general counsel).

Mr. Long made the Board aware that he and Mr. Danenfelzer had attended the National Association of Local Housing Finance Agencies (NALHFA) Conference in Denver. He also stated that he, Ms. Closmann, Ms. Taylor, Mr. Danenfelzer and Ms. McGilloway had attended the Texas Association of Community Development Corporations (TACDC) Conference that was held in Austin, where he and Ms. Closmann had both participated on a panel specifically related to Sunset. Mr. Long informed the Board that they had discussed the Sunset process and what staff foresaw happening during our limited scope review. Mr. Long noted that sunset staff also made a presentation on the topic. Mr. Long then informed the Board that he and Ms. Taylor had attended the National Council of State Housing Agencies (NCSHA) Conference in San Antonio.

Mr. Long turned to the Sunset process, refreshing the Board's memory that the Corporation would be undergoing a limited scope review in 2011. Mr. Long announced that the Lieutenant Governor's office had recently announced the Senate appointments to the Commission which were: Senator Hegar as Chair, Senator Hinojosa who was a returning member, Senator Whitmire, Senator Nichols, Senator Huffman, and Senator McMahon. Mr. Long added that the House side had not yet made their appointments. Mr. Long then gave a brief overview of the Sunset process and also discussed the limited scope review which the Corporation would be going thru as a result of being a part of the safety net bill passed during the 2009 special legislative session. Mr. Long noted that staff had already submitted an initial update on our programs, and would continue to provide updates to the information they had originally given the sunset staff. Staff was not required to turn in a Self Evaluation Report and had been told our review would be on the back end of the schedule. Ms. Closmann added that the Commission would be looking at the recommendations made during the previous review cycle and determining whether they were still appropriate.

Mr. Long then turned to single family programs, noting that there was a single family item on the agenda today. Mr. Long then informed the Board that Ms. McGilloway and Ms. Howard had attended the Texas Realtors Expo in Dallas, where they had the opportunity to talk about the Mortgage Credit Certificate (MCC) program as well as the Corporation's involvement in the Texas Foreclosure Prevention Task Force.

Mr. Long moved on and addressed development finance, noting that draft guidelines for the 501(c)(3) bond program and Private Activity Bond (PAB) program would be presented under

Tab 3 for approval to be published for public comment. Mr. Long also reported that staff had received the contract from TDHCA for the Neighborhood Stabilization Program (NSP) funding. Mr. Long noted that the funds would be used for land banking and land trust activities. Mr. Long informed the Board that Mr. Danenfelzer was heading up the project and had everything in place to move forward; all that remained was for the contract to be reviewed before it was signed. Mr. Long briefly updated the Board on the Willow Apartments transaction, which was approved by the board in August. He noted that it was set to close in November.

Mr. Long then turned to accounting, noting that an Audit Committee meeting would need to be held in November. Mr. Long also informed the Board that Ms. Smith was ill and was unable to attend the meeting today. Mr. Long reported that he would be meeting with the auditor the following week and the audit would be presented to the Board in December. Mr. Long turned to the Investment report, noting that there was an error under the Certificates of Deposits (CDs) for Texas Capital Bank. A CD in the amount of \$245,000 had been left off.

Mr. Long briefly turned to the Texas Foreclosure Prevention Task Force, stating that Ms. Howard was doing an excellent job seeking funding for both the Task Force and the Corporation. He noted the Corporation would be receiving three grants, two specifically for the Task Force, and the other for the Texas Foundations Fund. Citibank awarded the Corporation \$40,000 and Fannie Mae awarded the Corporation \$25,000, both in support of the Task Force. Ms. Howard had been complemented by Citibank for the quality of application she submitted. The Corporation also received a grant from Wells Fargo for the Texas Foundations Fund for a total of \$5,000. Mr. Long then spoke to Ms. Howard's other duties within the Task Force. Mr. Long reminded the board of the application the Corporation had submitted in partnership with TDHCA for Round 3 funding from the National Foreclosure Mitigation Council (NFMC). Mr. Long refreshed the Board's memory that part of the grant from the Meadows Foundation had been used to match funds put forth by TDHCA for the application. Mr. Long reported that \$450,000 in funding had been awarded, and based on that number the Corporation's contribution would equal roughly \$40,000. Mr. Long confirmed that the \$450,000 in total would go to support the Task Force and Task Force based activities. Mr. Long gave a brief overview of the Task Force and its activities across the state. Mr. Long spoke to the outreach events that were held, along with the counseling activities that were provided.

Ms. Van Hovel referred back to the budget report, and inquired about the bad debt line item. Mr. Lawrence explained that the total was in reference to Marshall Meadows and the associated fees that were outstanding. He explained that the fees had been listed under bad debt as a conservative measure. Ms. Closmann spoke to the situation, stating that staff fully expected to receive the fees in the future but they were listed as bad debt because it was not known if they would be received during the current fiscal year. Discussion followed about the Marshall Meadows transaction and why the fees had not been paid to this point. Mr. Long and Ms. Closmann agreed to work with the auditor to come up with language to use that more specifically described the line item.

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on September 11, 2009.

Mr. Dubbelde noted that the way closed meetings worked had been overstated at the last meeting. Mr. Dubbelde clarified that a consensus could be ascertained at the end of a closed meeting, but that a straw vote could not be taken.

Ms. Van Hovel inquired about the need for a second when making a motion and Mr. Dubbelde confirmed that the Corporation did not have formal rules requiring a first and second; that it was up to the Chairman or whoever was presiding over the meeting. Mr. Jones noted that it was his preference to call for a second.

Mr. Akers noted that he would abstain from voting. He also pointed out that Ms. McGilloway had not been included on the staff listing in the minutes. Mr. Long agreed to amend the minutes to reflect that change.

Mr. Jones asked that the correction regarding closed meeting be added to the minutes, and Mr. Dubbelde stated that the clarification could be added, but it would be added to the minutes of the current meeting.

Ms. Leon made a motion to approve the minutes of the Board Meeting held on September 11, 2009 as amended to include Ms. McGilloway under the staff listing. Mr. Jones seconded the motion. Ms. Van Hovel and Mr. Akers abstained from voting. Because a quorum of members was not voting on the motion, this item was pulled until the next meeting.

Tab 2 Presentation, Discussion and Possible Approval of a Resolution Authorizing a Modified Carryforward Home Loan Program, Including the Issuance, Sale and Delivery of Single Family Mortgage Revenue Bonds in One or More Series to Provide Funds for Fire Fighter and Law Enforcement or Security Officer, and Emergency Medical Services Personnel, Professional Educators and Low-Income Persons, Including Sales of Bonds to Federal Entities or Fannie Mae or Freddie Mac or Private Underwriters; Authorizing the Preparation of Related Trust Indentures, Origination, Sale and Servicing Agreements, Bond Purchase Agreements and Continuing Disclosure Agreements, Making Certain Findings and Determinations; Authorizing the Required Applications and Filing to the Texas Bond Review Board, the Execution of Documents and Instruments Necessary or Convenient to Carry Out Such Program; and Containing Matters Incident and Related thereto.

Ms. McGilloway began by giving a brief description of how the Corporation received bonding authority and how it was allocated. Ms. McGilloway explained that as directed under statute, the Corporation received 10% of the bonding authority assigned to single family on an annual basis. Of that 10%, 54.5% was allotted to the Professional Educators Home Loan Program and 45.5% was allotted to the Homes for Texas Heroes Program. Ms. McGilloway also explained that if any bonding authority wasn't used by a certain date, it went into a big pot and all issuers had the ability to apply for the funding. In the past, the Corporation had applied for and received extra bonding authority. The funding we received thru this avenue was used for both programs and also the Home Sweet Texas Loan Program (for those at 80% and below AMFI).

Ms. McGilloway explained that two things could be done with our bonding authority – it could be issued as mortgage revenue bonds, or it could be converted to mortgage credit certificates. Ms. McGilloway commented that over the past year mortgage credit certificates had provided the Corporation with the ability to continue serving borrowers while the market was too unstable to issue mortgage revenue bonds.

Ms. McGilloway turned to the resolution before the board, stating that the market was turning around and staff wanted to be ready should the opportunity arise to do a mortgage revenue bond

deal. She explained that the resolution gave staff the ability to use the \$75 million left in carryforward funds for the purpose of issuing mortgage revenue bonds. Ms. McGilloway also pointed out that the resolution asked for the ability to apply for additional carryforward funding. Ms. McGilloway relayed staff's suggestion that the Board authorize the staff to apply for up to \$75 million. It was noted that a specific amount had not been included in the resolution, so it would need to be amended to reflect the amount decided on by the Board.

Mr. Miller spoke to reasons why the Corporation had not issued mortgage revenue bonds for some time. He then told the Board about the proposal by the Treasury to buy housing bonds directly from state and local housing issuers. Mr. Miller relayed that the resolution was being presented to the Board in anticipation of when the official Treasury announcement would be made, and also in an effort to have enough authority to issue both mortgage revenue bonds and mortgage credit certificates.

Mr. Jones inquired about the amount staff was asking for, and Ms. McGilloway stated that \$75 million had been arrived at after looking at the Corporation's capacity to serve borrowers. Ms. McGilloway made the point that if staff asked for a large amount and didn't use it, it would look bad that we were unable to utilize it, and also it would then be money that the State had lost. Mr. Spelbring added that in addition to these funds, the Corporation would receive its annual allocation in January. Mr. Miller spoke about the potential demand for bond authority once the Treasury's announcement was made. Mr. Miller also added that the Corporation would have 3 years to utilize any additional cap we acquired. Discussion followed.

Referring to the resolution handed out at the beginning of the meeting, Ms. McGilloway made the board aware that Morgan Keegan had been designated as lead underwriter, with RBC designated as co-underwriter. Ms. McGilloway acknowledged that the two companies had switched positions. Mr. Miller informed the Board that the RFP for underwriting services stated that the underwriters would serve at the discretion of the board and staff and could be changed at any time. Mr. Miller also discussed reasons for the change, including the recent staffing change at RBC where our representatives with the company, Mr. Machak and Mr. Withrow, were no longer there. Discussion followed.

Ms. McGilloway gave a brief summary of the resolution: it designated Morgan Keegan as lead underwriter; it allowed staff to use the remaining carryforward to issue mortgage revenue bonds in the event that the market allowed for a deal to be structured; and it allowed staff to ask for additional bonding authority. The only change that would be made to the resolution that was handed out would be to add language regarding the amount the staff was authorized to apply for.

Ms. Van Hovel made a motion to add "up to \$75 million" language. Mr. Jones added that staff do all the recommendations including the designation of a lead underwriter and adding the language of up to \$75 million. Ms. Leon seconded the motion. Motion passed.

Tab 3 Presentation, Discussion and Possible Approval of the Publication for Public Comment Guidelines, Scoring Criteria and Targeted Areas for the Allocation of Qualified Residential Rental Project Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2010.

Mr. Danenfelzer explained that the Corporation was required by statute to annually update the RFP for the Private Activity Bond Program, as well as the Guidelines for the 501(c)(3) bond program.

Mr. Danenfelzer explained that both programs targeted projects consisting of multifamily properties across the state. Mr. Danenfelzer went through the changes that staff made to the policies, including the fees for asset oversight and compliance services being combined into one. Mr. Danenfelzer also noted that a charge of \$750 had been added for properties with less than 100 units, due to the expense of staff time and travel for reviewing the properties.

Target areas for the PAB program were briefly discussed. Mr. Danenfelzer explained that statute required the Corporation to target areas of housing need. Staff had seen this as an opportunity to target areas not typically targeted by the majority of housing bonds. As a result, the following were selected as targeted areas under the program: 1) at-risk preservation or rehabilitation of affordable housing, 2) housing in rural communities, 3) senior and assisted living developments, and 4) Hurricane Ike housing relief. Mr. Danenfelzer noted that assisted living developments had been added the previous year based on research and requests from the Governor's office. Mr. Danenfelzer also noted that there was still an enormous need to finance new projects for people that were displaced by the hurricanes. Mr. Jones observed that the program targeted areas that were the most overlooked for funding. Mr. Danenfelzer made the final note that the board gave the final approval on what areas were targeted under the program.

Mr. Akers made a motion to approve what was presented for public comment. Ms. Van Hovel seconded the motion. Motion passed unanimously.

Tab 2 continued

After approval of Tab 3, staff asked to revisit Tab 2. On the advice of Mr. Dubbelde, they asked that the vote be retaken so that it may be worded to include the resolution and the change (adding \$75 million). After discussion, Mr. Dubbelde restated the motion which was to approve the revised resolution for Tab 3 with the insertion of up to \$75 million in section 12 of said resolution. Ms. Van Hovel made this motion. Ms. Leon seconded the motion. Motion passed unanimously.

Tab 4 Discussion and Possible Approval of a Resolution Regarding the Approval of Amended and Restated Guidelines for the Texas Foundations Fund, a Segregated Fund of the Corporation, the Approval of Additional Unrestricted Funds of the Corporation to be Transferred to the Texas Foundations Fund and Concerning Other Matters Incident and Related thereto.

Ms. McGilloway reminded the board that the draft Guidelines for the Texas Foundations Fund were approved for public comment at the September meeting. Ms. McGilloway reported that during the time they were published, only Ms. Tyler with MET Inc. had submitted comments. Her comments concerned the preservation of existing single family homes for farm workers, providing grants to preserve multifamily facilities for farm workers, and providing grant funding for capacity building of non-profits that owned properties inhabited by farm workers. Ms. McGilloway addressed Ms. Tyler's comments, stating that her first comment was a service eligible under the current Guidelines. However, she noted that the other two services were not. Ms. McGilloway expressed the staff's feeling that there were other funding resources available that could accommodate those requests, and staff wanted to continue focusing on activities already outlined under the Guidelines. Therefore, Ms. McGilloway relayed staff's recommendation that the Board approve the Guidelines with no additional changes.

Ms. McGilloway then stated that, in addition to approval of the Guidelines, staff was asking the Board for an allocation of funds (\$200,000) to go towards the next round of funding. Ms. McGilloway referred the board to the chart that was included in the reports section of the board packet and outlined funding for previous and proposed funding cycles. Discussion followed as to the chart's contents.

Ms. Leon made a motion to approve the Guidelines per the resolution. Mr. Akers seconded the motion. The motion was amended to include approval of the resolution. Motion passed unanimously.

Public Comment

Ms. Leonhardt, Fiscal Program Director for the Fort Bend Corps, and Mr. Castillo, the Executive Director of Fort Bend Corps, made a presentation to the board about how they utilized the grant they received under the Hurricane Relief funding cycle of the Texas Foundations Fund. They gave a power point presentation about the impact of Hurricane Ike on their area, and showed pictures of homes repaired using the grant funds.

Open Meeting

Mr. Long confirmed the date and time of the next board meeting – November 13, 2009 at 1:30pm.

Mr. Long briefly addressed potential timeframes for the Board Meeting and Planning Session. He also addressed the purpose of the Planning Session and what the meetings would entail.

Discussion then turned to the building and plans to fix the ceiling. Mr. Jones thanked the staff for their presentations during the board meeting. Ms. Van Hovel commended the staff all their hard work associated with the building and the move. Mr. Long gave credit to Mr. Danenfelzer and Ms. McGilloway for their hard work.

Adjournment

Mr. Jones declared the meeting adjourned at 3:43 pm.

Respectfully submitted by _____
Laura Ross, Corporate Secretary

Tab 3

Presentation by Citi Bank of a Grant Award to the Corporation in the amount of \$40,000 in support of the Texas Foreclosure Prevention Task Force.

Presentation

RESOLUTION NO. 09-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Resolution Regarding the Conversion of Reservation for
Allocation of Private Activity Bonds to Mortgage Credit
Certificates and Containing Other Matters Incident and Related
Thereto

WHEREAS, the Texas State Affordable Housing Corporation (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon’s Annotated Texas Civil Statutes, as amended and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the “Act”), and the Issuer is authorized to establish a program to provide eligible mortgagors with low-interest home mortgage loans;

WHEREAS, the Issuer has heretofore received certificates of reservation relating to 2007 volume allocation for qualified mortgage revenue bonds totaling \$125,000,000;

WHEREAS, the Issuer has elected a carryforward of the aforesaid volume allocation in accordance with applicable federal and state law;

WHEREAS, the 2007 volume allocation that has been carried forward may be used in connection with any of the qualified mortgage revenue bonds the Issuer is authorized to issue;

WHEREAS, the Issuer has previously converted \$10,000,000 of the 2007 volume allocation for the Issuer’s 2008 Mortgage Credit Certificate (MCC) Program, \$10,000,000 of the 2007 volume allocation for the Issuer’s 2009 Mortgage Credit Certificate (MCC) Program and \$30,000,000 of the 2007 volume allocation for the Issuer’s 2009A Mortgage Credit Certificate (MCC) Program;

WHEREAS, the Board of Directors of the Issuer has applied to the Texas Bond Review Board for a reservation of a portion of the remaining 2007 volume allocation that has been carried forward for qualified mortgage revenue bonds to be converted to mortgage credit certificates for a 2010A Mortgage Credit Certificate (MCC) Program;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS STATE AFFORDABLE HOUSING CORPORATION:

Section 1. That the Corporation hereby elects to convert \$75,000,000 of the remaining 2007 volume allocation that has been carried forward for qualified mortgage bonds to allocation for mortgage credit certificates.

Section 2. That any officer of the Corporation is authorized and directed to execute and deliver any certificates and documents relating to the mortgage credit certificates and to take other actions deemed necessary or appropriate to implement a mortgage credit certificate

program, including, but not limited to, the publication of any notices required in connection therewith.

Section 3. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Issuer in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 4. That this Resolution shall be in full force and effect from and upon its adoption.

[Remainder of page intentionally left blank]

PASSED, APPROVED AND EFFECTIVE this November 13, 2009.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

Chairperson

ATTEST:

Secretary

MINUTES AND CERTIFICATION

THE STATE OF TEXAS §
 §
TEXAS STATE AFFORDABLE §
HOUSING CORPORATION §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of said corporation convened on the 13th day of November, 2009, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board and officers, to wit:

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>
Robert Elliott Jones	Chairperson
Jo Van Hovel	Vice Chairperson
Cynthia Leon	Director
William H. Dietz	Director
Jeran Akers	Director

OFFICERS

<u>Name</u>	<u>Office</u>
David Long	President (non-Board member)
Katherine Closmann	Executive Vice President (non-Board member)
Melinda Smith	Chief Financial Officer (non-Board member)
Laura Ross	Secretary (non-Board member)
Cynthia Gonzales	Assistant Secretary (non-Board member)

and all of said persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the "Resolution") bearing the following caption was introduced:

"RESOLUTION NO. 09-____"

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2009A; AUTHORIZING A TRUST INDENTURE, AN ORIGATION, SALE AND SERVICING AGREEMENT, A BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE AGREEMENT, MAKING CERTAIN FINDINGS AND DETERMINATIONS; AUTHORIZING THE EXECUTION OF DOCUMENTS

AND INSTRUMENTS NECESSARY OR CONVENIENT TO
CARRY OUT THE CORPORATION'S SINGLE FAMILY HOME
LOAN PROGRAMS; AND CONTAINING OTHER MATTERS
INCIDENT AND RELATED THERETO"

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

_ AYES

_ NOES

_ ABSTENTIONS

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this 13th day of November, 2009.

Secretary, Texas State Affordable Housing
Corporation

RESOLUTION NO. 09-_____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF SINGLE FAMILY MORTGAGE REVENUE BONDS, SERIES 2009A; AUTHORIZING A TRUST INDENTURE, AN ORIGATION, SALE AND SERVICING AGREEMENT, A BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE AGREEMENT, MAKING CERTAIN FINDINGS AND DETERMINATIONS; AUTHORIZING THE EXECUTION OF DOCUMENTS AND INSTRUMENTS NECESSARY OR CONVENIENT TO CARRY OUT THE CORPORATION'S SINGLE FAMILY HOME LOAN PROGRAMS; AND CONTAINING OTHER MATTERS INCIDENT AND RELATED THERETO

WHEREAS, the Texas State Affordable Housing Corporation (the "Issuer") has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon's Annotated Texas Civil Statutes, as amended and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the "Act"), the Issuer is authorized to establish a program to provide individuals and families of low income, as defined in the Act, with adequate, safe and sanitary housing; and

WHEREAS, the Board of Directors of the Issuer has previously approved a carryforward home loan program, including certain revisions thereto, and now wishes to approve the various aspects of such program as it relates to the New Issue Bond Program ("NIBP") recently announced by the United States Treasury Department, and related documents, in order to issue bonds and provide individuals and families of low income meeting the requirements of the Act with low interest home mortgage loans (such program being hereinafter referred to as the "Program"); and

WHEREAS, in order to carry out the Program, the Issuer, Wells Fargo Bank, National Association (the "Trustee"), Bank of America Home Loans, as Servicer/Administrator (the "Servicer/Administrator") and various commercial lending institutions doing business in the State of Texas (the "Participants"), propose to enter into an Origination, Sale and Servicing Agreement (the "Agreement"), pursuant to which: (a) the Issuer will indicate its intent to issue its bonds in an amount sufficient to enable the Issuer to acquire Government National Mortgage Association mortgage-backed certificates (the "GNMA Certificates"), Fannie Mae mortgage-backed securities (the "Fannie Mae Certificates") and Freddie Mac mortgage-backed securities (the "Freddie Mac Certificates") each backed by certain qualified home mortgage loans made to eligible individuals and families of low income (the "Mortgage Loans"); (b) the Trustee will disburse funds on behalf of the Issuer to acquire the GNMA Certificates, the Fannie Mae Certificates and the Freddie Mac Certificates and to perform certain other duties in connection with the Program; (c) the Servicer/Administrator will be responsible for monitoring the Participants' performance, preparing certain periodic reports, and performing certain other duties, including servicing the Mortgage Loans, in connection with the Program; (d) the Participants will originate and sell the Mortgage Loans; and (e) the Issuer, the

Trustee, and the Servicer/Administrator and the Participants will perform certain actions and follow reasonable procedures to ensure compliance with Section 143 of the Internal Revenue Code and the Act; and

WHEREAS, the Program will be designed to provide down payment and closing cost assistance to the mortgagors as provided in the Agreement; and

WHEREAS, the Issuer believes that the addition of the down payment assistance feature and the interest rate or rates associated with the Mortgage Loans will make the Program attractive to potential mortgagors; and

WHEREAS, in order to carry out the Program, the Board of Directors of the Issuer has determined that the Issuer shall issue its Single Family Mortgage Revenue Bonds, Series 2009A (the "Bonds"), in the maximum aggregate principal amount of \$75,000,000, in accordance with the NIBP, pursuant to and as generally described in a Trust Indenture prepared in connection with the issuance of the Bonds (the "Indenture"), by and between the Issuer and the Trustee, thereby making funds available for acquiring GNMA Certificates, Fannie Mae Certificates and Freddie Mac Certificates, all under and in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Issuer further proposes to sell the Bonds, upon the issuance thereof, to the purchaser or purchasers designated in the Bond Purchase Agreement hereinafter defined (collectively, the "Purchaser"), all as referenced in the Bond Purchase Agreement between the Issuer and the Purchaser (the "Purchase Agreement"); and

WHEREAS, there have been presented to the Issuer and its advisors proposed forms of each of the following and all of which comprise a part of this Resolution:

1. the Indenture;
2. the Agreement;
3. the Continuing Disclosure Agreement by and between the Issuer and the Trustee (the "Disclosure Agreement");
4. the Purchase Agreement; and
5. the Official Statement relating to the Bonds (the "Official Statement").

WHEREAS, the Issuer finds the form and substance of the above-listed documents (hereinafter, collectively the "Bond Documents") to be satisfactory and proper and finds the recitals with regard to the Issuer contained therein to be true, correct and complete and hereby determines to proceed with the issuance and sale of the Bonds to carry out the Program, the execution of such documents and the taking of such other actions as may be necessary and appropriate in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE TEXAS STATE AFFORDABLE HOUSING CORPORATION:

Section 1. Approval of Program. That the Issuer hereby expresses its intent to implement the Program, as described more fully in the Agreement, under which the Trustee, on behalf of the Issuer, will acquire GNMA Certificates, Fannie Mae Certificates and Freddie Mac Certificates, backed by mortgages on residences in the State of Texas owned and occupied by eligible individuals and families of low income.

Section 2. Public Purposes of Program and Bonds. That the Issuer hereby finds, determines, recites and declares that the adoption and implementation of the Program, including the down payment assistance and the interest rate or rates to be borne by the Mortgage Loans, and the issuance of the Bonds will promote the public purposes set forth in the Act, including, without limitation, assisting eligible individuals and families of low income in acquiring and owning adequate, safe and sanitary housing.

Section 3. Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds in the maximum aggregate principal amount of not to exceed \$75,000,000 is hereby authorized, all under and in accordance with the Indenture, and that, upon execution and delivery of the Indenture, the officers of the Issuer are each hereby authorized to execute and attest the Bonds and to deliver the Bonds to the Trustee for authentication all as provided in the Indenture. The Bonds shall mature on the date or dates and in the amounts, shall bear interest and shall be subject to redemption prior to maturity on the date or dates and in the amounts as specified in the Indenture.

Section 4. Approval, Execution and Delivery of the Indenture. That the Indenture, in substantially the form and substance as presented to the Board of Directors at the meeting at which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Indenture by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute and attest the Indenture and to deliver the Indenture to the Trustee.

Section 5. Approval, Execution and Delivery of the Agreement. That the Agreement in substantially the form and substance of the Agreement presented to the Board of Directors at the meeting at which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Agreement by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute and attest the Agreement and to deliver the Agreement to the Trustee, the Servicer/Administrator and each Participant.

Section 6. Purchase Agreement and Sale of Bonds. That the sale and delivery of the Bonds to the Purchaser, upon the terms and conditions set forth in the Purchase Agreement (as amended in whole or in part to conform to the requirements of the NIBP) between the Issuer and

the Purchaser is hereby authorized and approved. The Bonds shall be sold to the Purchaser at the purchase price specified in the Purchase Agreement. The Issuer hereby authorizes the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer, either individually or in any combination of such officers, for and on behalf of the Issuer, to determine the actual Purchaser and the terms of the Purchase Agreement and to execute and deliver the Purchase Agreement. Upon execution by the parties thereto and delivery thereof, the Purchase Agreement shall be binding upon the Issuer in accordance with the terms and provisions thereof. In addition, the officers of the Issuer are each authorized and directed to execute any necessary certificates evidencing approval of any or all of the matters set forth in this Section 6. In the event it becomes necessary to engage any other investment banking firm or investment banking firms to assist in the sale of the Bonds, the President or the Executive Vice President of the Issuer shall be and hereby is authorized to engage the services of any such investment banking firm or firms.

Section 7. Approval, Execution and Delivery of the Disclosure Agreement. That the Disclosure Agreement, in substantially the form and substance of the Disclosure Agreement presented to the Board of Directors at the meeting at which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Disclosure Agreement by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute and attest the Disclosure Agreement and to deliver the Disclosure Agreement to the Trustee.

Section 8. Approval, Execution and Distribution of Official Statement. That the Official Statement, in substantially the form and substance presented to the Board of Directors at the meeting at which this Resolution was considered, and the changes to the Official Statement which will result in the final Official Statement to be delivered in connection with the sale of the Bonds, such changes to be in substantially the form and substance approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon advice of bond counsel to the Issuer) as evidenced by their execution, thereof are hereby approved and the Chairperson, Vice Chairperson, President and Executive Vice President of the Issuer are each, individually, hereby authorized and directed, for and on behalf of the Issuer, to execute the Official Statement. Delivery to the Purchaser of the Official Statement (and, if applicable, any preliminary Official Statement) is hereby authorized.

Section 9. Execution and Delivery of Other Documents. That the officers of the Issuer are each hereby authorized to consent to, accept, execute and attest such other agreements, investment agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, offering documents, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Program and the issuance, sale and delivery of the Bonds.

Section 10. Power to Revise Form of Documents. That, notwithstanding any other provision of this Resolution, the Chairperson, Vice Chairperson, President, Executive Vice President, Secretary and any Assistant Secretary of the Issuer are each hereby authorized to make

or approve such revisions in the form of the Bond Documents as, in the opinion of counsel to the Issuer or bond counsel, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution and the Program.

Section 11. Delegation to President or Executive Vice President. The President and Executive Vice President of the Issuer, either individually or jointly, are hereby authorized to approve the principal amount and maturity of the Bonds to be issued pursuant to this Resolution, to establish the interest rate or rates to be borne by the Bonds, provided, however, that the interest rate shall never exceed 15% per annum, and to determine the rate on the Mortgage Loans, provided however, that such rate shall not exceed 10% per annum. The President and Executive Vice President of the Issuer, either individually or jointly, are further authorized to engage the services of consultants that may be needed, in the opinion of such officer, to fully complete the issuance and delivery of the Bonds.

Section 12. Ratification of Certain Prior Actions. That all prior actions taken by or on behalf of the Issuer in connection with the Program and the Bonds, are hereby authorized, ratified, confirmed and approved.

Section 13. Purposes of Resolution. That the Board of Directors of the Issuer has expressly determined and hereby confirms that the issuance of the Bonds and the implementation of the Program accomplish a valid public purpose of the Issuer by assisting individuals and families of low income, as defined in the Act, in the State of Texas to obtain adequate, safe and sanitary housing, thereby promoting the public health, welfare and safety for individuals and families of low income in the State of Texas.

Section 14. Limited Obligations. That the Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Indenture to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer.

Section 15. Obligations of Issuer Only. That the Bonds and the interest thereon shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the State of Texas or any other political subdivision or governmental unit of the State of Texas.

Section 16. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Issuer in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 17. Authorization of Investment. That the Board of Directors of the Issuer hereby authorizes the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer to direct the Trustee to invest any funds received by the Trustee pursuant to the Indenture in Investment Securities as defined in the Indenture.

Section 18. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND EFFECTIVE this November 13, 2009.

TEXAS STATE AFFORDABLE
HOUSING CORPORATION

Chairperson

ATTEST:

Secretary

MINUTES AND CERTIFICATION

THE STATE OF TEXAS §
 §
 TEXAS STATE AFFORDABLE §
 HOUSING CORPORATION §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of said corporation convened on the 13th day of November, 2009, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board and officers, to wit:

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>
Robert Elliott Jones	Chairperson
Jo Van Hovel	Vice Chairperson
Cynthia Leon	Director
William H. Dietz	Director
Jeran Akers	Director

OFFICERS

<u>Name</u>	<u>Office</u>
David Long	President (non-Board member)
Katherine Closmann	Executive Vice President (non-Board member)
Melinda Smith	Chief Financial Officer (non-Board member)
Laura Ross	Secretary (non-Board member)
Cynthia Gonzales	Assistant Secretary (non-Board member)

and all of said persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the "Resolution") bearing the following caption was introduced:

"RESOLUTION NO. 09-____"

TEXAS STATE AFFORDABLE HOUSING CORPORATION

**RESOLUTION TO APPROVE THE PARTICIPATION OF THE
 CORPORATION IN THE NEW ISSUE BOND PROGRAM
 SPONSORED BY THE UNITED STATES TREASURY
 DEPARTMENT"**

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

_ AYES

_ NOES

_ ABSTENTIONS

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this 13th day of November, 2009.

Secretary, Texas State Affordable Housing
Corporation

RESOLUTION NO. 09-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION TO APPROVE THE PARTICIPATION OF THE
CORPORATION IN THE NEW ISSUE BOND PROGRAM
SPONSORED BY THE UNITED STATES TREASURY
DEPARTMENT

WHEREAS, the Board of Directors (the "Board") of the Texas State Affordable Housing Corporation (the "Corporation") desires to participate in the New Issue Bond Program sponsored by the United States Treasury Department (the "NIBP") in connection with bonds to be issued by the Corporation relating to its single family mortgage revenue bond home loan programs (collectively, the "Program"); and

WHEREAS, the Board, after presentations to the Board relating to the NIBP and the Program, and after discussion and review by the Board, has determined to approve the Corporation's participation in the NIBP subject to certain conditions set forth below in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Texas State Affordable Housing Corporation:

1. That the Corporation is hereby authorized and directed to (i) participate in the NIBP and to issue bonds in connection therewith, including "Program Bonds" (to be sold to Fannie Mae and Freddie Mac or any other appropriate government sponsored entity) and "Market Bonds" to be sold to the private market, (ii) to issue a maximum principal amount of \$75,000,000 of Program Bonds, (iii) to contribute a maximum amount of \$_____ of the Corporation's funds to implement the NIBP and the Program, (iv) to fix the long-term interest rate of the Program Bonds in December 2009 and to execute a purchase contract with respect to the Program Bonds on December 9, 2009 (or such other date required by the NIBP), (v) to enter into any warehousing agreement necessary to effectuate the NIBP and the Program, and (vi) subject to the foregoing, to take any other action required to implement the NIBP and the Program.

2. That the form of Official Statement relating to the Program Bonds presented to the Board is hereby approved and the President or the Executive Vice President is hereby authorized (with the advice of Bond Counsel or Disclosure Counsel) to approve any and all changes required to be made to such document to conform it to the requirements of the NIBP and the Program.

PASSED, APPROVED AND EFFECTIVE this 13th day of November, 2009.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

MINUTES AND CERTIFICATION

THE STATE OF TEXAS §
 §
TEXAS STATE AFFORDABLE §
HOUSING CORPORATION §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of said corporation convened on the 13th day of November, 2009, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board and officers, to wit:

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>
Robert Elliott Jones	Chairperson
Jo Van Hovel	Vice Chairperson
Cynthia Leon	Director
William H. Dietz	Director
Jeran Akers	Director

OFFICERS

<u>Name</u>	<u>Office</u>
David Long	President (non-Board member)
Katherine Closmann	Executive Vice President (non-Board member)
Melinda Smith	Chief Financial Officer (non-Board member)
Laura Ross	Secretary (non-Board member)
Cynthia Gonzales	Assistant Secretary (non-Board member)

and all of said persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the "Resolution") bearing the following caption was introduced:

"RESOLUTION NO. 09-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION REGARDING THE SUBMISSION OF AN APPLICATION FOR 2010 ALLOCATION OF PRIVATE ACTIVITY BONDS, NOTICE OF INTENT TO ISSUE BONDS AND STATE BOND APPLICATION TO THE TEXAS BOND REVIEW BOARD RELATING TO THE CORPORATION'S SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM"

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

_ AYES

_ NOES

_ ABSTENTIONS

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this 13th day of November, 2009.

Secretary, Texas State Affordable Housing
Corporation

RESOLUTION NO. 09-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION REGARDING THE SUBMISSION OF AN
APPLICATION FOR 2010 ALLOCATION OF PRIVATE
ACTIVITY BONDS, NOTICE OF INTENT TO ISSUE BONDS
AND STATE BOND APPLICATION TO THE TEXAS BOND
REVIEW BOARD RELATING TO THE CORPORATION'S
SINGLE FAMILY MORTGAGE REVENUE BOND
PROGRAM

WHEREAS, the Board of Directors (the "Board") of the Texas State Affordable Housing Corporation (the "Corporation") desires to submit an Application for Allocation of Private Activity Bonds to the Texas Bond Review Board in connection with bonds to be issued by the Corporation relating to its single family mortgage revenue bond home loan programs, including its Carryforward Home Loan Program, as recently revised and approved by the Board (collectively, the "Program");

WHEREAS, the Board desires to make all other appropriate filings and requests to the Texas Bond Review Board to enable the Corporation to issue bonds relating to the Program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Texas State Affordable Housing Corporation:

1. That the President of the Corporation or any officer of the Corporation is hereby authorized and directed to execute and deliver a 2010 Application for Allocation of Private Activity Bonds to the Texas Bond Review Board with respect to the Program in a total amount not to exceed the maximum amount allocable to the Corporation under applicable state law, together with any documents, certificates or instruments related thereto.

2. That the President of the Corporation or any other officer of the Corporation is hereby authorized and directed to file with the Texas Bond Review Board one or more Notices of Intent to Issue Bonds and State Bond Applications in connection with the issuance of bonds relating to the Program (the "Bonds"), which Bonds may be issued in one or more series or subseries. Such officers are further authorized and directed to request that the application be approved by the Executive Director of the Texas Bond Review Board in accordance with Section 181.9(e) of the Rules of the Texas Bond Review Board.

3. That the President of the Corporation is hereby authorized and directed to take any and all other actions necessary or incidental to securing the private activity bond allocation and the approval of the Bonds from the Texas Bond Review Board and to proceed with the financing of the Program and the issuance of the Bonds.

PASSED, APPROVED AND EFFECTIVE this 13th day of November, 2009.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

TSAHC Replacement Reserve Guidelines

The guidelines below are intended to provide a framework for the administration of any replacement reserve accounts (“Replacement Reserve”) held by the Texas State Affordable Housing Corporation (“TSAHC”) in conjunction with loans provided by TSAHC. The Replacement Reserve for a multifamily housing development is intended to pay the cost of major repair and replacement of building systems and components over a considerable number of years.

These guidelines are intended to work in conjunction with any Replacement Reserve agreements in effect for any particular loan transaction, and if any conflict arises, the applicable agreement would govern. Replacement Reserve agreements are typically more general in nature and give considerable discretion to TSAHC to determine the proper use of the Replacement Reserve. TSAHC is putting forth these guidelines to create clear expectations for its loan customers as to how that discretion will be exercised.

Eligible Replacements

- Schedule A sets forth the eligible replacements, such as replacing a large number of appliances, reroofing buildings, residing buildings, replacing gutters, painting buildings, or resurfacing parking lots, just to name a few. Individual repairs will not be considered, but rather a Program for Replacement of a number of appliances or a major replacement, such as replacing the roof of a building, will be eligible.

Ineligible Repairs

- Routine maintenance and repairs should be anticipated and included in yearly operating budgets and will not be considered for withdrawal from Replacement Reserve.
- The repair and replacement of individual items on Schedule A, such as making repairs to a few dishwashers, replacing a few microwave ovens, or replacing parts on an air conditioning system, are considered routine maintenance items and are thus not eligible for withdrawals from Replacement Reserve.

Requests for Withdrawal

TSAHC will generally consider two types of requests for withdrawals from the Replacement Reserve—**Program for Replacement** and **Emergency**.

(1) Program for Replacement Withdrawals

- Withdrawal Requests for Programs for Replacement must be made in advance of the anticipated Replacement (please allow 30 days for TSAHC to review the request) and before contracts are signed contemplating the use of Replacement Reserve funds.
- Requests for pre-approval of funds from the Replacement Reserve should be as specific as possible, including a detailed description of the anticipated

replacement work, specific estimated costs, specific amounts of money for labor and materials, and the exact location for the intended replacement, including building number and unit number.

- Once approved and work completed, requests for reimbursement must be accompanied by paid invoices for all the approved, completed replacement work and must include the detailed work description, specific amounts of money for labor and materials, and the exact location of the replacement, including building number and unit number.

(2) Emergency Withdrawals

- Withdrawal requests from the Replacement Reserve should be submitted for pre-approval. However, in the case of an emergency, such as roof damage, water damage, and other instances that adversely affect the physical condition of the property or the health and safety of residents, major repair costs may be reimbursed from the Replacement Reserve without pre-approval.
- For emergency repairs, the request for withdrawal from the Replacement Reserve must include a description of the emergency event and its consequences and a copy of the paid invoice, which should be as specific as possible, including a detailed work description, specific amounts of money for labor and materials, and the exact location of the replacement, including building number and unit number.
- For emergency repairs, requests related to items more than one year old will not be considered.

Physical Needs Assessment

- The owner must have a physical needs assessment performed by an engineering firm on the property every ten years if not specified in the loan documents, or per the loan documents, at the expense of the owner. The owner may pay for the physical needs assessment out of the Replacement Reserve.

Form of Request

- All Requests should be submitted to the TSAHC Asset Oversight and Compliance Manager.
- The total cost of any request for funds from the Replacement Reserve must be at a minimum \$1,000.

Inspections

- At the discretion of TSAHC, an inspection may be performed before or after the release of funds. If during any inspection it is found that repairs are unnecessary, incomplete, inadequate, or excessive, the owner may be denied funds or may be responsible for reimbursing the Reserve.

Schedule A

Appliances:

Ranges
Refrigerators
Dishwashers
Washer and Dryers
Garbage Disposals
Exhaust Fans
Air Conditioners

Interior:

Carpet
Flooring (tile/vinyl)
Blinds
Cabinet Replacement

Exterior:

Doors
Windows
Roof Replacements
Gutter/Downspout Replacement
Full Exterior Paint
Irrigation Replacement
Siding Replacement

Balconies
Stair Wells

Plumbing Systems:

Toilets
Bathtubs
Sinks and Fixtures
Kitchen Sinks and Fixtures
Laundry Tubs and Fixtures
Water Heaters
Furnaces
Boilers

Miscellaneous:

Elevator Replacement/Repair
Seal Coating Asphalt
Resurfacing Asphalt
Concrete Work
Swimming Pool Repair
Office Computers
Health and Safety Items (Smoke Alarms,
Fire Alarms, Call Systems)



Development Finance Programs Report

November 13, 2009

Agenda Item:

Presentation, Discussion and Possible Approval of Scoring Criteria and Targeted Areas for the Allocation of Qualified Residential Rental Project Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2010.

Background:

Pursuant to §2306.565 of the Texas Government Code, the Corporation directs the Texas Bond Review Board on the issuance of the portion of the residential rental project bond funds set aside for the Corporation under §1372.0231(a) of the Texas Government Code. In accordance with the Corporation's governing statute, we are required to release annually a Request for Proposals (the "RFP") and updated 501(c)(3) bond policies that comply with both state and federal requirements.

The Corporation's Board of Directors, pursuant to §2306.565(b-e) of the Texas Government Code, is also required to adopt targeted areas for the allocation of bonds, review relevant needs assessment information, adopt criteria regarding the solicitation of proposals, and set criteria for scoring and ranking of applications. The attached RFP and 501(c)(3) policies fulfill these statutory requirements.

After reviewing several needs assessment sources, including the State Low-Income Housing Plan, market research published by the Real Estate Center at Texas A&M University, and publishing the attached draft amended RFP and 501(C)(3) bond policies for public comment, staff is now prepared to ask the Board's approval of the final policies. Staff received no public comment after posting the draft policies to the Corporation's website and publishing a notice in the *Texas Register*.

Staff Recommendation:

Staff recommends that the Board approve the scoring criteria and targeted areas for the allocation of qualified residential rental project bond funds under the 2010 multifamily housing private activity bond program RFP and the 2010 501(c)(3) bond program policies.

Texas State Affordable Housing Corporation

Draft 2010 ~~2009~~ Multifamily 501(c)(3) Bond Policies

1. Introduction.

- a. The Texas State Affordable Housing Corporation (the “Corporation”) is a state sponsored nonprofit corporation that serves the housing needs of low, very low and extremely low-income Texans and other underserved populations who do not have comparable housing options through conventional financial channels. The Corporation has produced these policies in order to codify its administration of the Multifamily 501(c)(3) Bond Program, pursuant to §§2306.554 and 2306.564 of the Texas Government Code.
- b. The Corporation shall accept applications from qualified nonprofit 501(c)(3) organizations (the “Developer”) to acquire and rehabilitate, or construct a new affordable multifamily rental development (“Development”). Properties currently owned by a Developer may apply to utilize 501(c)(3) bonds for the purpose of refinancing existing debt for affordable housing units already covered by a land use restriction agreement (a “LURA”), or a Regulatory Agreement, as applicable, if, in the sole determination of the Corporation, the proposed refinancing will either (1) significantly extend the affordability of a Development, or (2) will assist in preserving the affordability of a Development that may be infeasible as currently financed.
- c. This Policy has been adopted by the Corporation’s Board of Directors based on a review of the State’s housing needs and shall be reviewed annually pursuant to §2306.564 of the Texas Government Code. This Policy defines the methodology that staff shall use to review applications and creates the criteria for scoring and ranking applications, if applicable.
- d. Contact Information. All questions about the Policy and Application Process can be directed in writing to:

Manager of ~~Multifamily Finance~~ Development Finance
Texas State Affordable Housing Corporation
2200 E. Martin Luther King Jr. Blvd.
Austin, Texas 78702
Tel. 512-477-~~3555~~ 3562
Fax 512-477-3557
Email: ddanenfelzer@tsahc.org

2. **Targeted Housing Needs.** The Corporation may consider any eligible Development for funding under the 501(c)(3) bond program, however the Corporation targets the use of this financing to the following specific types of Development (“Targeted Housing Needs”) within the State of Texas.

- a. *Preservation and Rehabilitation of Affordable Housing.* The preservation and rehabilitation of existing affordable rental housing developments shall be defined as existing affordable housing in need of significant structural repairs and mechanical systems updates. The housing must currently have a LURA, or Regulatory Agreement placed on it by a public body and recorded in the appropriate real estate records along with the deed of trust. The rehabilitation of housing units must involve at least \$15,000 per unit of rehabilitation, but not more than \$5,000 per unit in site work costs may be included in the calculation. Developments shall include temporary tenant relocation expenses, but may not cause the permanent relocation of existing low-income tenants.

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- b. *Rural Housing.* A rental housing development located within an area that is: (a) outside the boundaries of a primary metropolitan statistical area (PMSA) or metropolitan statistical area (MSA); or (b) within the boundaries of a PMSA or MSA, if the area has a population of 20,000 or less and does not share a boundary with an urban area.
 - c. *Supportive Housing Development.* Supportive housing is a combination of affordable housing with services that help people live more stable, productive lives. Supportive housing should be designed for people who face serious challenges, such as homelessness, very low incomes, and serious persistent issues that may include substance abuse, mental illness, and HIV/AIDS. The Corporation requires at least 10 percent of the Development's total units are set aside for supportive housing tenants, and those tenants receive intensive supportive housing services. Supportive housing units must come online immediately and be reserved during the entire affordability period.
 - d. *Assisted Living.* Assisted Living facilities may be financed under the 501(c)(3) bond program in accordance with limitations set by the Internal Revenue Service on such developments. The Corporation defines Assisted Living as:
 - i. Affordable rental housing combined with minimal medical or supportive services;
 - ii. Housing targeted to persons with disabilities, but with at least 60% of units open to any qualified renter; and
 - iii. With at least 10% of the units affordable to persons earning less than 30% of the area median income.
3. **Application Submission.** The Corporation shall publish an application package to its website. Developers should download and complete the application pursuant to the guidelines for completion as included in the application instructions. The Corporation requires an application submission fee of \$2,500.
4. **Application Review.**
- a. The Corporation shall accept applications on an ongoing basis. Applications must be submitted at least 35 days prior to the Corporation's Board meeting at which it may be considered for an Inducement Resolution. The Corporation shall bring before the Board only those applications received in a timely manner that have completed the review process.
 - b. The Corporation may delay the presentation of an application to the Board if there are errors, omissions or insufficient documentation that the Corporation deems necessary to complete its review. If an application fails to fulfill the minimum threshold criteria for the 501(c)(3) Bond Program the application may be terminated by the Corporation.
5. **Threshold Criteria.** All applications submitted to the Corporation shall be required to meet the following minimum Threshold Criteria ("Threshold Criteria") in order to be considered for an ~~award~~ allocation of bonds by the Corporation. Applications not meeting the criteria listed below shall be subject to termination by the Corporation.
- a. *Affordability Threshold.*
 - i. The Corporation seeks to provide housing to a mix of eligible households, including low, very-low and extremely-low income persons. Developers who are successful at

Texas State Affordable Housing Corporation

Draft 2010 ~~2009~~ Multifamily 501(c)(3) Bond Policies

receiving an allocation of 501(c)3 bonds shall agree to the following minimum terms and conditions through a Regulatory Agreement. At a minimum, all Developments will be required to meet the following income and rent restrictions:

- A. A minimum of twenty percent (20%) of the units must have gross rents that are restricted to households with incomes no greater than fifty percent (50%) of the Area Median Income (“AMI”), adjusted for family size, **or** at least forty percent (40%) of the units must be affordable to households with incomes at or below sixty percent (60%) of the AMI, adjusted for family size; and
 - B. At least seventy-five (75%) of the units must be rents to households earning 80% of below the AMI, adjusted for family size, and in accordance with Section 145 of the Internal Revenue Service Code.
 - C. Rent Restrictions. Gross monthly rent charged on an income restricted unit will not exceed 30% of the applicable AMI.
- ii. The length of Affordability Requirements shall be maintained for a period of at least 15 years, or for the term of the bonds, which ever is longer.
- b. *Experience Threshold.* All Developers must be able to demonstrate sufficient experience in the development, ownership and/or management of affordable housing developments in order to be considered for an allocation. Developers shall submit evidence that they have been involved in the development or ownership of the greater of 75 units or 50% of the total proposed Development units.
 - c. *Construction Threshold.* Developments must adhere to all construction, energy efficiency, accessibility and site development standards set by and approved under the most current Housing Tax Credit Qualified Allocation Plan (“QAP”) as approved and signed by the Governor of Texas. The Corporation’s Board reserves the right to set standards more stringent than the QAP, and Developers are encouraged to review both this Policy and the QAP for any differences.
 - d. *Compliance Threshold.* All Developments must adhere to the Corporation’s Compliance Policies, which can be viewed on our website at: www.tsahc.org. Developers and their affiliates shall also be reviewed for compliance history with the Corporation’s and any other state or federal affordable housing programs. The Corporation shall require the submission of compliance information and references in order to research a Developer’s compliance history. Developers may be disqualified if there is any evidence of continuing noncompliance at the Developer’s other Developments.
 - e. *Public Benefit Threshold.* Pursuant to §2306.563 of the Texas Government Code and this Policy, the Corporation requires that all nonprofit organizations that receive an issuance of qualified 501(c)(3) bonds must invest at least one dollar in projects and services that benefit income-eligible persons for each dollar of property taxes that is not imposed on the Development as a result of a property tax exemption received under §§11.182 and 11.1825, of the Texas Tax Code. Projects and services must benefit income-eligible persons in the county in which the Development supported with the tax exemption is located and must consist of: (1) rent reduction; (2) capital improvement projects; or (3) social, educational, or

Texas State Affordable Housing Corporation

Draft 2010 ~~2009~~ Multifamily 501(c)(3) Bond Policies

economic development services, referred to hereafter as qualified public benefits (“QPB”). The Corporation has determined that the following guidelines are reasonable for the calculation and accounting of QPB:

- i. The Corporation shall require that the value of any property tax exemption be included in the operating budget of the Development and escrowed with the Trustee in an account (the “QPB Account”) prior to the repayment of any debt, management fees, performance fee, or any other fees that the Corporation determines relevant. The QPB account may be funded in advance with funds withdrawn for repayment of QPB, or may be included on the operating ledger as an account payable with QPB expenditures credited against the balance. On or before January 1st of each calendar year starting after the closing of the bonds, the Developer shall provide to the Corporation an estimate of the value of property tax exemption for that calendar year based on the appraised value provided to the Development by the county tax appraiser where the Development is located. The balance of funds to be escrowed, or credited in the QPB Account may be reduced each month in an amount equal to the value of QPB expended by the Development each month. In the event that QPB Account has a balance of funds existing, or owed as an account payable, if applicable, at the end of the calendar year the Developer or its guarantors shall advance the balance to the appropriate taxing entities on a pro rata basis. The QPB Account imposed by this section shall be reduced by an amount equal to each dollar that, in lieu of taxes, a Developer pays to a taxing unit for which the Development receives an exemption prior to the end of the calendar year.
- ii. The Corporation has determined that the value of QPBs shall be calculated in the following manner:
 - A. The value of rent reductions shall be calculated using the difference between the most recent fair market rent (the “FMR”) published by the U.S. Department of Housing and Urban Development, (the “HUD”) and the actual rent collected in each lease agreement. Rent reductions must be accounted for on a monthly basis, documented in each individual lease agreement that receives the benefit, and a notice given to each resident of the annual value of their rent reduction. Units that receive rental assistance payments of any kind are excluded from rent reduction calculations.
 - B. The value of capital improvements shall be determined on a case-by-case basis for each Development and be specific to each Development or property within a pooled transaction. Capital improvement costs shall not include regular maintenance, general repairs, or make ready costs associated with the daily operations of the Development, or any rehabilitation completed by the Developer with the use of bond proceeds, deferred developer fees, grants, or other “equity-type” sources provided to the Development. The Development may include the cost of approved capital improvements paid for with proceeds from taxable debt, and may amortize the cost of those capital improvements over a five (5) year period. The repayment of taxable debt for capital improvements pursuant to this section B that actually reduces the equivalent amount of such taxable debt payable

Texas State Affordable Housing Corporation

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shall be paid out of escrowed funds or credited against the QPB Account. Capital improvements may not account for more than 75% of the total annual QBP requirement.

- C. The value of social, educational, or economic development services shall be determined based on the actual dollar amount expended by the Development towards such services at the time such services are provide to residents. The Development may only include the cost of services approved by the Corporation and shall not include the value or cost of services provided to residents free of cost by third party entities.
- iii. The Corporation shall require each Developer to certify that the Public Benefit Threshold has been met in accordance with this policy, and any future revisions of this policy, in their annual audit, to be filed with the Corporation within 120 days of the beginning of each fiscal year of the Development.
- f. *Resident Services Threshold.* The Corporation strives to maintain one of the nation's best resident services programs in properties that are financed by the Corporation. To obtain this goal and better serve low-income tenants, Developers shall be required to maintain a sustained resident services program that provides at least five (5) approved services to tenants on a quarterly basis. Developers must ensure a dedicated budget for services, free transportation to services if off-site, and preferably on-site staff to direct services. The five (5) services must be listed in the Corporation's Resident Services Program Guidelines, as approved by the Corporation.
- g. *Energy Efficiency Threshold.* All Developments must adhere to the standard statewide energy code adopted by the State Energy Conservation Office ("SECO"), unless otherwise exempted by approval of the Corporation's Board. Developments including either new construction or rehabilitation shall meet these standards. Developers may obtain additional information regarding these standards directly from SECO's website: <http://www.seco.cpa.state.tx.us/>. This threshold must be certified to by the Development architect, consulting engineer, or other third party energy efficiency consultant, prior to closing and based upon a review of the construction specifications or scope of work provided by the Development's general contractor. Additional incentives for Green Building methods and energy efficiency are included as scoring items.
- h. *Environmental Review Threshold.* Prior to the sale of the obligations, the Developer will be required to conduct a Phase I Environmental Site Assessment. At bond closing, the Developer will be required to provide an environmental indemnity in the form to be provided by counsel to the Corporation.
- i. *Relocation Threshold.* All Developments involving the rehabilitation, reconstruction or demolition of existing housing must adhere to the relocation requirements of the ~~2009~~2010 QAP. Developers are encouraged to review these requirements, especially as they may relate to a change in use for commercial or agricultural properties.
- j. *Accessibility Threshold.* All Developments shall be designed, built and rehabilitated in a manner that is consistent with the accessibility requirements of the Federal Fair Housing Accessibility Standards, and §2306.514 of the Texas Government Code. Developers are encouraged to review these guidelines with their architect and/or construction team prior to

Texas State Affordable Housing Corporation

PO Box 12637, Austin, Texas 78711

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application submission. Developments involving rehabilitation or reconstruction must include the specifications and cost of updating accessibility features in their development cost summary.

- k. *Unit Amenities Threshold.* All housing Developments must adhere to the standard unit and Development amenity requirements of the ~~2009~~2010 QAP.
- l. *Community Support Threshold.* Developers are encouraged to collect community input on their Development proposals. Any letter of support or opposition shall be provided to the Corporation as they are received. Developers shall submit with their application two (2) of the following documents in order to demonstrate community support for each proposed Development:
 - i. A letter of Support from one or more of the following: Mayor; City Manager; City Administrator; School District Superintendent ; or County Judge, from where the development is located;
 - ii. A resolution of support from the City Council, Local School Board or County Commissioner's Court;
 - iii. A letter of support from an affected neighborhood association;
 - iv. Evidence that a local government (city or county) entity is providing funding for the development; and/or
 - v. A letter of support from the State Representative or Senator representing the district in which the proposed Development is located.
- m. *Underwriting Threshold.* The Corporation shall require third party reports, including, but not limited to, Property Condition Assessments, Environmental Reports, Market Analysis and Appraisals, as necessary to complete its underwriting review. The Corporation shall determine the financial feasibility of Developments using financial ratios and analysis techniques acceptable to the Corporation including the following minimum requirements:
 - i. All Developments must maintain a minimum Debt Coverage Ratio ("DCR") of 1.20. HOPE VI and USDA Rural Development transactions may underwrite to a DCR less than 1.15 based upon documentation provided by HUD or USDA;
 - ii. The Corporation generally requires an amortization period of not more than 40 years. The Corporation may consider longer amortization schedules for Supportive Housing and extremely low-income housing Developments;
 - iii. The Corporation shall include a reserve of replacement expense of not less than \$300 per unit. The Corporation may require a higher reserve amount based on information provided in the Property Condition Assessment (the "PCA");
 - iv. Compliance fees shall be included in the estimate of operating expenses and shall include, at a minimum, the Corporation's Asset Oversight Agent Fee and Compliance Fee, as well as any fees required by other financial sources; and

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- v. The Development's financial structure must include equity investments, grants, or other forms of financial equity that are equivalent to at least 15% of the total Development costs or value, as calculated by the Corporation.
- n. *Property Tax Exemption.* Developers shall certify that they will, or will not, apply for a property tax exemption or payment in lieu of taxes agreement ("PILOT") to reduce the property taxes due to local taxing entities. If a Developer agrees not to apply for a tax exemption or PILOT agreement, the Corporation shall require a restriction be added to the bond documents that prohibits any future application for exemption. If a Developer states that they will or may apply for a tax exemption or PILOT agreement, the Corporation shall require a notification to the local tax appraisal district, school district superintendent and the County Judge where the Development is located that such an exemption or agreement will be requested. Developers will also be required to submit confirmation of any exemptions or final agreements to the Corporation. In addition, all of the QPB requirements must be met.
- 6. **Scoring.** The Corporation's Board has adopted the following criteria to score applications to the 501(c)(3) bond program. The Corporation's scoring system is not intended to rank applicants for competitive purposes, rather it is intended to advance certain Development standards and policy initiatives. Developers may choose any combination of scoring items in order to achieve a score of at least 45 points. Forty-Five (45) points is the minimum score required in order to be considered for an inducement.
 - a. *Proposed Rents.* Applications may receive up to 15 points for proposing Developments that ensure a percentage of rents are affordable to very-low and extremely low-income households. Developments will be required to reserve units for the selected income groups regardless of the availability of rental assistance.
 - i. 15 points – at least 10% of units will be reserved for families who earn 30% or less than the area median income; or
 - ii. 10 points – at least 40% of units will be reserved for families who earn 50% or less than the area median income.
 - b. *Income Range for Residents.* The Corporation is interested in promoting mixed income housing as a means to improve the lives of residents and build stronger communities. Applications that propose to ensure the following mixed income guidelines shall receive 15 points:
 - i. Not more than 80% of the housing units will be reserved for persons earning 60% or less than the area median income; and
 - ii. At least ~~40~~15% of the housing units will be reserved for persons earning more than 80% of the area median income.
 - c. *High Income Areas.* Applications shall receive 10 points for proposing Developments located in a census tract that has a median income at least 110% of the County's median income.
 - d. *Small and Mid-sized Cities.* Applications shall receive 10 points for developments located in communities with populations less than 100,000, but not located adjacent to a PMSA or MSA with a total population of more than ~~250~~500,000.
 - e. *At-Risk Preservation.* Applications shall receive 10 points for the acquisition and rehabilitation of Developments at-risk of losing affordable housing rental contracts or land use

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- restrictions. Developments must demonstrate that the current LURA or Regulatory Agreement is within ~~2~~3 years of expiration.
- f. *Supportive Housing.* Applications shall receive 10 points for reserving at least 15% of their units for Supportive Housing, as defined by this Policy.
 - g. *Green Building Features.* Applications will receive 10 points for obtaining a certification from a qualified third party that the Development meets the minimum certification requirement of the U.S. Green Building Council's LEED ("LEED") program. Applications will receive an additional 5 points (maximum of 15 points for this criterion) for meeting the Gold or Platinum certification standards for the LEED program. Certification may be based on the proposed construction plans, and the Development shall obtain an official certification after completion of construction or rehabilitation.
 - h. *Accessible Housing Features.* Applications will receive 10 points for certifying that the Development will meet the following housing accessibility standards. Rehabilitation Developments are not exempt from meeting these requirements, if the scoring item is selected:
 - i. All housing units accessible through a ground floor entrance shall have at least one no-step entry with a 36" entrance door;
 - ii. All housing and community spaces will be accessible via pathways (sidewalks, ramps, etc...) that meet ADA and Fair Housing accessibility standards;
 - iii. All door ways in ground floor units (including closets, bathrooms, storage areas, etc...) shall have doors with at least a 32 inch clear opening;
 - iv. All doors shall have lever handles, and windows shall have accessible release and opening mechanisms;
 - v. All ground floor units shall have at least one ground floor bathroom with an accessible bath tub or roll in shower, and at least one ground floor bedroom;
 - vi. All electrical outlets, switches and control panels shall be no higher than 48 inches and no lower than 15 inches; and
 - vii. All ground floor units shall have kitchens that are accessible pursuant to the Fair Housing Accessibility Guidelines.
 - i. *Local Public Funding.* Applications shall receive 10 points for providing evidence that a commitment of financial support, equal to at least \$100 per unit, has been committed by a unit of government to the proposed Development. The only qualifying units of government shall be counties, cities, municipal utility districts, and councils of government. The Corporation considers fee waivers, grants and loans as financial support.
 - j. *Resident Services.* Applications shall receive 10 points for agreeing to provide at least five (5) approved resident services to tenants on a monthly basis. This scoring criterion is a higher standard than the Corporation's threshold criteria for resident services.

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- k. *Developer Experience.* Applications shall receive 5 points for providing evidence that the Developer currently owns, and maintains in compliance, a number of multifamily housing units at least twice the amount proposed in the Application.
7. **Subsequent Filing Requirements.** Prior to final approval of the Bonds by the Corporation's Board or the Texas Bond Review Board, Developers may be required to file such additional documents or statements in support of their Development, as considered relevant and appropriate by the Corporation, which may include, but are not limited to;
- a. Such additional information as requested by the Corporation's Financial Advisor, Bond Counsel, or Issuer's Counsel;
 - b. A draft of any official statement, prospectus, or other offering memoranda through the use of which the proposed obligations are to be offered, sold or placed with a lender, purchaser, or investor, which offering, sale or placement materials shall contain prominent disclosure substantially to the effect that;
 - i. Neither the Corporation nor the State has undertaken to review or has assumed any responsibility for the matters contained therein except solely as to matters relating to the Corporation and to a description of the obligations being offered thereby;
 - ii. All findings and determinations by the Corporation and the State, respectively, are and have been made by each for its own internal uses and purposes in performing its duties under the legislation enabling the Corporation and this Policy;
 - iii. Notwithstanding its approval of the obligations and the Development, neither the State, nor the Corporation endorses or in any manner, directly or indirectly, guarantees or promises to pay such obligations from any source of funds of either or guarantees, warrants, or endorses the creditworthiness or credit standing of the Developer or of any Guarantor of such obligations, or in any manner guarantees, warrants, or endorses the investment quality or value of such obligations; and
 - iv. Such obligations are payable solely from funds and secured solely by property furnished and to be furnished and provided by the Developer and any Guarantor and are not in any manner payable wholly or partially from any funds or properties otherwise belonging to the Corporation or the State.
8. **Public Hearings and Meetings.**
- a. The Corporation's Board, at its own discretion, may call any Developer to a scheduled meeting to review the Developer's experience, qualifications, and/or the characteristics of a Development.
 - b. The Corporation requires Developers to attend a public hearing in each of the communities where a Development is proposed. If the Development includes multiple sites in several cities, the Corporation may require an additional hearing to be conducted at a central location to all development sites. All public hearings shall be held prior to the final approval of the Bond Resolution by the Corporation's Board.
 - c. With respect to public hearings required by the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), the Corporation shall plan and publish notice, at the expense of the Developer, of the hearing in the *Texas Register* and the local newspapers of general circulation

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in the participating jurisdictions at least fifteen (15) days prior to the planned TEFRA hearing. The *Texas Register* is published only on Fridays and such notice must be provided in advance pursuant to the requirements of the *Texas Register* guidelines. The Corporation will schedule an appropriate date, time and location for TEFRA hearings based on the schedule of publication.

- d. The TEFRA Hearing may not be held (and notice of such Hearing may not be published) prior to the date the Corporation approves the Inducement Resolution; provided, however, that such hearings may be scheduled and publication of the hearing notice may be prepared prior to selection as long as (a) the Corporation's staff determines that such action is appropriate, (b) the hearing and publication of notice do not actually occur until after selection by the Corporation and (c) the Borrower provides the deposit to the Corporation set forth herein.
- e. The Corporation also provides notice of TEFRA hearing(s) to certain members of the Texas Legislature, local public libraries, homeowners' associations or other recognized neighborhood organizations or groups, and other interested parties designated by the Corporation. The Corporation will publish on its website a hearing information form (the "Hearing Information Form"), which must be completed at least seven (7) days prior to the date notice must be provided to the *Texas Register*. The Corporation will not publish notice of a public hearing until it has received the Hearing Information Form, which shall include the following information from the Developer:
 - i. The names and addresses of any affected homeowners' associations; and
 - ii. The names of the state legislators, city council members, Mayor, County commissioners, County Judge, School District Superintendent and School Board President, in whose district or precinct (as applicable) the Development(s) are located. Failure to timely provide this information to the Corporation may result in a delay in public notice and accordingly, a delay in the closing of the financing for the Development.

9. Awards.

- a. The Corporation's Board may select Developers for an inducement of 501(c)(3) bonds based on the results of threshold and scoring criteria review from an application and oral presentations. The Corporation reserves the right not to approve any inducement of 501(c)(3) bonds to any Developer(s), even one that fulfills the Corporation's threshold and scoring criteria.
- b. The Corporation reserves the right in its sole discretion to modify, suspend or amend this program at any time, with or without further notice to any interested party. All costs incurred in the response or application process are the sole responsibility of the Developer. All decisions of the Corporation are subject to such additional conditions, restrictions and requirements as determined by the Corporation in its sole discretion. In addition, the Corporation's selection of proposed Developments for possible allocation of 501(c)(3) bonds is subject to final allocation approval by the Texas Bond Review Board.

10. Bond Review Board Approval.

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- a. Obligations issued by the Corporation are subject to approval by the Texas Bond Review Board (the "TBRB"). TBRB rules provide an optional exemption from the formal approval process for Texas State Affordable Housing Corporation multifamily conduit transactions unless such transactions involve an ad valorem tax reduction or exemption. If no ad valorem tax exemption or reduction is requested with respect to the Development, the formal TBRB approval process may not be required. However, if one or more TBRB members request it, the formal TBRB approval process must be followed. If so, representatives of the Developer are expected to attend any TBRB planning session and any TBRB meeting at which the Development will be considered for approval. Additional information may be requested by TBRB members and the Developer's cooperation in providing this information is required.
 - b. If the formal TBRB approval process is required, the Corporation, with the assistance of its Bond Counsel, will prepare and file the notice of intent and the TBRB Application for the Development. The Corporation will file the notice of intent and the TBRB Application with the TBRB only if it has timely received all required information and documentation for the completion of the TBRB Application from the Developer.
11. **Fees.** Developers shall be responsible for fees and expenses incurred as a result of bonds issued on their behalf (the "Cost of Issuance"). Up to two percent (2%) of the Cost of Issuance may be financed through bond proceeds and will be considered part of the obligations authorized for issuance by the Corporation, where eligible under the Code. Developers shall commit to pay from other sources any Costs of Issuance not payable from tax-exempt bond proceeds. The following fees are payable at the times and in the amounts as described below. ALL FEES ARE NONREFUNDABLE, EXCEPT AS OTHERWISE PROVIDED HEREIN.
- a. *Application Fee.* Developers shall submit a nonrefundable fee of \$2,500, made payable to the Corporation, upon submission of the Application.
 - b. *Inducement Fee.* Developers shall pay a deposit of \$7,500, and an additional \$1,000 for each property for Developments involving more than one (1) site, to cover expenses related to public hearings and application to the Texas Bond Review Board, within ten (10) business days of the date the Inducement Resolution is approved by the Corporation's Board. Additional reimbursements for expenses related to public hearings and application may be requested by the Corporation.
 - c. *Professional Fee Deposit.* After inducement and prior to the submission of the application for 501(c)(3) bonds to the Texas Bond Review Board, Developers shall make a deposit with the Corporation which shall be credited against fees and expenses incurred by Bond Counsel, the Financial Advisor and Issuer's Counsel in connection with the proposed financing. Such deposit shall be ~~\$27,500~~\$30,000, which represents a ~~\$12,500~~\$15,000 deposit for Bond Counsel fees, a ~~\$10,000~~\$7,500 deposit for Financial Advisor's fees, and a ~~\$5,000~~\$7,500 deposit for Issuer's Counsel fees. All fees and expenses incurred by Bond Counsel, the Financial Advisor and Issuer's Counsel in connection with the Developer's transaction shall be deducted from such deposit whether or not the obligations are issued. If the accrued fees and expenses of Bond Counsel, the Financial Advisor and/or Issuer's Counsel exceed the amount of such initial deposit, the Corporation may require the Developer to submit an additional deposit payment.

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- d. *Corporation Expenses.* Developers shall reimburse the Corporation for all costs and expenditures incurred by the Corporation, prior to and after the selection of the Development by the Board, to analyze the appropriateness and willingness of the Corporation to provide bond financing for the Developer's transaction, including, but not limited to, the reimbursement of costs and expenditures for (i) on-site visitation of multifamily residential developments to be financed (or the site[s] therefor), (ii) any reports deemed necessary or appropriate by the Corporation and not otherwise provided by the Developer, (iii) all costs and expenses (including travel and related expenses) of conducting public hearings and related meetings ~~[(described herein)]~~ and (iv) such other activities, inspections and investigations as are deemed necessary or appropriate by the Corporation in connection with its determination of the suitability of the Proposed Development for financing assistance to be offered by the Corporation. The Corporation will invoice the Developer for such costs and expenditures, and the Developer shall pay such invoices within ten (10) days of receipt. Failure to make prompt payment of such invoices may result in a termination of the participation of the Corporation and its consultants in the financing.
- e. *Financial Advisor Fees.* The fee to be paid to the Corporation's Financial Advisor, acting in a standard Financial Advisor role, shall be 1) for the first \$15,000,000 of bond principal, the fee shall be \$10,000 plus \$2.00/\$1,000 of the principal amount of debt issued with a minimum fee of \$20,000 (unless otherwise agreed to by the Corporation's Financial Advisor) and 2) for amounts above \$15,000,000 the fee shall be reduced to \$1.00/1000 for that amount over \$15,000,000. In addition, the Corporation's Financial Adviser shall also serve as the bidding agent for an additional fee with respect to all investment contracts to be entered into in connection with the investment of bond proceeds and revenues of the Developments. If the financing structure proposed by the Developer requires non-standard services to be performed by Financial Advisor or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by the Financial Advisor shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Bond Application to the Bond Review Board.
- f. *Bond Counsel Fees.* The fee to be paid to Bond Counsel, acting in a standard Bond Counsel role, shall be \$4/\$1,000 of the principal amount of debt issued for the first \$20,000,000 of the principal amount of debt issued, \$3/\$1,000 of the principal amount of debt issued for the next \$20,000,000 of the principal amount of debt issued, and \$2/\$1,000 of the principal amount of debt issued thereafter, with a minimum fee of \$30,000 (unless otherwise agreed to by Bond Counsel). If the financing structure proposed by the Developer requires non-standard services to be performed by Bond Counsel or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by Bond Counsel shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Bond Application to the Bond Review Board. In addition to the fees paid to Bond Counsel, the Developer will reimburse Bond Counsel for all out-of-pocket expenses incurred by Bond Counsel in connection with the Development. Such expenses include TEFRA notice publication, public hearing notices,

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Attorney General filing fees, and the preparation and filing of the TBRB Applications and supplements thereto.

- g. *Issuer's Counsel Fees.* The fee to be paid to Issuer's Counsel, acting in a standard Issuer's Counsel role, shall be \$1.00/\$1,000 of the principal amount of debt issued for the first \$10,000,000, \$0.80/\$1,000 of the principal amount of debt issued for the next \$10,000,000, and \$0.70/\$1,000 of the principal amount of debt issued thereafter, with a minimum fee of \$7,500 (unless otherwise agreed to by Issuer's Counsel.) In addition to the fees paid to Issuer's Counsel, the Developer will reimburse Issuer's Counsel for all out-of-pocket expenses incurred by Issuer's Counsel in connection with the Development. If the financing structure proposed by the Developer requires non-standard services to be performed by Issuer's Counsel or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by Issuer's Counsel shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Bond Application to the Bond Review Board.
- h. *Closing Fees.* Concurrently with the closing of the financing, the Developer shall pay or cause to be paid all fees and expenses in connection with the issuance of the obligations including, Bond Counsel Fees, Financial Advisor Fees, Issuer's Counsel Fees, and the actual amount of any closing or acceptance fees of any trustee for the obligations, any fees and premiums for casualty and title insurance, any security filing costs, any fees for placing the obligations, any fees and expenses of any compliance agent appointed in connection with the review of any property, any out-of-pocket expenses incurred by professionals acting on behalf of the Corporation, and any other costs and expenses, including issuance expenses, relating to the obligations, their security, and the Development. Developers shall pay or cause to be paid a closing fee to the Texas Bond Review Board the greater of \$1,000 or 0.025% of the principal amount of the bonds certified as provided by §1372.039(a)(1), Government Code. Additionally, the Corporation shall receive a Closing Fee of \$0.50 per \$1,000 principal amount of obligations issued, with a minimum closing fee of \$5,000.
- i. *Administrative Fee.* Until the final maturity of the obligations, the Developer will pay an Administrative Fee, remitted through the respective bond trustee to the Corporation on such basis as designated by the Corporation, in an amount equal to ten (10) basis points annually of the aggregate principal amount of the obligations outstanding, with a minimum annual fee of \$5,000. The first annual payment of the Administrative Fee shall be paid at closing. The Administrative Fee is exclusive of the trustee's fee, compliance agent fee, rebate analysts' fee, asset-oversight management fee, audit fee, independent analyst fee, and any other costs or extraordinary costs as permitted under the respective bond documents. Payment of the Administrative Fee is to be covered by the bond credit enhancement and/or secured under the first mortgage on the property assigned to the bond trustee. The Corporation may require the payment of the Administrative Fee to be guaranteed by the Development owner and/or general partner(s).
- j. *Trustee's Fees.* The Developer shall select a bond trustee from a list of bond trustees approved by the Corporation to administer the funds and accounts pursuant to the trust indenture between the Corporation and the trustee bank. All trustee fees and expenses, including fees

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of trustee's counsel, shall be approved by the Corporation, and will be paid by the Developer.

- k. *Auditor's Fees.* The Corporation may at any time over the life of the Development appoint an auditor to review the financial transactions under the bond documents, the compliance agent, and a rebate analyst to perform an analysis of rebate requirements with respect to the issue. Such fees and costs shall be paid by the Developer.
 - l. *Continuing Costs.* Developers shall pay to the Corporation, in the manner described in the Development documents, the following amounts:
 - i. An annual asset oversight and compliance fee of \$45 per unit for the Development, plus \$750 for each property with less than 100 units in a pooled transaction (as such fee may be adjusted in accordance with the Asset Oversight and Compliance Agreement). The Corporation may require the owner of the Development and/or related entities or person to guaranty the payment of these fees;
 - ii. Any amounts payable pursuant to any indemnity contract or agreement executed in connection with any financing by the Corporation completed as herein contemplated, and
 - iii. The amount allocable to each Developer (whose financing has been completed) of costs and expenses incurred by the Corporation in the administration of the indemnity contract or agreement, any program established in connection with the financing of a Development, and any obligations of the Corporation, including an annual accounting and/or audit of the financial records and affairs of the Corporation. The amount of costs or expenses paid or incurred by the Corporation under this clause shall be divided and allocated equally among all Developers whose financings have been completed.
 - m. *Changes in Fees.* The Corporation reserves the right at any time to change, increase or reduce the fees payable under this Policy. All fees imposed subsequent to closing by the Corporation under this Policy will be imposed in such amounts as will provide funds, as nearly as may be practical, equal to that amount necessary to pay the administrative costs of conducting the business and affairs of the Corporation, plus reasonable reserves therefore.
 - n. *Failure to Timely Pay Fees and Costs.* The Corporation will not consider submissions for future transactions proposed by Developers who are delinquent in the payment of any fees described herein.
12. **Document Preparation.** Bond Counsel shall have the primary responsibility for the preparation of the legal instruments and documents to be utilized in connection with the financing of the Development by the Corporation. No bonds or other obligations will be sold or delivered unless the legality and validity thereof have been approved by Bond Counsel. The Developer, Bond Purchaser and their respective legal counsels shall cooperate fully with Bond Counsel, the Financial Advisor, the Issuer's Counsel and the Corporation's agents in the preparation of such materials.
13. **Material Changes to Financing Structure.** Any and all material proposed changes to the financing structure, ownership of the Development, or scope or materials of or for the proposed

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Development, from that set forth in the application must be disclosed to the Corporation immediately in writing and approved by the Corporation.

14. **Time Limits.** In the event that the Development does not close within the time frame established by the Corporation, the Corporation reserves the right to terminate its participation in the financing.
15. **Final Approval by the Corporation.** The Corporation's Board shall consider final action on the Bonds after the completion of the public hearings and upon recommendation by the Corporation's staff. If approved, the Board shall adopt a resolution, in such form as is recommended by Bond Counsel, authorizing the issuance of obligations to provide financing for the Development. Final approval will be granted only upon:
 - a. Receipt by the Board of evidence satisfactory to it that the Developer has complied in all material respects with this Policy not otherwise waived by the Board; and
 - b. An affirmative determination of the Board that:
 - i. All requirements for and prerequisites to final approval under this Policy have either been satisfied or waived and are in form and substance satisfactory to the Board; and
 - ii. The operation of the Development(s) will constitute a lawful activity, is qualified for approval by the State, complies with and promotes the purposes of the Corporation and satisfies the requirements of the Corporation.
16. **Closing of the Transaction.** Following the public hearing(s) and final approval by the Corporation and the TBRB, if necessary, the Corporation will proceed to close the financing in accordance with the documents approved by the Corporation and when finally approved by the Texas Attorney General and Bond Counsel in accordance with the terms of the sale or placement.
 - a. *Structure of Bond Sale.* Developers shall be responsible for determining the structures of the sale of bonds, but are encouraged to contact the Corporation's Financial Advisor for information regarding Bond transactions in Texas. Developers are required to execute an agreement in connection with awarding the sale of the Corporation's obligations to an underwriter or to an institutional purchaser through a private placement that obligates the Developer to the payment of the costs of issuing such obligations as more fully described herein.
 - b. *Public Sale Requirements.* Bonds to be sold publicly, whether by competitive bid or negotiated sale, shall have and be required to maintain a debt rating the equivalent of at least an "AA" rating assigned to long-term obligations by a nationally recognized rating agency acceptable to the Corporation. If the Bond Rating is based upon a credit enhancement agreement provided by an institution other than the Developer or Development Owner, the form and substance of the credit enhancement must be approved by the Corporation and its Financial Advisor, and through the Bond Resolution, approved by the Corporation's Board. Remedies relating to failure to maintain appropriate credit ratings shall be provided in the financing documents relating to the Development.
 - c. Obligations with an investment grade rating of "AA" or higher may be in minimum denominations of \$5,000, if any. For the Corporation to approve transactions that are rated

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- “A-” (or its equivalent) or higher but less than “AA,” the obligations must be sold in minimum initial denominations of \$100,000 and in integrated multiples of any amount for amounts in excess of \$100,000.
- d. *Limited Offering Requirements.* If the obligations do not have an investment grade rating of “A-” (or its equivalent) or higher, the Corporation will consider such obligations to be non-rated for purposes of this subsection. The Corporation may require that the obligations be rated or permit, at its sole discretion, the issuance of the obligations without a rating. The Corporation requires that non-rated obligations be privately placed or offered on a limited basis with transfer and other restrictions. In order for a non-rated transaction to be considered by the Corporation, the placement must comply with the following minimum requirements: (i) the sale must be made to a “qualified institutional buyer” as defined in Rule 144A of the Securities Act of 1933 (a “QIB”) or an Institutional Accredited Investor as defined in Rule 501(a)(1), (2), or (3) of Regulation D under such act (an “Institutional Accredited Investor”) and cannot be an underwriting or purchase with an intent to resell any portion of the obligations, (ii) if they are sold to QIBs or Institutional Accredited Investors, the obligations must be issued in minimum denominations of not less than \$250,000 and integral multiples of any amount in excess thereof, (iii) at such time as the bond financing is presented to the Corporation for final approval, the Developer (or placement agent, if applicable) must (a) identify the Purchaser of the obligations and (b) provide a written commitment from the Purchaser in form and content customarily used by real estate lending institutions outlining the terms and conditions of such commitment to purchase the obligations, (c) the Purchaser must represent that it is in the business of originating or acquiring and owning for its account, tax-exempt bonds or mortgage loans on multifamily rental housing properties, (d) there shall be no offering statement of the Corporation, or when a placement agent is involved in the sale of the obligations, there may be a placement memorandum prepared by the agent for the Purchaser, and (e) the Corporation may require that one physical obligation be issued with a legend stating that the initial and any subsequent purchaser(s) of such bond shall be a QIB or an Institutional Accredited Investor, as applicable. In the case of a private placement transaction, the Developer or placement agent, upon delivery of the obligations, shall provide the Corporation with an executed investment letter from the investor purchasing the obligations substantially to the effect that: (1) it is engaged in the business, among others, of investing in tax-exempt securities and is a QIB or an Institutional Accredited Investor, as applicable; (2) it has made an independent investigation into the financial position and business condition of the Developer and therefore waives any right to receive such information; (3) it has received copies of the financing documents pursuant to which such obligations are issued; and (4) that it has purchased for its own account and not with the intent to sell them. A complete form of such investment letter will be provided by the Corporation.
- e. Any variation to the requirements set forth above must be requested in writing by the Developer and must be approved by the Corporation, and be acceptable to the Bond Counsel, Financial Advisor, and Issuer’s Counsel.
- f. *Required Approvals.* No Developer, or any representative of any Developer or the Corporation, shall represent, directly or indirectly, to any lender (interim or otherwise) supplier, contractor, or other person, firm, or entity that the Corporation has agreed or is firmly committed to issue any obligations in relation to any Development detail until the

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Board has given final approvals for the issuance thereof under this Policy, and then subject to the governmental approvals required by this Policy and the approval of the Attorney General of the State of Texas, the approval of Bond Counsel and subject to any requirements imposed by the Corporation's Articles of Incorporation.

- g. *Offering Statement.* No Developer, or any representative of the Developer or the Corporation, shall ever make any representation, directly or indirectly, express or implied, of any fact contrary to the disclosures required to be made by this Policy.
 - h. *Registration.* Neither the Developer nor any securities firm, underwriter, broker, dealer, salesman, or other person, firm, or entity shall offer, sell, distribute, or place any obligations authorized by the Corporation by any process, method, or technique or in any manner, transaction, or circumstances or to any person or persons, the effect of which would be to require such obligations to be registered or would require filings to be made with regard thereto under the laws of the state or jurisdiction where such offer, sale, distribution, or placement is made without first registering the same or making the filings regarding the same required by such laws.
17. **Failure to Comply with this Policy.** The Corporation will not consider submissions from Developers for a potential Development if the Developer is a borrower (or a related party thereto) in connection with obligations previously issued by the Corporation and such borrower (or related party) is not in compliance with the Corporation's requirements or is delinquent in the payment of any fees or costs with respect to such previously issued obligations of the Corporation.
18. **OTHER REQUIREMENTS.** THE CORPORATION MAY IMPOSE ADDITIONAL OR DIFFERENT REQUIREMENTS ON A DEVELOPER THAN THOSE PROVIDED IN THIS POLICY IN THE EVENT THAT THESE ADDITIONAL OR DIFFERENT REQUIREMENTS BECOME NECESSARY TO PROVIDE THE BEST OPPORTUNITY FOR APPROVAL BY THE CORPORATION'S BOARD OF DIRECTORS AND/OR THE TEXAS BOND REVIEW BOARD.

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The Texas State Affordable Housing Corporation is requesting proposals from qualified developers for the creation or preservation of multifamily residential rental projects. The Corporation is releasing this Request for Proposals to inform the public of the process and guidelines to be used in selecting qualified projects for financing with residential rental bond funds. **Applications to be considered for an Inducement Resolution at the Corporation's January ~~2009-2010~~ Board meeting must be submitted by 5:00 pm on December ~~1211, 2008~~2009.** All submissions thereafter must be submitted at least 21 days prior to the Corporation's Board meeting at which it will be considered for an Inducement Resolution.

1. Introduction.

- a. The Texas State Affordable Housing Corporation (the "Corporation") is a state sponsored nonprofit corporation that serves the housing needs of low, very low and extremely low-income Texans and other underserved populations who do not have comparable housing options through conventional financial channels. The Corporation will accept applications from residential rental developers ("Developers") to acquire and rehabilitate, or construct new affordable multifamily rental developments ("Developments"). Pursuant to §2306.565 of the Texas Government Code, the Corporation shall direct the Texas Bond Review Board on the issuance of the portion of state ceiling set aside for the Corporation under §1372.0231(a) of the Texas Government Code. The Corporation's available volume cap will be 10% of the State's available volume cap for residential rental private activity bonds. For ~~2009-2010~~ the amount is estimated to be approximately ~~\$44-48~~ million.
- b. This Request for Proposals (the "RFP") has been adopted by the Corporation's Board of Directors based on a review of the state's strategic housing needs, the demonstration of local community support, and solicitation from local and regional housing organizations, pursuant to §2306.565 of the Texas Government Code. This RFP defines the methodology that staff shall use to review applications and creates the criteria for scoring and ranking applications.
- c. This RFP shall be extended month-to-month until such time as the Corporation chooses to close the RFP to further submissions, based on the amount of funds awarded or induced by the Corporation's Board. A notice that the RFP has closed will be posted to the Corporation's website, and written notice will be provided to any Developer who submits an application prior to the release of the closing notice. The Corporation reserves the right to re-open the RFP in the event that additional volume cap becomes available or otherwise.
- d. Contact Information. All questions about the RFP and Application Process can be directed in writing to:

David Danenfelzer
Texas State Affordable Housing Corporation
~~P.O. Box 12637~~
~~Austin, Texas 78711~~
2200 E. Martin Luther King Jr. Blvd.
Austin, Texas 78702
Tel. 512-477-3555 ext.403
Fax 512-477-3557
Email: ddanenfelzer@tsahc.org

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2. **Targeted Housing Needs.** Pursuant to §2306.565(b) of the Texas Government Code, the Corporation's Board has identified target areas of housing need within the State of Texas ("Targeted Housing Needs") for the allocation of qualified residential rental project bond funds. The Targeted Housing Needs are based on research conducted by the Corporation, including a review of the State's strategic housing needs, relevant housing needs assessments and information from local and regional stakeholders. To this end, the Corporation's Board has adopted four Targeted Housing Needs. The Corporation shall only accept applications in response to this RFP that fulfill at least one of the following Targeted Housing Needs.
- a. *At-Risk Preservation and Rehabilitation.* The preservation and rehabilitation of existing affordable rental housing developments shall be defined as existing affordable housing in need of significant structural repairs and mechanical systems updates. The housing must currently have a Regulatory Agreement or Land Use Restriction Agreement (the "LURA") placed on it by a public body and recorded along with the deed of trust. The rehabilitation of housing units must involve at least \$15,000 per unit of rehab, but not more than \$5,000 per unit in site work costs may be included in the calculation. Developments shall include temporary tenant relocation expenses, but may not cause the permanent relocation of existing low-income tenants;
 - b. *Rural Housing.* A rental housing development located within an area that is: (a) outside the boundaries of a primary metropolitan statistical area (PMSA) or metropolitan statistical area (MSA); or (b) within the boundaries of a PMSA or MSA, if the area has a population of 20,000 or less and does not share a boundary with an urban area;
 - c. *Senior and Assisted Living Developments.* Senior and Assisted Living Developments must meet at least one of the following definitions in order to qualify under this Targeted Housing Need category.
 - i. A proposed Development that meets the requirements of the federal Fair Housing Act and: a) is intended for, and solely occupied by, individuals 62 years of age or older; or b) is intended and operated for occupancy by at least one individual 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one individual who is 55 years of age or older; and where the owner publishes and adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for individuals 55 years of age or older. (See 42 U.S.C. Section 3607(b)); or
 - ii. Is a Development financed under the PAB program in accordance with limitations set by the Internal Revenue Service on Assisted Living Developments, and is a) affordable rental housing combined with minimal medical or supportive services; b) targeted to persons with disabilities, but with at least 60% of units open to any qualified renter; and c) at least 10% of the units are affordable to persons earning less than 30% of the area median income.
 - d. *Hurricane Ike Housing Relief.* The Corporation shall consider any eligible multifamily residential rental housing Development, including rehabilitation and new construction, located in any one, or more Counties affected by Hurricanes Ike and Dolly, as identified in Federal Emergency Management Agencies disaster declarations FEMA – 1791 – DR, Texas and

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FEMA – 1780 – DR, Texas, to be eligible for financing under this RFP. The Corporation shall publish a list and map of the counties covered in the declarations on its website.

3. **Application Submission.** The Corporation shall publish an application package to its website. Developers should download and complete the application pursuant to the guidelines for completion as included in the application instructions. The Corporation shall require an application submission fee of \$1,500.
4. **Application Review.**
 - a. Applications to be considered for an Inducement Resolution at the Corporation's January ~~2009-2010~~ Board meeting must be submitted by 5:00 pm on December ~~4211, 2008~~2009. All submissions thereafter must be submitted at least 21 days prior to the Corporation's Board meeting at which it will be considered for an Inducement Resolution. Applications must be received by 5pm, regardless of delivery method, on the date listed on the Corporation's website as the 21 day deadline. The Corporation shall bring before the Board only those applications received in a timely manner that have completed the review process.
 - b. The Corporation may delay the presentation of an application to the Board if there are errors, omissions or insufficient documentation that the Corporation deems necessary to complete its review. If an application fails to fulfill the minimum threshold criteria for the private activity bond ("PAB") program, the application will not be accepted by the Corporation for further review.
 - c. All applications that have completed the review process shall be presented and recommendations for awards will be determined based on final scores and availability of funds. If the Corporation utilizes all of its volume cap prior to approving an Application, the Application shall be held for a period of 120 days from its date of submission and may be considered for a future award, if volume cap becomes available.
5. **Threshold Criteria.** All applications submitted to the Corporation shall be required to meet the following minimum Threshold Criteria ("Threshold Criteria") in order to be considered for an ~~award allocation~~ of Bonds by the Corporation. Applications not meeting the criteria listed below shall be subject to termination by the Corporation.
 - a. *Affordability Threshold.*
 - i. The Corporation seeks to provide housing to a mix of eligible households, including low, very-low and extremely-low income persons. Developers who are successful at receiving an allocation of PABs shall agree to the following minimum terms and conditions through a Regulatory Agreement. At a minimum, all Developments will be required to meet the following income and rent restrictions:
 - A. A minimum of twenty percent (20%) of the units in a Qualified Residential Rental Development must have Gross Rents that are restricted to households with incomes no greater than fifty percent (50%) of the Area Median Income ("AMI"), adjusted for family size, or at least forty percent (40%) of the units in the Development must be affordable to persons and families with incomes at or below sixty percent (60%) of the AMI, adjusted for family size.

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- B. Rent Restrictions. Gross monthly rent charged on an income restricted unit will not exceed 30% of the applicable AMI.
- ii. The length of Affordability Requirements shall be maintained for a period of at least 15 years, or as long as the bonds are outstanding.
- b. *Experience Threshold.* All Developers must be able to demonstrate sufficient experience in the development, ownership and/or management of affordable housing developments in order to be considered for an allocation. Developers shall submit evidence that they have been involved in the development or ownership of the greater of 75 units or 50% of the total proposed development units.
- c. *Construction Threshold.* All Development must adhere to all construction, energy efficiency, accessibility and site development standards set by and approved under the 2009-2010 Housing Tax Credit Qualified Allocation Plan (“2010 QAP”) as approved and signed by the Governor of Texas. The Corporation’s Board reserves the right to set standards more stringent than the 2009-2010 QAP, and Developers are encouraged to review both this RFP and the 2009-2010 QAP for any differences.
- d. *Compliance Threshold.* All Developments must adhere to the Corporation’s Compliance Policies, which can be viewed on our website at: www.tsahc.org. Developers and their affiliates shall also be reviewed for compliance history with the Corporation’s and any other state or federal affordable housing program. The Corporation shall require the submission of compliance information and references in order to research a Developer’s compliance history.
- e. *Resident Services Threshold.* The Corporation strives to maintain one of the nation’s best resident services programs in properties that are financed by the Corporation. To obtain this goal and better serve low income tenants, Developers shall be required to maintain a sustained resident services program that provides at least five (5) approved services to tenants on a quarterly basis. Developers must ensure a dedicated budget for services, free transportation to services if off-site, and preferably on-site staff to direct services. The five (5) services must be listed in the Corporation’s Resident Services Program Guidelines, as attached in Appendix A, or as approved by the Corporation.
- f. *Energy Efficiency Threshold.* All Developments must adhere to the standard statewide energy code adopted by the State Energy Conservation Office (“SECO”), unless otherwise exempted by approval of the Corporation’s Board and TDHCA. Developments including either new construction or rehabilitation shall meet these standards. Developers may obtain additional information regarding these standards directly from SECO’s website: <http://www.seco.cpa.state.tx.us/>. This threshold must be certified to by the Development architect, consulting engineer, or other third party energy efficiency consultant, prior to closing and based upon a review of the construction specifications or scope of work provided by the Development’s general contractor. Additional incentives for Green Building methods and energy efficiency are included as scoring items.
- g. *Environmental Review Threshold.* Prior to the sale of the obligations, the Developer will be required to conduct a Phase I Environmental Site Assessment. At bond closing, the

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Developer will be required to provide an environmental indemnity in the form to be provided by Bond Counsel.

- h. *Relocation Threshold.* All Developments involving the rehabilitation, reconstruction or demolition of existing housing must adhere to the relocation requirements of the ~~2009 QAP~~ 2010 QAP. Developers are encouraged to review these requirements, especially as they may relate to a change in use for commercial or agricultural properties.
- i. *Accessibility Threshold.* All Developments shall be designed, built and rehabilitated in a manner that is consistent with the accessibility requirements of the ~~2009 QAP~~ 2010 QAP. This includes adherence with the Fair Housing Accessibility Standards, Section 504 Accessibility Standards, and §2306.514 of the Texas Government Code. Developers are encouraged to review these guidelines with their architect and/or construction team prior to application submission.
- j. *Unit Amenities Threshold.* All housing Developments must adhere to the standard unit and Development amenity requirements of the ~~2009 QAP~~ 2010 QAP.
- k. *Community Support Threshold.* Developers are encouraged to collect community input on their Development proposals. Any letter of support or opposition shall be provided to the Corporation as they are received. Developers shall submit with their response to the RFP two (2) of the following documents in order to demonstrate community support for the proposed development:
 - i. A letter of Support from one or more of the following: Mayor; City Manager; City Administrator; School District Superintendent; or County Judge, from where the development is located;
 - ii. A resolution of support from the City Council, Local School Board or County Commissioner's Court;
 - iii. A letter of support from an affected neighborhood association;
 - iv. Evidence that a local government (city or county) entity is providing funding for the development; and/or
 - v. A letter of support from the State Representative or Senator representing the district in which the proposed development is located.
- l. *Underwriting Threshold.* The Corporation generally applies the same underwriting standards as required by the Texas Department of Housing and Community Affairs ("TDHCA"), pursuant to §§1.31 to 1.37 of the Texas Administrative Code, to ensure consistency with the tax credit underwriting process. The Corporation shall receive all third party reports, including, but not limited to, Property Condition Assessments, Environmental Reports, Market Analysis and Appraisals, that are required to be submitted to TDHCA. The Corporation shall determine the financial feasibility of Developments using the standards set out in §1.32(d) of the Texas Administrative Code. These standards include the following minimum requirements:
 - i. All Developments must maintain a Debt Coverage Ratio ("DCR") that falls between a minimum of 1.15 to a maximum of 1.35;

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- ii. The Corporation generally requires an amortization period of not more than 40 years. The Corporation may consider longer amortization schedules for Supportive Housing and extremely low-income housing developments;
 - iii. The Corporation shall include a reserve of replacement expense of not less than \$300 per unit. The Corporation may require a higher reserve amount based on information provided in the Property Condition Assessment (the "PCA");
 - iv. Compliance fees shall be included in the estimate of operating expenses and shall include, at a minimum, the Corporation's Asset Oversight Agent Fee and Compliance Fee, as well as any fees required by TDHCA or other financial sources; and
 - v. The Corporation will include other reasonable and documented expenses, not including depreciation, interest expense, lender or syndicator's asset management fees, or other ongoing partnership fees in its underwriting analysis. Lender or syndicator's asset management fees or other ongoing partnership fees will not be considered in the calculation of debt coverage.
- m. *Property Tax Exemption.* Developers shall certify that they will, or will not, apply for a property tax exemption or payment in lieu of taxes agreement ("PILOT") to reduce the property taxes due to local taxing entities. If a Developer agrees not to apply for a tax exemption or PILOT agreement, the Corporation shall require a restriction be added to the bond documents that prohibits any future application for exemption. If a Developer states that they will or may apply for a tax exemption or PILOT agreement, the Corporation shall require a notification to the local tax appraisal district, school district superintendent and the County Judge where the Development is located that such an exemption or agreement will be requested. Developers will also be required to submit confirmation of any exemptions or final agreements to the Corporation.
6. **Scoring.** Pursuant to §2306.565(e) of the Texas Government Code, the Corporation's Board has adopted the following criteria to score and rank applications to the PAB program. The first three scoring criteria are required by state statute. The remaining criteria support the Corporation's goals to target specific housing needs and underserved areas in the state. The maximum score is 110 points.
- a. *Cost Per Unit of Housing.* Applications may receive up to 15 points for proposing housing developments with total residential costs within the following ranges:
 - i. 15 points for;
 - A. Acquisition & Rehabilitation equal to or less than ~~\$6065,000~~ per unit
 - B. New Construction equal to or less than ~~\$8085,000~~ per unit; or
 - ii. 8 points for;
 - A. Acquisition & Rehabilitation equal to or less than ~~\$7075,000~~ per unit
 - B. New Construction equal to or less than ~~\$9025,000~~ per unit.

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- b. *Proposed Rents.* Applications may receive up to 15 points for proposing Developments that ensure a percentage of rents are affordable to very-low and extremely low-income households. Developments supported by project based rental contracts may ~~only not~~ include units ~~not supported by contract rents~~ project based subsidies in the calculation of the following set-aside selections:
- i. 15 points – at least 5% of units will be reserved for families who earn 30% or less than the area median income; or
 - ii. 15 points – at least 40% of units will be reserved for families who earn 50% or less than the area median income.
- c. *Income Range for Residents.* The Corporation is interested in promoting mixed income housing as a means to improve the lives of residents and build stronger communities. Applications that propose to ensure the following mixed income guidelines shall receive 15 points:
- i. Not more than 80% of the housing units will be reserved for persons earning 60% or less than the area median income; or
 - ii. At least ~~40~~15% of the housing units will be reserved for persons earning more than ~~between 80% and 60%~~ of the area median income.
- d. *Small and Mid-sized Cities.* Applications shall receive 10 points for developments located in communities with populations less than 100,000, but not located adjacent to a PMSA or MSA with a total population of more than ~~250~~500,000.
- e. *At-Risk Preservation.* Applications shall receive 10 points for the acquisition and rehabilitation of developments at-risk of losing affordable housing rental contracts or land use restrictions. Developments must demonstrate that the current land use restriction agreement (“LURA”) or Regulatory Agreement, if applicable, is within ~~2-3~~ years of expiration...
- f. *Green Building Features.* Applications will receive 10 points for obtaining a certification from a qualified third party that the Development meets the minimum certification requirement of the U.S. Green Building Council’s LEED (“LEED”) program. Applications will receive an additional 5 points (maximum of 15 points for this criterion) for meeting the Gold or Platinum certification standards for the LEED program. Certification may be based on the proposed construction plans, and the Development shall obtain an official certification after completion of construction or rehabilitation.
- g. *Accessible Housing Features.* Applications will receive 10 points for certifying that the Development will meet the following housing accessibility standards. Rehabilitation Developments are not exempt from meeting these requirements, if the scoring item is selected:
- i. All housing units accessible through a ground floor entrance shall have at least one no-step entry with a 36” entrance door;
 - ii. All housing and community spaces will be accessible via pathways that meet ADA and Fair Housing accessibility standards;

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- iii. All door ways in ground floor units (including closets, bathrooms, storage areas, etc...) shall have doors with at least a 32 inch clear opening;
 - iv. All doors shall have lever handles and windows shall have accessible release and opening mechanisms;
 - v. All ground floor units shall have at least one ground floor bathroom with an accessible bath tub or roll in shower, and at least one ground floor bedroom;
 - vi. All electrical outlets, switches and control panels shall be no higher than 48 inches and no lower than 15 inches; and
 - vii. All ground floor units shall have kitchens that are accessible pursuant to the Fair Housing Accessibility Guidelines.
- h. *Local Public Funding.* Applications shall receive 5 points for providing evidence that a commitment of financial support, equal to at least \$100 per unit, has been committed by a unit of government to the proposed development. The only qualifying units of government shall be Counties, Cities, Municipal Utility Districts, and Councils of Government. The Corporation considers fee waivers, grants and loans as financial support.
- i. *Letters of Local Support.* Applications shall receive 5 points for submitting at least four letters of support from any combination of the following persons: Mayor; City Manager; County Judge; School District Superintendent; State Representative; or State Senator, whose district includes the Development site.
- j. *Developer Experience.* Applications shall receive 5 points for providing evidence that the Developer currently owns, and maintains in compliance, a number of multifamily housing units at least twice the amount proposed in the Application.
- k. *Resident Services.* Applications shall receive 5 points for agreeing to provide at least five (5) approved services to tenants on a monthly basis. This scoring criterion is a higher standard than the Corporation's threshold criteria for resident services.
- l. *Tie Breaker.* The Corporation shall break all scoring ties by dividing the estimated per unit cost by the number of very-low and extremely-low income units. The application with the lowest ratio shall be determined the winner of the tie break.
7. **Subsequent Filing Requirements.** Prior to final approval of the Bonds by the Corporation's Board or the Texas Bond Review Board, Developers may be required to file such additional documents or statements in support of their Development, as considered relevant and appropriate by the Corporation, which may include, but are not limited to;
- a. Such additional information as requested by the Corporation's Financial Advisor, Bond Counsel, or Issuer's Counsel;
 - b. A draft of any official statement, prospectus, or other offering memoranda through the use of which the proposed obligations are to be offered, sold or placed with a lender, purchaser, or investor, which offering, sale or placement materials shall contain prominent disclosure substantially to the effect that;

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- i. Neither the Corporation nor the State has undertaken to review or has assumed any responsibility for the matters contained therein except solely as to matters relating to the Corporation and to a description of the obligations being offered thereby;
- ii. All findings and determinations by the Corporation and the State, respectively, are and have been made by each for its own internal uses and purposes in performing its duties under the legislation enabling the Corporation and this RFP;
- iii. Notwithstanding its approval of the obligations and the Development, neither the State, nor the Corporation endorses or in any manner, directly or indirectly, guarantees or promises to pay such obligations from any source of funds of either or guarantors, warrants, or endorses the creditworthiness or credit standing of the Developer or of any Guarantor of such obligations, or in any manner guarantees, warrants, or endorses the investment quality or value of such obligations; and
- iv. Such obligations are payable solely from funds and secured solely by property furnished and to be furnished and provided by the Developer and any Guarantor and are not in any manner payable wholly or partially from any funds or properties otherwise belonging to the Corporation or the State.

8. Public Hearings and Meetings.

- a. The Corporation's Board, at its own discretion, may call any Developer to a scheduled meeting to review the Developer's experience, qualifications, and/or the characteristics of a Development.
- b. The Corporation requires Developers to attend a public hearing in each of the communities where a Development is proposed. If the Development includes multiple sites in several cities, the Corporation may require an additional hearing to be conducted at a central location to all development sites. All public hearings shall be held prior to the final approval of the Bond Resolution by the Corporation's Board.
- c. With respect to public hearings required by the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), the Corporation shall plan and publish notice, at the expense of the Developer, of the hearing in the *Texas Register* and the local newspapers of general circulation in the participating jurisdictions at least fifteen (15) days prior to the planned TEFRA hearing. The *Texas Register* is published only on Fridays and such notice must be provided in advance pursuant to the requirements of the *Texas Register* guidelines. The Corporation will schedule an appropriate date, time and location for TEFRA hearings based on the schedule of publication.
- d. The TEFRA Hearing may not be held (and notice of such Hearing may not be published) prior to the date the Corporation approves the Inducement Resolution; provided, however, that such hearings may be scheduled and publication of the hearing notice may be prepared prior to selection as long as (a) the Corporation's staff determines that such action is appropriate, (b) the hearing and publication of notice do not actually occur until after selection by the Corporation and (c) the Borrower provides the deposit to the Corporation set forth herein.

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- e. The Corporation also provides notice of TEFRA hearing(s) to certain members of the Texas Legislature, local public libraries, homeowners' associations or other recognized neighborhood organizations or groups, and other interested parties designated by the Corporation. The Corporation will not publish notice of a public hearing until it has received from the Developer:
 - i. The names and addresses of any affected homeowners' associations; and
 - ii. The names of the state legislators, city council members, Mayor, County commissioners, County Judge, School District Superintendent and School Board President, in whose district or precinct (as applicable) the Development(s) are located the information required by the Corporation to give notice of the TEFRA hearing is available from the Corporation. A hearing information form must be returned to the Corporation at least 7 days prior to the date notice must be provided to the *Texas Register*. Failure to timely provide this information to the Corporation may result in a delay in public notice and accordingly, a delay in the closing of the Development.

9. Awards.

- a. The Corporation's Board may select Developers and alternate Developers for an inducement of volume cap based on the results of threshold and scoring criteria review from a response to the RFP and oral presentations. The Corporation reserves the right not to approve any inducement of volume cap to any Developer(s), even one that is awarded the most points during the scoring review.
- b. The Corporation reserves the right to retract an award if a Developer is unable to receive a reservation of private activity bond cap prior to June, 1 2009. The Corporation reserves this right in order to allow alternate Developers, or other applications to proceed with an inducement and reservation, and to ensure the maximum utilization of the Corporation's volume cap.
- c. The Corporation reserves the right in its sole discretion to modify, suspend or amend this program at any time, with or without further notice to any interested party. All costs incurred in the response or application process are the sole responsibility of the Developer. All decisions of the Corporation are subject to such additional conditions, restrictions and requirements as determined by the Corporation in its sole discretion. In addition, the Corporation's selection of proposed Developments for possible allocation of private activity bond cap is subject to final allocation approval by the Texas Bond Review Board.

10. Bond Review Board Approval.

- a. Obligations issued by the Corporation are subject to approval by the Texas Bond Review Board (the "TBRB"). TBRB rules provide an optional exemption from the formal approval process for Texas State Affordable Housing Corporation multifamily conduit transactions unless such transactions involve an ad valorem tax reduction or exemption. If no ad valorem tax exemption or reduction is requested with respect to the Development, the formal TBRB approval process may not be required. However, if one or more TBRB members request it, the formal TBRB approval process must be followed. If so,

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representatives of the Developer are expected to attend the TBRB planning session and the TBRB meeting at which the Development will be considered for approval. Additional information may be requested by TBRB members and the Developer's cooperation in providing this information is required.

- b. If the formal TBRB approval process is required, the Corporation, with the assistance of its Bond Counsel, will prepare and file the notice of intent and the TBRB Application for the Development. The Corporation will file the notice of intent and the TBRB Application with the TBRB only if it has timely received all required information and documentation for the completion of the TBRB Application from the Developer and/or its consultants.
11. **Fees.** Developers shall be responsible for fees and expenses incurred as a result of bonds issued on their behalf (the "Cost of Issuance"). Up to two percent (2%) of the Cost of Issuance may be financed through bond proceeds and will be considered part of the obligations authorized for issuance by the Corporation, where eligible under the Code. Developers shall commit to pay from other sources any Costs of Issuance not payable from tax-exempt bond proceeds. The following fees are payable at the times and in the amounts as described below. ALL FEES ARE NONREFUNDABLE, EXCEPT AS OTHERWISE PROVIDED HEREIN.
 - a. *Application Fee.* Developers shall submit a nonrefundable fee of \$1,500, made payable to the Corporation, upon submission of the Application.
 - b. *Inducement Fee.* Developers shall pay a deposit of \$7,500, and an additional \$1,000 for each property for Developments involving more than one (1) site, to cover expenses related to public hearings and the application for PAB allocation to the Texas Bond Review Board, within five (5) business days of the date the Inducement Resolution is approved by the Corporation's Board. Additional reimbursements for expenses related to public hearings and application for private activity bond allocation may be requested by the Corporation.
 - c. *Professional Fee Deposit.* Following the issuance of a reservation for volume cap from the Bond Review Board, Developers shall make a deposit with the Corporation which shall be credited against fees and expenses incurred by Bond Counsel, the Financial Advisor and Issuer's Counsel in connection with the proposed financing. Such deposit shall be ~~\$27,500~~ \$30,000, which represents a ~~\$12,500~~ \$15,000 deposit for Bond Counsel fees, a ~~\$10,000~~ \$7,500 deposit for Financial Advisor's fees, and a ~~\$5,000~~ \$7,500 deposit for Issuer's Counsel fees. All fees and expenses incurred by Bond Counsel, the Financial Advisor and Issuer's Counsel in connection with the Developer's transaction shall be deducted from such deposit whether or not the obligations are issued. If the accrued fees and expenses of Bond Counsel, the Financial Advisor and/or Issuer's Counsel exceed the amount of such initial deposit, the Corporation may require the Developer to submit an additional deposit payment.
 - d. *Corporation Expenses.* Developers shall reimburse the Corporation for all costs and expenditures incurred by the Corporation, prior to and after the selection of the Development by the Board, to analyze the appropriateness and willingness of the Corporation to provide bond financing for the Developer's transaction, including, but not limited to, the reimbursement of costs and expenditures for (i) on-site visitation of multifamily residential developments to be financed (or the site~~s~~ therefore), (ii) any reports deemed necessary or appropriate by the Corporation and not otherwise provided by

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the Developer, (iii) all costs and expenses (including travel and related expenses) of conducting public hearings and related meetings ~~[(described herein)]~~ and (iv) such other activities, inspections and investigations as are deemed necessary or appropriate by the Corporation in connection with its determination of the suitability of the Proposed Development for financing assistance to be offered by the Corporation. The Corporation will invoice the Developer for such costs and expenditures, and the Developer shall pay such invoices within ten (10) days of receipt. Failure to make prompt payment of such invoices may result in a termination of the participation of the Corporation and its consultants in the financing.

- e. *Financial Advisor Fees.* The fee to be paid to the Corporation's Financial Advisor, acting in a standard Financial Advisor role, shall be 1) for the first \$15,000,000 of bond principal, the fee shall be \$10,000 plus \$2.00/\$1,000 of the principal amount of debt issued with a minimum fee of \$20,000 (unless otherwise agreed to by the Corporation's Financial Advisor) and 2) for amounts above \$15,000,000 the fee shall be reduced to \$1.00/1000 for that amount over \$15,000,000. In addition, the Corporation's Financial Adviser shall also serve as the bidding agent for an additional fee with respect to all investment contracts to be entered into in connection with the investment of bond proceeds and revenues of the Developments. If the financing structure proposed by the Developer requires non-standard services to be performed by Financial Advisor or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by the Financial Advisor shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Reservation Application to the Bond Review Board.
- f. *Bond Counsel Fees.* The fee to be paid to Bond Counsel, acting in a standard Bond Counsel role, shall be \$4/\$1,000 of the principal amount of debt issued for the first \$20,000,000 of the principal amount of debt issued, \$3/\$1,000 of the principal amount of debt issued for the next \$20,000,000 of the principal amount of debt issued, and \$2/\$1,000 of the principal amount of debt issued thereafter, with a minimum fee of \$25,000 (unless otherwise agreed to by Bond Counsel). If the financing structure proposed by the Developer requires non-standard services to be performed by Bond Counsel or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by Bond Counsel shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Reservation Application to the Bond Review Board. In addition to the fees paid to Bond Counsel, the Developer will reimburse Bond Counsel for all out-of-pocket expenses incurred by Bond Counsel in connection with the Development. Such expenses include TEFRA notice publication, public hearing notices, Attorney General filing fees, and the preparation and filing of the TBRB Applications and supplements thereto.
- g. *Issuer's Counsel Fees.* The fee to be paid to Issuer's Counsel, acting in a standard Issuer's Counsel role, shall be \$1.00/\$1,000 of the principal amount of debt issued for the first \$10,000,000, \$0.80/\$1,000 of the principal amount of debt issued for the next \$10,000,000, and \$0.70/\$1,000 of the principal amount of debt issued thereafter, with a minimum fee of

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\$7,500 (unless otherwise agreed to by Issuer's Counsel.) In addition to the fees paid to Issuer's Counsel, the Developer will reimburse Issuer's Counsel for all out-of-pocket expenses incurred by Issuer's Counsel in connection with the Development. If the financing structure proposed by the Developer requires non-standard services to be performed by Issuer's Counsel or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures the fees to be charged by Issuer's Counsel shall be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Reservation Application to the Bond Review Board.

- h. *Closing Fees.* Concurrently with the closing of the financing, the Developer shall pay or cause to be paid all fees and expenses in connection with the issuance of the obligations including, Bond Counsel Fees, Financial Advisor Fees, Issuer's Counsel Fees, and the actual amount of any closing or acceptance fees of any trustee for the obligations, any fees and premiums for casualty and title insurance, any security filing costs, any fees for placing the obligations, any fees and expenses of any compliance agent appointed in connection with the review of any property, any out-of-pocket expenses incurred by professionals acting on behalf of the Corporation, and any other costs and expenses, including issuance expenses, relating to the obligations, their security, and the Development. Developers shall pay or cause to be paid a closing fee to the Texas Bond Review Board the greater of \$1,000 or 0.025% of the principal amount of the bonds certified as provided by §1372.039(a)(1), Government Code. Additionally, the Corporation shall receive a Closing Fee of \$0.50 per \$1,000 principal amount of obligations issued, with a minimum closing fee of \$5,000.
- i. *Administrative Fee.* Until the final maturity of the obligations, the Developer will pay an Administrative Fee, remitted through the respective bond trustee to the Corporation on such basis as designated by the Corporation, in an amount equal to ten (10) basis points annually of the aggregate principal amount of the obligations outstanding, with a minimum annual fee of \$5,000. The first annual payment of the Administrative Fee shall be paid at closing. The Administrative Fee is exclusive of the trustee's fee, compliance agent fee, rebate analysts' fee, asset-oversight management fee (if required), audit fee, independent analyst fee, and any other costs or extraordinary costs as permitted under the respective bond documents. Payment of the Administrative Fee is to be covered by the bond credit enhancement and/or secured under the first mortgage on the property assigned to the bond trustee. The Corporation may require the payment of the Administrative Fee to be guaranteed by the Development owner and/or general partner(s).
- j. *Trustee's Fees.* The Developer shall select a bond trustee from a list of bond trustees approved by the Corporation to administer the funds and accounts pursuant to the trust indenture between the Corporation and the trustee bank. All trustee fees and expenses, including fees of trustee's counsel, shall be approved by the Corporation, and will be paid by the Developer.
- k. *Auditor's Fees.* The Corporation may at any time over the life of the Development appoint an auditor to review the financial transactions under the bond documents, the compliance agent, and a rebate analyst to perform an analysis of rebate requirements with respect to the issue. Such fees and costs shall be paid by the Developer.

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- l. *Continuing Costs.* Developers shall pay to the Corporation, in the manner described in the Development documents, the following amounts:

~~i. An annual asset oversight and compliance fee of \$45 per unit for the Development, plus \$750 for each property with less than 100 units in a pooled transaction (as such fee may be adjusted in accordance with the Asset Oversight and Compliance Agreement). The Corporation may require the owner of the Development and/or related entities or person to guaranty the payment of these fees;~~

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~~i. An annual asset oversight fee of \$25 per unit for the Development (as such fee may be adjusted in accordance with the Asset Oversight Agreement). The Corporation may require the owner of the Development and/or related entities or person to guaranty the payment of these fees;~~

~~ii. An annual compliance fee of \$20 per unit for the Development (as such fee may be adjusted in accordance with the Compliance Agreement). The Corporation may require the owner of the Development and/or related entities or person to guaranty the payment of these fees;~~

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~~iii. Any amounts payable pursuant to any indemnity contract or agreement executed in connection with any financing by the Corporation completed as herein contemplated, and~~

~~iv. The amount allocable to each Developer (whose financing has been completed) of costs and expenses incurred by the Corporation in the administration of the indemnity contract or agreement, any program established in connection with the financing of a Development, and any obligations of the Corporation, including an annual accounting and/or audit of the financial records and affairs of the Corporation. The amount of costs or expenses paid or incurred by the Corporation under this clause shall be divided and allocated equally among all Developers whose financings have been completed.~~

- m. *Changes in Fees.* The Corporation reserves the right at any time to change, increase or reduce the fees payable under this RFP. All fees imposed subsequent to closing by the Corporation under this RFP will be imposed in such amounts as will provide funds, as nearly as may be practical, equal to that amount necessary to pay the administrative costs of conducting the business and affairs of the Corporation, plus reasonable reserves therefore.
- n. *Failure to Timely Pay Fees and Costs.* The Corporation will not consider submissions for future transactions proposed by Developers who are delinquent in the payment of any fees described herein.

12. **Document Preparation.** Bond Counsel shall have the primary responsibility for the preparation of the legal instruments and documents to be utilized in connection with the financing of the Development by the Corporation. No bonds or other obligations will be sold or delivered unless the legality and validity thereof have been approved by Bond Counsel. The Developer and its legal counsel shall cooperate fully with Bond Counsel, the Financial Advisor, the Issuer's Counsel and the Corporation's agents in the preparation of such materials.

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13. **Material Changes to Financing Structure.** Any and all material proposed changes to the financing structure, ownership of the Development, or scope or materials of or for the Proposed Development, from that set forth in the application must be disclosed to the Corporation immediately in writing and approved by the Corporation.
14. **Time Limits.** In the event that the Development does not close within the time frame established by the Corporation, the Corporation reserves the right to terminate its participation in the financing.
15. **Final Approval by the Corporation.** The Corporation's Board shall consider final action on the Bonds after the completion of the public hearings and upon recommendation by the Corporation's staff. If approved, the Board shall adopt a resolution, in such form as is recommended by Bond Counsel, authorizing the issuance of obligations to provide financing for the Development. Final approval will be granted only upon:
 - a. Receipt by the Board of evidence satisfactory to it that the Developer has complied in all material respects with this RFP not otherwise waived by the Board; and
 - b. An affirmative determination of the Board that:
 - i. All requirements for and prerequisites to final approval under this RFP have either been satisfied or waived and are in form and substance satisfactory to the Board; and
 - ii. The operation of the Development(s) will constitute a lawful activity, is qualified for approval by the State, complies with and promotes the purposes of the Corporation and satisfies the requirements of the Corporation.
16. **Closing of the Development.** Following the public hearing(s) and final approval by the Corporation and the TBRB, if necessary, the Corporation will proceed to close the financing in accordance with the documents approved by the Corporation and when finally approved by the Texas Attorney General and Bond Counsel in accordance with the terms of the sale or placement.
 - a. *Structure of Bond Sale.* Developers shall be responsible for determining the structures of the sale of bonds, but are encouraged to contact the Corporation's Financial Advisor for information regarding Bond transactions in Texas. Developers are required to execute an agreement in connection with awarding the sale of the Corporation's obligations to an underwriter or to an institutional purchaser through a private placement that obligates the Developer to the payment of the costs of issuing such obligations as more fully described herein.
 - b. *Public Sale Requirements.* Bonds to be sold publicly, whether by competitive bid or negotiated sale, shall have and be required to maintain a debt rating the equivalent of at least an "A" rating assigned to long-term obligations by a nationally recognized rating agency acceptable to the Corporation. If the Bond Rating is based upon a credit enhancement agreement provided by an institution other than the Developer or Development Owner, the form and substance of the credit enhancement must be approved by the Corporation and its Financial Advisor, and through the Bond Resolution, approved by the Corporation's Board. Remedies relating to failure to maintain appropriate credit ratings shall be provided in the financing documents relating to the Development.

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- c. Obligations with an investment grade rating of “A” or higher may be in minimum denominations of \$5,000, if any. For the Corporation to approve transactions that are rated “A-” (or its equivalent) or higher but less than “A,” the obligations must be sold in minimum initial denominations of \$100,000 and in integrated multiples of any amount for amounts in excess of \$100,000.
- d. *Limited Offering Requirements.* If the obligations do not have an investment grade rating of “A-” (or its equivalent) or higher, the Corporation will consider such obligations to be non-rated for purposes of this subsection. The Corporation may require that the obligations be rated or permit, at its sole discretion, the issuance of the obligations without a rating. The Corporation requires that non-rated obligations be privately placed or offered on a limited basis with transfer and other restrictions. In order for a non-rated transaction to be considered by the Corporation, the placement must comply with the following minimum requirements: (i) the sale must be made to a “qualified institutional buyer” as defined in Rule 144A of the Securities Act of 1933 (a “QIB”) or an “institutional accredited investor” as defined in Rule 501(a)(1), (2), or (3) of Regulation D under such act (an “Institutional Accredited Investor”) and cannot be an underwriting or purchase with an intent to resell any portion of the obligations, (ii) if they are sold to QIBs or Institutional Accredited Investors, the obligations must be issued in minimum denominations of not less than \$250,000 and integral multiples of any amount in excess thereof, (iii) at such time as the bond financing is presented to the Corporation for final approval, the Developer (or placement agent, if applicable) must (a) identify the Purchaser of the obligations and (b) provide a written commitment from the Purchaser in form and content customarily used by real estate lending institutions outlining the terms and conditions of such commitment to purchase the obligations, (c) the Purchaser must represent that it is in the business of originating or acquiring and owning for its account, tax-exempt bonds or mortgage loans on multifamily rental housing properties, (d) there shall be no offering statement of the Corporation, or when a placement agent is involved in the sale of the obligations, there may be a placement memorandum prepared by the agent for the Purchaser, and (e) the Corporation may require that one physical obligation be issued with a legend stating that the initial and any subsequent purchaser(s) of such bond shall be a QIB or an Institutional Accredited Investor, as applicable. In the case of a private placement transaction, the Developer or placement agent, upon delivery of the obligations, shall provide the Corporation with an executed investment letter from the investor purchasing the obligations substantially to the effect that: (1) it is engaged in the business, among others, of investing in tax-exempt securities and is a QIB or an Institutional Accredited Investor, as applicable; (2) it has made an independent investigation into the financial position and business condition of the Developer and therefore waives any right to receive such information; (3) it has received copies of the financing documents pursuant to which such obligations are issued, and (4) that it has purchased for its own account and not with the intent to sell them. A complete form of such investment letter will be provided by the Corporation.
- e. Any variation to the requirements set forth above must be requested in writing by the Developer and must be approved by the Corporation, and be acceptable to the Bond Counsel, Financial Advisor, and Issuer’s Counsel.

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- f. *Required Approvals.* No Developer, or any representative of any Developer or the Corporation, shall represent, directly or indirectly, to any lender (interim or otherwise) supplier, contractor, or other person, firm, or entity that the Corporation has agreed or is firmly committed to issue any obligations in relation to any Development or Response, or Reservation Detail until the Board has given final approvals for the issuance thereof under this RFP, and then subject to the governmental approvals required by this RFP and the approval of the Attorney General of the State of Texas, the approval of Bond Counsel and subject to any requirements imposed by the Corporation's Articles of Incorporation.
 - g. *Offering Statement.* No Developer, or any representative of the Developer or the Corporation, shall ever make any representation, directly or indirectly, express or implied, of any fact contrary to the disclosures required to be made by this RFP.
 - h. *Registration.* Neither the Developer nor any securities firm, underwriter, broker, dealer, salesman, or other person, firm, or entity shall offer, sell, distribute, or place any obligations authorized by the Corporation by any process, method, or technique or in any manner, transaction, or circumstances or to any person or persons, the effect of which would be to require such obligations to be registered or would require filings to be made with regard thereto under the laws of the state or jurisdiction where such offer, sale, distribution, or placement is made without first registering the same or making the filings regarding the same required by such laws.
17. **Failure to Comply with this RFP.** The Corporation will not consider submissions from Developers for a potential Development if the Developer is a borrower (or a related party thereto) in connection with obligations previously issued by the Corporation and such borrower (or related party) is not in compliance with the requirements set forth in this RFP or is delinquent in the payment of any fees or costs set forth in this RFP with respect to such prior issued obligations of the Corporation.
18. **OTHER REQUIREMENTS.** THE CORPORATION MAY IMPOSE ADDITIONAL OR DIFFERENT REQUIREMENTS ON A DEVELOPER THAN THOSE PROVIDED IN THIS RFP IN THE EVENT THAT THESE ADDITIONAL OR DIFFERENT REQUIREMENTS BECOME NECESSARY TO PROVIDE THE BEST OPPORTUNITY FOR APPROVAL BY THE CORPORATION'S BOARD OF DIRECTORS AND/OR THE TEXAS BOND REVIEW BOARD.

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APPENDIX A

TSAHC Resident Services Program Guidelines

It is the Texas State Affordable Housing Corporation's goal to have the nation's leading Resident Services Program. To reach this goal, and better serve your residents, we need your help on site. TSAHC has created basic guidelines and report systems to help with this process.

The following is a list of activities/courses that can be implemented. If you are interested in starting an activity or course that is not on the list, please propose the new activity to the Manager of Asset Oversight and Compliance for approval. Please make sure that it will encourage economic self sufficiency and/or promote homeownership opportunities.

- Career Services
 1. Computer Literacy
 2. GED Classes
 3. Job Skills/Training
 4. Resume/ Job Search Workshop
 5. Job Fair
- Children's Services
 1. After School Care
 2. Swimming Lessons
 3. On-site Daycare
 4. On-site Tutoring Sessions
 5. Performing Arts
 6. Halloween Safety
 7. Site library
- Community Awareness
 1. Crime Watch
 2. Self Defense Course
 3. Child Id/Fingerprinting Program
 4. Fire Safety
 5. Domestic Violence Shelter/ Programs
 6. Host Support Groups Such as AA, Anger Management, etc.
 7. Community Gardens
 8. Community Service Activities (i.e. Habitat for Humanity)
- Domestic Skills
 1. Budgeting
 2. Tax Prep. Courses
 3. Low Cost Healthy Cooking

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4. Organization Classes
5. Cleaning Supply Safety
- Medical and Health Services
 1. Basic First Aid and CPR
 2. Caring for the Disabled
 3. Health and Screening Services
 4. HIV/AIDS Classes
 5. Vaccinations/ Flu Shots
 6. Weight Loss Club
 7. Diabetes/ Heart Disease Courses
 8. Babysitting Safety Courses
- Personal Development
 1. Counseling Services
 2. Credit Counseling
 3. English as a Second Language Courses
 4. Home Ownership Counseling
 5. Parenting Classes
 6. Anger Management Courses
 7. Family Counseling
- Transportation Services
 1. Grocery Store
 2. Library
 3. Medical Visits
 4. Cultural Events

Inappropriate activities include children's movie time, patio decorating contests, gambling trips, resident parties, Easter Egg Hunts or other activities along these lines. Properties are welcome to offer these activities, but they will not count towards fulfilling the Resident Services obligation.

MINUTES AND CERTIFICATION

THE STATE OF TEXAS §
 §
TEXAS STATE AFFORDABLE §
HOUSING CORPORATION §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of said corporation convened on the 13th day of November, 2009, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board and officers, to wit:

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>
Robert Elliott Jones	Chairperson
Jo Van Hovel	Vice Chairperson
Cynthia Leon	Director
William H. Dietz	Director
Jeran Akers	Director

OFFICERS

<u>Name</u>	<u>Office</u>
David Long	President (non-Board member)
Katherine Closmann	Executive Vice President (non-Board member)
Melinda Smith	Chief Financial Officer (non-Board member)
Laura Ross	Secretary (non-Board member)
Cynthia Gonzales	Assistant Secretary (non-Board member)

and all of said persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the "Resolution") bearing the following caption was introduced:

RESOLUTION NO. 09-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

"Resolution to Restate, Ratify, and Affirm the Officers of the Corporation, and to Designate Officers with Signature Authority for the Corporation and Concerning Other Matters Incident and Related thereto"

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

_ AYES

_ NOES

_ ABSTENTIONS

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this November 13, 2009.

Secretary, Texas State Affordable Housing
Corporation

RESOLUTION NO. 09-_____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

“Resolution to Restate, Ratify, and Affirm the Officers of the Corporation, and to Designate Officers with Signature Authority for the Corporation and Concerning Other Matters Incident and Related thereto”

WHEREAS, the Texas State Affordable Housing Corporation (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon’s Annotated Texas Civil Statutes, as amended, and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the “Act”);

WHEREAS, Section 3.2 of the Bylaws of the Corporation require the Board of Directors (the “Board of Directors”) of the Corporation to appoint or ratify the officers the Corporation each year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Texas State Affordable Housing Corporation:

Section 1. Name and Designation of Board Officers. That Board of Directors hereby ratifies and affirms the following persons as the officers of the Corporation for the position corresponding to their name:

<u>Name</u>	<u>Office</u>
David Long	President
Katherine Closmann	Executive Vice President
Melinda Smith	Chief Financial Officer
Laura Ross	Secretary
Cynthia Gonzales	Assistant Secretary

Section 2. President. That the Board of Directors hereby authorizes David Long, as President of the Corporation, to execute and deliver, on behalf of the Corporation, any and all documents or instruments necessary to carry out his functions as President.

Section 3. Executive Vice President. That the Board of Directors hereby authorizes Katherine Clossman, as Executive Vice President of the Corporation, to execute and deliver, on behalf of the Corporation, any and all documents or instruments necessary to carry out her functions as Executive Vice President.

Section 4. Chief Financial Officer. That the Board of Directors hereby authorizes Melinda Smith, as Chief Financial Officer of the Corporation, to execute and deliver, on behalf of the Corporation, any and all documents or instruments necessary to carry out her functions as Chief Financial Officer.

Section 5. Secretary of the Corporation. That the Board of Directors hereby authorizes Laura Ross, as Secretary of the Corporation, to execute and deliver, on behalf of the Corporation, any and all documents or instruments necessary to carry out her functions as Secretary of the Corporation.

Section 6. Assistant Secretary of the Corporation. That the Board of Directors hereby authorizes Cynthia Gonzales, as Assistant Secretary of the Corporation, to execute and deliver, on behalf of the Corporation, any and all documents or instruments necessary to carry out her functions as Assistant Secretary of the Corporation.

Section 7. Ratification of Prior Actions. That all prior actions taken by or on behalf of the Corporation in connection with this Resolution are hereby authorized, ratified, confirmed and approved.

Section 8. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 9. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND EFFECTIVE this 13th day of November, 2009.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

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