

TEXAS STATE AFFORDABLE HOUSING CORPORATION

BOARD MEETING

VIA RINGCENTRAL

Wednesday,
October 14, 2020
10:30 a.m.

BOARD MEMBERS:

WILLIAM H. DIETZ, JR., Chair
VALERIE V. CARDENAS, Vice Chair
COURTNEY JOHNSON-ROSE, Member
LALI SHIPLEY, Member
ANDY WILLIAMS, Member

ON THE RECORD REPORTING
(512) 450-0342

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE</u>
CALL TO ORDER	5
ROLL CALL	5
CERTIFICATION OF QUORUM	6
PUBLIC COMMENT	none
PRESIDENT'S REPORT	6
Tab A: Homeownership Finance Report	
Tab B: Development Finance Report	
Tab C: Monthly Financial Reports	
ACTION ITEMS IN OPEN MEETING:	
Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on August 12, 2020.	11
Tab 2 Presentation and Discussion of the Fiscal Year 2020 Annual Financial Audit.	12
Tab 3 Presentation, Discussion and Possible Approval for Texas State Affordable Housing Corporation to enter negotiations with the Texas Department of Transportation to administer grant funding provided by Texas Department of Transportation to support affordable housing initiatives in communities affected by Texas Department of Transportation's North Houston Highway Improvement Project.	15
Tab 4 Presentation, Discussion and Possible Approval of a Resolution Approving the Corporation's Fiscal Year 2021 Investment Policy.	24
Tab 5 Presentation, Discussion and Possible Approval of the Fiscal Year 2021 Broker Listing.	26
Tab 6 Presentation, Discussion and Possible Approval of the 2020 Texas Foundations Fund Nonprofit Partners.	28
Tab 7 Presentation, Discussion and Possible Approval of the Appointment of Member(s) to the Board of Directors of Texas	37

Community Capital, LLC.

Tab 8	Discussion and Possible Approval of a Resolution Authorizing the Issuance of Texas State Affordable Housing Corporation Multifamily Mortgage Revenue Notes (W. Leo Daniels Towers) Series 2020A-1 and 2020A-2, a Funding Loan Agreement, a Borrower Loan Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the notes; and other provisions in connection therewith.	44
Tab 9	Presentation, Discussion and Possible Approval of a Resolution Regarding the Submission of one or more Applications for Allocation of Private Activity Bonds, Notices of Intention to Issue Bonds and State Bond Applications to the Texas Bond Review Board and Declaration of Expectation to Reimburse Expenditures with Proceeds of Future Debt for the Gardens of Balch Springs Apartments.	49
Tab 10	Presentation, Discussion and Possible Approval of a Resolution Regarding the Submission of one or more Applications for Allocation of Private Activity Bonds, Notices of Intention to Issue Bonds and State Bond Applications to the Texas Bond Review Board and Declaration of Expectation to Reimburse Expenditures with Proceeds of Future Debt for the Riverstation Apartments.	54
Tab 11	Presentation, Discussion and Possible Approval of the Publication for Public Comment of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2021.	58
Tab 12	Presentation, discussion and possible	63

approval of a \$1,700,000 loan to the DF Sagebrush Apartments, LP, an affiliate of the Texas Housing Foundation, for the refinance of the Sagebrush Apartments, a 60-unit affordable rental project in Brady, Texas.

CLOSED MEETING	none
ANNOUNCEMENTS AND CLOSING COMMENTS	70
ADJOURN	72

P R O C E E D I N G S

1
2 MR. DIETZ: Okay. Great. Well, it is 10:30.
3 So, welcome everyone to the October 14, 2020 meeting of
4 the Texas State Affordable Housing Corporation Board of
5 Directors. Before we start, we are continuing to operate
6 under the Disaster Declaration by the Office of the
7 Governor, so we're meeting remotely, and a couple of notes
8 with regard to that.

9 If you could identify yourself by name before
10 speaking, whether you're a Board member or otherwise. For
11 public comments, Sarah, if you can just let me know if
12 there's somebody that needs to public comment, or not.
13 Then we will know to move on from that.

14 And then for Board votes, I will be doing it
15 roll call style so that we're sure to be able to hear all
16 of the votes. So welcome, and we will do our roll call
17 first. Bill Dietz? I am present.

18 Valerie Cardenas?

19 MS. CARDENAS: Present.

20 MR. DIETZ: Courtney Johnson-Rose?

21 MS. JOHNSON-ROSE: Present.

22 MR. DIETZ: Lali Shipley?

23 MS. SHIPLEY: Present.

24 MR. DIETZ: And Andy Williams? Andy, are you
25 with us? I don't hear Andy, but is he online, Sarah?

1 MS. ELLINOR: Yeah, I see him. Andy, unmute
2 yourself.

3 MR. WILLIAMS: I'm present.

4 MR. DIETZ: Oh, great. Heard you that time,
5 Andy. Fantastic. Thank you. Good. Then we are all
6 present and accounted for, so we do indeed have a quorum.
7 Before we begin with the President's Report, I'd like you
8 all to join me, please, with the Pledge of Allegiance.

9 (Pledges were recited.)

10 MR. DIETZ: Great. Thank you. And before we
11 move forward, is there any public comment? Sarah, anybody
12 available for public comment?

13 MS. ELLINOR: No. I actually [audio
14 interference] on the feature letting people through.
15 People know to comment [audio interference] for public
16 comment.

17 MR. DIETZ: Oh, great, great.

18 MS. ELLINOR: But I don't --

19 MR. DIETZ: Good. All right. Then, Mr. Long,
20 to you for the President's Report.

21 MR. LONG: Good morning, everyone, and thank
22 you, Mr. Dietz. I know the Board members should have each
23 received the President's Report this morning. Just my
24 quick narrative, but I'll go over it real briefly. But I
25 actually, as I said in my email, really kind of want to

1 focus on making some introductions to you this morning.

2 So real quick, over the President's Report,
3 before I get to the introductions, the program area
4 reports are in Tabs A through C of your Board book that
5 you received. Hopefully, you've had a chance to look at
6 those.

7 If there's any questions, staff and/or I will
8 be happy to answer any of those questions. In addition, I
9 want to give you a quick update on a couple of other
10 things. Our new building continues to progress. We are
11 moving along rather quickly at this point in time.

12 I always want to thank David and Cassandra for
13 their oversight on this project. David has -- this is the
14 third time David has done a building with TSAHC. He has
15 continued to not only handle his daily responsibilities,
16 which you'll see, he's heavily involved with today's
17 agenda, but also the fact that he and Cassandra have
18 managed all of the oversight in working with our
19 contractor and over our architects, so I appreciate their
20 help on that.

21 We literally will finish out phases on a lot of
22 this. We will be doing an initial, very preliminary walk-
23 through on the building later this week. I think there's
24 a lot of things that are going on that we're starting to
25 get updates on, and things need to be finished out.

1 Some approvals from the City still are
2 required, but I think you're going to be very pleased with
3 the results of the building. And we're very happy with
4 where we're at, along that process. We are in the process
5 of packing up our current office.

6 Staff still have access to come into the office
7 if they want on a limited basis. But at the same time, we
8 do want them to be able to come in and start packing up
9 their office, since it's much needed.

10 The Loan Committee met yesterday. I want to
11 thank Mr. Williams. He's always available and
12 participates in those meetings. So, Mr. Williams, thank
13 you very much for your participation.

14 We did have several items that we made
15 decisions on. Those were included in the agenda that I
16 provided to the Board as part of their oversight, along
17 with my President's Report.

18 One of the items which will be discussed under
19 Tab Item 12 later today -- Cassandra Ramirez will be
20 making that presentation at that time. With that, Mr.
21 Chairman, I'm just going to go into -- well, I do want to
22 say one more thing, and that is Michael Wilt participated
23 yesterday.

24 Texas Association of CDCs is having their
25 Annual Policy Summit, which is a -- this year, they've

1 taken it a little step further. This year, they've
2 included more of a national event. In the past, it's been
3 a -- kind of a statewide event.

4 And Michael participated on a panel yesterday
5 as the moderator, dealing with a very important topic,
6 which is foreclosures and rental evictions that are likely
7 to become a big issue here with the moratorium, and people
8 are going to have to start dealing with landlords and
9 mortgage companies. So, Michael, thank you for your role
10 on that.

11 To the introductions, obviously, we like to
12 typically have an opportunity for the Board members to
13 meet face-to-face with new staff members. Our business
14 continues to grow, and we are constantly looking for
15 quality team members, people who want to join our team
16 here at TSAHC.

17 We take pride in the people that we hire and
18 are really excited to have three people I want to
19 introduce to you. One of them has been here almost six
20 months. Kayla Gillaspy is a Single-Family Compliance
21 Specialist. She joined us in March, in the middle of
22 March.

23 Unfortunately, for all three of these people,
24 they've not had the chance to meet with the Board. So,
25 they are on the call today. So, if you want to either

1 give them a hello or give them any grief or embarrass them
2 in any way, please feel free to do so.

3 So, Kayla Gillaspy joined us in March as a
4 Compliance -- Single Family Compliance Specialist. Paul
5 Kaegel, also a Single-Family Compliance Specialist, joined
6 us in the middle of September. And then, last, but not
7 least, Erica Mitchell has recently joined the Development
8 Finance team as the Development Finance Coordinator.

9 She joined us just earlier this month. I want
10 to obviously welcome each of them to the team at TSAHC.
11 Kayla and Paul hit the ground running. I know Erica has
12 been going through some trainings, working with Dave and
13 Cassandra.

14 But at the end of the day, these are very
15 qualified people. We're excited to have them join our
16 team, and I hope the Board recognizes not only the quality
17 of people that we're hiring, but also the fact that our
18 business is growing, as we continue to hire, even during
19 the pandemic.

20 So, with that, Mr. Chairman, I'll conclude my
21 remarks. Again, special welcome to Erica, Paul and Kayla.
22 If the Board has any comments or anything, they'd like to
23 offer up to the new staff members, feel free to do so.
24 But otherwise, their pictures and their brief bios are in
25 front of you.

1 I think Sarah's been flipping through the
2 screen on each of them. So, if there's any questions,
3 feel free to answer them. I mean, ask them now and they
4 can answer them. But other than that, Mr. Chairman, I'll
5 conclude my remarks.

6 MR. DIETZ: Great. Thank you very much, and
7 welcome to all three of our new staff members. Okay.
8 We'll move on to the action items.

9 Tab 1 is the presentation, discussion, and
10 possible approval of minutes from the Board Meeting that
11 was held on August 12, 2020.

12 Are there any questions, corrections, or
13 comments with regard to the minutes?

14 (No response.)

15 MR. DIETZ: Hearing none, I would entertain a
16 motion.

17 MS. CARDENAS: This is Valerie. So, moved.

18 MS. JOHNSON-ROSE: This is Courtney. Second.

19 MR. DIETZ: Okay. It's been moved and seconded
20 that we approve the minutes from the August 12 Board
21 meeting, as submitted. Is there any public comment?

22 (No response.)

23 MR. DIETZ: Okay. Then I will go through the
24 roll call. Hold on one second. Let me pull that back up
25 so I'll have it front of me for the rest of the meeting.

1 Okay. All in favor -- Valerie Cardenas?

2 MS. CARDENAS: Aye.

3 MR. DIETZ: Courtney Johnson-Rose?

4 MS. JOHNSON-ROSE: Aye.

5 MR. DIETZ: Lali Shipley? If you're on mute,
6 remember to unmute.

7 (No response.)

8 MR. DIETZ: Andy Williams?

9 (No response.)

10 MR. DIETZ: Okay. I didn't hear either Lali or
11 Andy.

12 MR. WILLIAMS: Aye.

13 MR. DIETZ: Oh, there's Andy. Lali?

14 MS. SHIPLEY: Can you hear me? I'm unmuted.

15 MR. DIETZ: Now, I could.

16 MS. SHIPLEY: Oh. Aye.

17 MR. DIETZ: Okay. Great. Okay. Good. So,
18 the Board minutes from the August 12 meeting are approved.

19

20 Tab Item 2, the presentation and discussion of
21 the fiscal year 2020 annual financial audit.

22 MS. SMITH: Good morning. My name is Melinda
23 Smith and I'm the Chief Financial Officer. The
24 Corporation is required to have a financial audit every
25 year. It's required by our enabling legislation, and the

1 audit is due in December of each year.

2 And this morning, we have Jimmy Romell and
3 Veronica Lomas Day from Maxwell, Locke & Ritter -- are
4 here to give you just a short overview of what will be
5 happening. I'll turn it over to Jimmy. Jimmy's a partner
6 with Maxwell, Locke & Ritter.

7 MR. ROMELL: So good morning. As Melinda
8 mentioned, I'm Jimmy Romell with Maxwell, Locke & Ritter,
9 and I serve as the audit partner for the audit of TSAHC
10 for your fiscal year 2020. Along with me today is
11 Veronica Day, and she serves as our manager on the
12 engagement.

13 And so, I'm actually going to turn it over to
14 Veronica, and she'll go through the specifics of the time
15 frame for the fiscal year '20 audit.

16 MS. DAY: Thanks, Jimmy. So, this is Veronica
17 Day, and as Melinda had mentioned, the audit report is due
18 in December. So, we will be starting the audit fieldwork
19 starting this month, at the end of October, and then we're
20 planning on issuing the report during the December Board
21 meeting.

22 And so, our services, as Melinda had mentioned,
23 was that there is a financial statement audit. We also
24 have a HUD audit report that we do, and we also look at
25 compliance with the Public Funds Investment Act. So, in

1 addition, this year, there will also be a single audit
2 that will be performed, and so that's because the
3 Corporation has received more federal funds than in the
4 prior years.

5 And when you have federal funds that are
6 expended during the year that exceed -- the fiscal year
7 that exceed 750,000, then you're required to have a single
8 audit report. So, this won't change the deadline. It
9 will still be in December, but there will be additional
10 procedures that we will be performing during our audit.

11 So, if you have any questions or at any point
12 would like to talk with either Jimmy or myself, then we
13 are available to you. But that's all that I have.

14 MR. DIETZ: Great.

15 MS. SMITH: Thank you.

16 MR. DIETZ: Melinda, any other comments
17 regarding the audit?

18 MS. SMITH: No, not at all. Just wanted to
19 say, thank you and --

20 MR. DIETZ: Great.

21 MS. SMITH: -- thanks to Veronica and Jimmy for
22 being here this morning.

23 MR. DIETZ: Okay. Great. Any questions from
24 the Board for either Melinda or either of the individuals
25 handling our audit?

1 (No response.)

2 MR. DIETZ: Okay. And I don't think that tab
3 item requires any action at this point in time.

4 MS. SMITH: Correct.

5 MR. DIETZ: Okay. Great. We'll move on to Tab
6 Item 3, the "Presentation, Discussion and Possible
7 Approval for Texas State Affordable Housing Corporation to
8 enter negotiations with the Texas Department of
9 Transportation to administer grant funding provided by
10 Texas Department of Transportation to support affordable
11 housing initiatives in communities affected by the Texas
12 Department of Transportation's North Houston Highway
13 Improvement District."

14 MS. CLAFLIN: Great. Good morning. This is
15 Katie Claflin, TSAHC Director of Communications and
16 Development. Tab Item 3 is an action item that requests
17 approval from the Board to enter negotiations with the
18 Texas Department of Transportation, or TxDOT, to
19 administer a minimum of \$27 million in grant funding.

20 The funding will support affordable housing
21 initiatives in communities affected by TxDOT's North
22 Houston Highway Improvement Project, which is a multi-
23 billion-dollar transportation project that will expand and
24 realign sections of Interstate I-45 in North Houston.

25 The project will impact several neighborhoods,

1 many of which are comprised primarily of low income and
2 minority residents. I am joined today by Carlos Swonke
3 and Stefanie Tan, who are representing TxDOT, and you'll
4 hear from Carlos in a few minutes.

5 He'll provide a few details on the
6 transportation project itself, the specific communities
7 that will be impacted, and TxDOT's vision for the
8 partnership. But before I introduce Carlos, I do want to
9 highlight a few important details on the partnership.

10 So first, your approval today will allow us to
11 enter negotiations with TxDOT to draft a contract to
12 administer the grant funding. TSAHC staff will seek
13 approval from the Board of Directors again before
14 executing the final contract.

15 Second, the \$27 million in grant funding will
16 be provided in addition to the funding provided directly
17 to the households and businesses that will be displaced.
18 So, this grant funding is not part of that funding, nor
19 does it replace that funding.

20 Third, due to the size of the project, it's our
21 intention to hire a consultant to help us identify the
22 specific housing needs of the affected communities. We
23 really want to take a thoughtful approach to administering
24 these funds, to maximize the benefits to the local
25 communities.

1 We therefore anticipate launching this project
2 around mid-2021, and the partnership will include some
3 administrative funding for TSAHC to allow us to cover
4 these costs and other costs that we might incur. And then
5 finally, before I hand it over to Carlos, I just want to
6 say that TSAHC staff have really enjoyed working with
7 TxDOT staff on this project so far.

8 We're very flattered that they have invited us
9 to partner with them on this and are really excited that
10 they're investing in affordable housing in this way. So,
11 with that, I'd like to introduce Carlos Swonke who is
12 representing TxDOT.

13 MR. SWONKE: Well, thank you, Katie. Good
14 morning, everybody. I'm Carlos Swonke, Director of
15 TxDOT's Environmental Affairs Division. First, thank you
16 for this opportunity to introduce this discussion item
17 about TxDOT's affordable housing initiative, really, to
18 communities affected by the North Houston Highway
19 Improvement Project, or NHHIP.

20 The NHHIP is a multi-billion-dollar
21 transportation project that will expand and realign
22 sections of Interstate 45, from Beltway 8 on the north
23 side of Houston through downtown, US-59 south of downtown.

24 It will also realign sections of Interstate 10, US-59,
25 and I-69 in the downtown area and widen US-59/I-69 east

1 and south of downtown.

2 We've included a location map in your briefing
3 packet, as you can see, and if you're familiar with the
4 Houston area, these are very major roadways in the center
5 of Houston. This is a very big, very impactful project.
6 These much-needed improvements will improve safety, reduce
7 flooding, and improve mobility on these sections of
8 highway.

9 An unavoidable consequence of widening these
10 freeways is the highly developed -- in the highly
11 developed urban core of Houston is the displacement of
12 residents. TxDOT will be providing individual displaced
13 residents compensation for their property, moving -- pay
14 for moving expenses and relocation assistance.

15 In TxDOT's analysis of the effects of the
16 project on community cohesion, we considered how adjacent
17 neighborhoods were changing. In particular, those
18 neighborhoods are comprised primarily of low income and
19 minority residents.

20 Examples of these neighborhoods are
21 Independence Heights, the Near Northside, Fifth Ward, and
22 the Third Ward. As part of our overall project
23 communication, TxDOT has committed to support affordable
24 housing initiatives in those communities most affected by
25 the project.

1 This was in our final Environmental Impact
2 Statement that was just issued a couple of weeks ago. The
3 mitigation is intended to compensate for the direct
4 effects of residents' displacement and the indirect effect
5 of potentially contributing to ongoing housing
6 affordability problems in the Houston area, in these
7 neighborhoods in particular.

8 The intent of this initiative is to construct
9 affordable housing relating to the related efforts to
10 develop and/or facilitate affordable housing in these
11 areas. To carry out this effort, TxDOT is committing an
12 amount of no less than \$27 million towards developing
13 affordable housing in the neighborhoods most affected by
14 the NHHIP project.

15 I might add that TxDOT has never put forward
16 such an effort in mitigating for these types of
17 projects -- I mean, impacts. TxDOT wishes to partner with
18 TSAHC to implement this affordable housing mitigation. We
19 have previously considered several other options for
20 carrying out this initiative, but in the end, recognize
21 that TSAHC's expertise and grant administration in
22 affordable housing, plus its experience in the Houston
23 area, made your agency a desirable partner in carrying out
24 this commitment.

25 With TSAHC, TxDOT can be confident, feel

1 confident, that the program will be administered according
2 to the same public accountability and transparency
3 standards that TxDOT has held. And finally, I just want
4 to add, as well as Katie mentioned, we've enjoyed and have
5 been encouraged by preliminary discussions with your staff
6 and look forward to advancing this idea towards tangible
7 benefits for these neighborhoods and residents in Houston.

8 As Katie mentioned, if the Board approves
9 moving forward with this partnership, the next step will
10 be to draft a written agreement outlining the terms of the
11 partnership. With that, I'd be happy to answer any
12 questions.

13 MR. DIETZ: Thank you for that presentation.
14 Are there any questions from Board members, from either --
15 for either Ms. Claflin or for TxDOT?

16 MS. JOHNSON-ROSE: Mr. Chairman, this is
17 Courtney Johnson-Rose. I don't have a question, but I do
18 just want to thank TxDOT for thinking of TSAHC, and I am
19 hopeful that we're able to enter into a relationship. I'm
20 from the Houston area and very familiar with these
21 communities, and it's a great opportunity, and I just
22 commend TxDOT for this effort.

23 And again, you know, I am hopeful that TSAHC
24 will be able to work with you all, because these
25 communities will be quite affected, but this is a great

1 way to develop affordable housing. I'm so very excited
2 about this potential partnership.

3 MR. DIETZ: Great. Thank you. Any other
4 comments or questions from the Board?

5 (No response.)

6 MR. DIETZ: Okay. I don't hear any. So,
7 Katie, are there any additional elements of the
8 presentation that we need to hear, or are we ready to move
9 forward with a motion?

10 MS. CLAFLIN: I don't believe so. We will
11 certainly keep the Board updated as we move toward that
12 written agreement. But yeah. At this time, we would just
13 ask for your approval to move forward with this
14 partnership.

15 MR. DIETZ: Okay. Great. And if I understand
16 correctly, this is a preliminary authorization to enter
17 into kind of the negotiation and coming up with a
18 finalized agreement, and then you'll come back to the
19 Board once we have a finalized agreement --

20 MS. CLAFLIN: Absolutely.

21 MR. DIETZ: -- much like -- yeah. Okay.
22 Great.

23 MS. CLAFLIN: Review and approve that final
24 agreement.

25 MR. DIETZ: One quick question I have. So the

1 27 million, I guess that is just -- does that just
2 represent an addition to the normal budgeting that would
3 be done for this particular project, or is that -- have
4 you had to find other areas to cut back on in order to
5 make that 27 million available?

6 Or how does that work?

7 MR. SWONKE: Yes. This is Carlos again. Yeah.
8 It is part of the project funding and budget. So, with --
9 you know, as mentioned, this is part of a large mitigation
10 program for a variety of issues, community and otherwise.

11 And so, we see the payment and the funding for these
12 mitigation efforts as incorporated in the project funding
13 overall, similar to what is put forward for construction
14 of the project and design of the project.

15 There is part of the budget set aside for
16 mitigation, environment mitigation.

17 MR. DIETZ: I see. I see. Great. And this is
18 a portion of that environment mitigation budget?

19 MR. SWONKE: Yes, exactly. Just one piece.
20 Yes.

21 MR. DIETZ: Yes. Great, great. Well, thank
22 you. No. I think this is a great, you know, partnership
23 to be embarking on, and this is exactly the sort of thing
24 that the Texas State Affordable Housing Corporation was
25 intended to do when it was created by the Legislature.

1 So, we appreciate you recognizing that and
2 coming to us and allowing us to help in that capacity.
3 So, with that, I would entertain a motion.

4 MS. JOHNSON-ROSE: So, moved. Courtney
5 Johnson-Rose.

6 MR. DIETZ: Okay. Is --

7 MS. CARDENAS: Second.

8 MR. DIETZ: -- there a second?

9 MS. CARDENAS: This is Valerie.

10 MR. DIETZ: Okay. Great. Thanks, Valerie.

11 So, it's been moved and seconded that we approve the
12 proposal to enter discussions with the Texas Department of
13 Transportation with regard to the North Houston Highway
14 Improvement Project.

15 Is there any public comment?

16 (No response.)

17 MR. DIETZ: Okay. I don't see any requests for
18 public comment on the chat. So, we will proceed with a
19 vote. I'll do it roll call style. Bill Dietz, yes.

20 Valerie Cardenas?

21 MS. CARDENAS: Yes.

22 MR. DIETZ: Courtney Johnson-Rose?

23 MS. JOHNSON-ROSE: Yes.

24 MR. DIETZ: Lali Shipley?

25 MS. SHIPLEY: Yes.

1 MR. DIETZ: And Andy Williams?

2 MR. WILLIAMS: Yes.

3 MR. DIETZ: Okay. So, it is approved. Thank
4 you very much for the presentation. We look forward to
5 hearing more about it when you come back for final
6 approval.

7 MS. CLAFLIN: Thank you so much.

8 MR. DIETZ: Thank you.

9 MR. SWONKE: Thank you.

10 MR. DIETZ: Great. So, we'll move on to Tab
11 Item 4, which is the "Presentation, Discussion and
12 Possible Approval of a Resolution Approving the
13 Corporation's Fiscal Year 2021 Investment Policy."

14 MS. SMITH: Good morning. This is Melinda
15 Smith again. I'm the Chief Financial Officer. The
16 Corporation is required to follow the requirements of the
17 Public Funds Investment Act, and part of that Act requires
18 that we have an investment policy and that that investment
19 policy be approved annually.

20 So that's what we are asking the Board to do.
21 This is our investment policy, and we've made two changes
22 to it, the first one on page A-9. We have increased the
23 stated maturity on commercial paper from 180 days to
24 270 days, so from six months to nine months.

25 And then additionally we've added a possible

1 investment, a triple-A rated, SEC-registered, short-term
2 duration fund. It's a mutual fund. And our investment
3 advisor suggested that we add this because interest rates
4 have fallen so drastically and it's very difficult to
5 invest in anything that is safe but brings any returns.

6 So, she felt that it was important to add this,
7 so we have done that. And those are the only two changes
8 that we have made to the investment policy. Do you have
9 any questions about the policy or the changes that we've
10 made?

11 We're asking that the Board approve the policy
12 with these changes.

13 MR. DIETZ: Any questions from the Board
14 members?

15 (No response.)

16 MR. DIETZ: Okay. If there are no questions
17 for Ms. Smith, then I'd entertain a motion to approve.

18 MS. JOHNSON-ROSE: This is Courtney Johnson-
19 Rose. So, moved.

20 MS. SHIPLEY: This is Lali. I'll second.

21 MR. DIETZ: Okay. It has been moved and
22 seconded that we approve the fiscal year 2021 investment
23 policy. Is there any public comment?

24 (No response.)

25 MR. DIETZ: I don't see any. So, we'll go

1 through roll call vote. Bill Dietz? Yes.

2 Valerie Cardenas?

3 MS. CARDENAS: Yes.

4 MR. DIETZ: Courtney Johnson-Rose?

5 MS. JOHNSON-ROSE: Yes.

6 MR. DIETZ: Lali Shipley?

7 MS. SHIPLEY: Yes.

8 MR. DIETZ: And Andy Williams?

9 MR. WILLIAMS: Yes.

10 MR. DIETZ: Okay. So, the fiscal year 2021
11 investment policy is approved.

12 Tab Item 5 is the "Presentation, Discussion and
13 Possible Approval of the Fiscal Year 2021 Broker Listing."

14 MS. SMITH: Again, this is Melinda Smith. In
15 addition to the investment policy, the Public Funds
16 Investment Act also requires that we ask the Board to
17 approve a broker listing each year, and we have quite an
18 extensive list and we have made some changes to it, the
19 majority of which are just because these various firms
20 have merged and un-merged and their names have changed.

21 In addition, we've added one, UBS. The brokers
22 are -- for each investment we purchase, there are three
23 bids, and the -- our investment advisor uses this list of
24 brokers to select from, in purchasing and getting those
25 bids and purchasing investments for us.

1 And so, we are asking the Board to approve the
2 new list for fiscal year 2021.

3 MR. DIETZ: Great. Any questions about that
4 for Ms. Smith?

5 (No response.)

6 MR. DIETZ: Hearing none, I would entertain a
7 motion to approve.

8 MS. CARDENAS: Valerie. So, moved.

9 MR. DIETZ: And is there a second?

10 MS. JOHNSON-ROSE: Mr. Chairman, this is
11 Courtney. I'll second.

12 MR. DIETZ: Okay. It's been moved and seconded
13 that we approve the fiscal year 2021 broker listing as
14 submitted and as -- with the noted changes. Is there any
15 public comment?

16 (No response.)

17 MR. DIETZ: Okay. Hearing none, I'll go
18 through the roll call vote, and please note that I will
19 abstain from this particular vote due to financial
20 relationship that I have with one of the listed brokers.

21 Valerie Cardenas?

22 MS. CARDENAS: Yes.

23 MR. DIETZ: Courtney Johnson-Rose?

24 MS. JOHNSON-ROSE: Yes.

25 MR. DIETZ: Lali Shipley?

1 MS. SHIPLEY: Yes.

2 MR. DIETZ: Andy Williams?

3 MR. WILLIAMS: Yes.

4 MR. DIETZ: Okay. The broker listing for
5 fiscal year 2021 is approved. Thank you, Melinda.

6 MS. SMITH: Thank you so much. Thank you.

7 MR. DIETZ: All right. So, we'll go to Tab
8 Item 6, which is the "Presentation, Discussion and
9 Possible Approval of the 2020 Texas Foundations Fund
10 Nonprofit Partners."

11 MR. WILT: Good morning, Chairman Dietz and
12 Board members. I'm Michael Wilt, Senior Manager of
13 External Relations. I'm here to present Tab Item 6 which
14 asks you to consider and possibly approve our 2020 Texas
15 Foundations Fund Partners.

16 The 2020 round of Texas Foundations Fund is
17 structured just like our last two rounds in that we match
18 public and private funds raised by selected partners. So
19 the partners are selected on a two-year term with matching
20 grant funds available each year, and to qualify as a
21 partner, you have to meet certain threshold requirements
22 which are outlined on the first page of the write-up
23 that's included in your Board packet.

24 I did want to note that we changed one thing
25 for the funding. We are allowing 5 percent of the grant

1 to go towards administrative or technical costs associated
2 with carrying out the program. The primary motivation for
3 this change is the ongoing COVID-19 pandemic.

4 We've seen some organizations struggle to keep
5 their programs operational, especially on the home repair
6 side because a lot of organizations depend on volunteer
7 labor, for example, and they couldn't do that anymore.
8 So, this administrative assistance will help them keep
9 their programs operational, even if it's just a little
10 bit, 5 percent of the grant.

11 The 2020 application period opened this past
12 May, and the deadline to submit was June 19. We received
13 38 applications, which is a lot, from throughout the state
14 of Texas. We conducted a two-part, thorough review of all
15 applicants and determined that 33 of the 38 met the
16 requirements necessary to be selected as a partner.

17 We've included a brief description of each
18 proposed partner in the write-up. So, you can see what
19 programs the matching grant will support and their funding
20 priority to serve with the grant, and also the counties
21 that they're serving.

22 You can also see the new partners you will be
23 working with during this grant term. They're indicated by
24 an asterisk on the page that has all the partners listed.
25 I also wanted to briefly touch on the regional dispersion

1 of our partner organizations.

2 It's something we're really proud of, this
3 funding round and every funding round. We have two
4 partners in the Panhandle, four in West Texas, four in
5 North Texas, eight in Central Texas, two in East Texas,
6 two in South Texas, eight in Southeast Texas, and three in
7 the Rio Grande Valley.

8 Total funding for this round is \$610,500, which
9 is \$18,500 per partner. It's a little bit more than we
10 budgeted for, but we're also awarding grants to more
11 partners than we've ever awarded. And we also like to
12 have it be a round number, so 18,500 is what we landed on.

13 I also wanted to quickly mention, since the
14 inception of the Foundation's fund grant program, we've
15 awarded more than \$3.7 million over 10 funding cycles.
16 This is our -- the beginning of our 11th funding cycle,
17 and if you approve this amount today, it will bring our
18 investment up to more than \$4.3 million in grant funding.

19 If approved, the next steps on our end is we
20 send out a grant agreement with each partner. They have
21 six months to access their grant funding. Any funds not
22 accessed over that time will be available to a statewide
23 pool, but we hope that doesn't happen.

24 And a partner has to use 100 percent of the
25 matching grant and submit a report at the end of each

1 period before they can have access to their next grant.
2 That's all I have. Happy to take any questions.

3 MR. DIETZ: Great. Thank you. Are there any
4 questions for Michael from the Board?

5 (No response.)

6 MR. DIETZ: One question, a quick -- that I
7 have, Michael. So, sounds like we had five organizations
8 apply that were not eligible, based on our criteria, and I
9 guess, do we kind of help those organizations figure out,
10 okay, here are the things that are not -- they're the
11 reasons that you're not eligible, and here's what you can
12 do so that perhaps in the next round you could become
13 eligible?

14 MR. WILT: Yeah. Two of them were because they
15 didn't own the housing, and one of them, they were trying
16 to get supportive services. And so, you know, we're
17 pretty clear in our guidelines that if you want -- if you
18 are asking for grant funds to go towards something like
19 that, you have to own and operate the housing.

20 MR. DIETZ: Okay.

21 MR. WILT: So, you can't really help them fix
22 that. The other ones were all financial reporting
23 reasons, and we are pretty strict when it comes to
24 requiring an audit.

25 And with one organization, they didn't require

1 an audit because of their overall budget. They required a
2 financial review, but it wasn't quite the type of review
3 that we were looking for because we needed something from
4 a CPA. And that's an organization that we are definitely
5 working hand-in-hand with.

6 We've worked with them in -- through other
7 initiatives and are helping build up their capacity.
8 They're quite small still, and we're -- you know, as they
9 scale up in operation, we're trying them walk through, you
10 know, what that looks like on the financial reporting side
11 in order to unlock funding like this that could be
12 available.

13 So, any sort of -- if it's a financial reason,
14 we try and help them in that regard figure out how to come
15 up with the necessary reporting.

16 MR. DIETZ: Great. And the funds for this
17 primarily just come from our general operating funds, and
18 then in the budgeting process, we dedicate a portion to --
19 you know, one of the line items goes to this particular
20 effort.

21 Is that correct?

22 MR. WILT: That's correct. Right. This is
23 funded by TSAHC revenue.

24 MR. DIETZ: Yeah, yeah. I think it's a
25 great -- it's a good element of what TSAHC does and hope

1 we continue to increase the funding that we give to this
2 program so we can continue to help more and more entities
3 like the ones outlined here.

4 MS. CARDENAS: Michael, this is Valerie. Just
5 out of, I guess, curiosity over the course of these grant
6 funds being awarded, have you -- has the -- has TSAHC ever
7 faced any challenges where maybe monies were not used
8 accordingly or not complied with, you know, the process,
9 you know, during the disbursement of funds, or as maybe
10 you all are doing, you know, a random inspection or just
11 kind of things of that nature?

12 MR. WILT: We have pretty strong reporting
13 requirements. Fortunately, we've never encountered a
14 problem where there's been a misuse of funds. There have
15 been organizations that have changed how they would like
16 to use the funds over the course of a grant term, and
17 we've allowed for modifications to the grant agreement.

18 I would say the most common thing that's
19 happened is organizations haven't accessed part of their
20 funding or all of their funding. And in instances like
21 that, we collapse that into a general pool and provide
22 that to, you know, other partners that -- they can use the
23 funding.

24 But it's a complicated and tricky process on
25 how you award leftover funds that are in a general pool

1 available to anybody, so it's something we like to avoid.
2 If an organization is struggling with, like, identifying a
3 household to provide home repairs or if they're struggling
4 with something, we like to figure it out with that
5 organization, as opposed to providing those excess funds
6 to somebody else.

7 MS. CARDENAS: Okay. Thank you.

8 MR. DIETZ: Great. All right. Any other
9 questions for Michael?

10 MR. LONG: Mr. Chairman?

11 MS. JOHNSON-ROSE: Umm --

12 MR. LONG: Go ahead, Courtney.

13 MS. JOHNSON-ROSE: Mr. Chairman, this is
14 Courtney. This is coming out of our general funds, but
15 it's flowing through the Foundation. Correct? I just
16 wanted to be sure that I understood that correctly.

17 MR. DIETZ: Is that right, Michael? Do we --
18 we're contributing it from the general fund to the
19 Foundation, and then the Foundation is distributing the --
20 is that how it works?

21 MR. WILT: Well, we don't have a Foundation set
22 up, but I mean, I think Melinda can probably explain how
23 exactly it's included --

24 MS. SMITH: Yeah.

25 MR. WILT: -- in the budget.

1 MS. SMITH: I'd be happy to. It's just -- it's
2 coming out of our general fund money. We haven't
3 established a specific, you know, foundation, although
4 this money is separated and used specifically for this
5 purpose, and we budget it every year.

6 It's part of our program expenditures, if that
7 makes sense.

8 MR. DIETZ: Okay, okay, okay. Yeah. I think
9 that since it said, Texas Foundations Fund, I think that's
10 what they're --

11 MS. SMITH: Yeah.

12 MR. DIETZ: -- but there's not a --

13 MS. SMITH: Yeah.

14 MR. DIETZ: -- there's not really a separate
15 bank account or a separate account somewhere with the
16 Texas Foundations Fund money. It's just -- we have
17 allocated a certain portion of our revenue to support this
18 project.

19 Is that correct?

20 MS. SMITH: Correct. We do keep it separate on
21 the books, so in a way, it's separate, but yeah, that's --

22 MR. DIETZ: Sure.

23 MS. SMITH: -- exactly right.

24 MS. JOHNSON-ROSE: Okay.

25 MR. DIETZ: Courtney, does that answer your

1 questions?

2 MS. JOHNSON-ROSE: Yes, it does. Thank you,
3 Mr. Chairman.

4 MR. DIETZ: Great. Any other questions?

5 MS. JOHNSON-ROSE: Mr. Chairman, I would do a
6 motion to approve.

7 MR. DIETZ: Great. Is there a second?

8 MS. CARDENAS: Valerie. Second.

9 MR. DIETZ: Okay. It's been moved and seconded
10 that we approve the Texas Foundations Fund nonprofit
11 partners. Is there any public comment?

12 (No response.)

13 MR. DIETZ: Okay. I don't see one. So, we'll
14 go through a roll call vote. Bill Dietz? Yes.

15 Valerie Cardenas?

16 MS. CARDENAS: Yes.

17 MR. DIETZ: Courtney Johnson-Rose?

18 MS. JOHNSON-ROSE: Yes.

19 MR. DIETZ: Lali Shipley?

20 MS. SHIPLEY: Yes.

21 MR. DIETZ: And Andy Williams?

22 MR. WILLIAMS: Yes.

23 MR. DIETZ: Okay. So, the Texas Foundations
24 Fund nonprofit partners are approved. And is that
25 correct, that should say 2020 there on the Texas

1 Foundations Fund Nonprofit Partners, or --

2 MR. WILT: Yes.

3 MR. DIETZ: -- should it say, 2021? It is?

4 Okay.

5 MR. WILT: It's for a term of 2020 to 2022, to
6 be exact.

7 MR. DIETZ: Okay, okay. But we just call it,
8 2020, because that's the opening year. Great.

9 MR. WILT: That's correct.

10 MR. DIETZ: Good, good. Thank you for that
11 clarification. Okay.

12 On to Tab Item 7, the "Presentation, Discussion
13 and Possible Approval of the Appointment of Member(s) to
14 the Board of Directors of Texas Community Capital, LLC."

15 MR. LONG: Mr. Chairman, can you hear me?

16 MR. DIETZ: Yes.

17 MR. LONG: Good. Before I go off on Tab
18 Item 7, I want to go back to Tab Item 6, and I want to
19 thank Michael, the staff, and accounting. There's a lot
20 of work that goes into this. This program is something
21 I'm truly passionate about.

22 The Corporation started this back in 2008. The
23 Board has been very generous over the years with us,
24 allowing us to expand our funding to this program, and as
25 everyone has mentioned, this is something that comes

1 directly from the excess revenues that the Corporation
2 generates and the Board has graciously over the years
3 expanded that funding source.

4 And to add on to the comment you made, Mr.
5 Chairman, earlier about liking to see us expand the
6 funding on this again, I'm going to give you a heads-up
7 that for the next year's budgeting, when we get a chance
8 to reevaluate the amount of money, I'm going to ask the
9 Board to likely increase this significantly, because I
10 think this -- what we're seeing is a greater and greater
11 demand for more nonprofits.

12 As Michael said, 38 applicants. We tend to
13 have a huge demand from the nonprofit community, and this
14 is such a great resource that we offer them for meeting
15 the housing needs across the state. I just would like to
16 see our Board give consideration to expanding the funding
17 source out of this significantly, given that our budget,
18 if we can -- if we have the opportunity to do so, I'd like
19 to do that.

20 But again, my comment was just to thank Michael
21 and his team and the effort that goes into reviewing and
22 putting this together, a lot of work. And I know
23 accounting steps in and helps a lot with the review of the
24 financials, so thank you to everybody for that, and thank
25 you, Board, for your approval of Tab Item 6. It's really

1 a great program, and I'm really excited to see it
2 continue.

3 Tab Item 7 is the approval of the Board's,
4 TSAHC's Board, to appointees to the Texas Community
5 Capital Board. The Texas Community Capital, for those
6 Board members that are not aware -- or that we haven't had
7 a chance to do this in a while -- Texas Community Capital
8 is a 501(c)(3) entity that the Texas Association of CDCs
9 and Texas State Affordable Housing Corporation reinvented
10 over five years ago as a way for us to try and identify
11 ways to expand our scope of resources for funding
12 affordable housing by becoming a CDFI.

13 If -- for a quick backdrop on the history of
14 this, the Corporation, TSAHC, originally tried to apply to
15 become a CDFI and we were not eligible to do so because of
16 certain restrictions on governmental entities being --
17 becoming CDFIs. In coordination with the Executive
18 Director at that time, now Matt Hull at TACDC, the
19 Corporation -- Corporation's Board and TACDC's Board of
20 Directors agreed to allow us, these two entities, to
21 create or revive an existing 501(c)(3) which is called
22 Texas Community Capital.

23 Over the last several years, we have focused
24 very heavily on trying to become a CDFI. We had one
25 application submitted that was declined due to lack of

1 activity or financial strength. Over the last several
2 years, as I mentioned, we have worked very hard with TACDC
3 and TSAHC to try and grow the capacity of that.

4 TACDC is a participant in an organizational
5 program called the Community Loan Center, which is an
6 alternative to payday lending. They have seen significant
7 growth in the program which runs through TCC. That said,
8 the makeup of the Board of TCC is nine members now.

9 Over the years, we've amended that.
10 Originally, it was three members appointed by the TSAHC
11 Board and three members appointed by the TACDC Board. The
12 bylaws that were attached in the Board packet reflect that
13 we've changed that.

14 And now it's three members from the TCC
15 Board -- I mean, from TSAHC's Board appointed, three
16 members from TACDC appointed, and then we have three
17 members at large that are selected and approved by the
18 existing Board appointed by TSAHC and TACDC. So
19 essentially, six members appointed and approved three
20 additional Board members.

21 At this time, what I'm looking to do is get the
22 Board to approve two extensions to two of our Board
23 members. Our current Board members consist of Cindy Leon,
24 who is existing -- she is the acting chair of TCC and one
25 of the TCC Board members -- TSAHC's Board members that's

1 appointed by our Board.

2 David Danenfelzer and Roy Nash are also Board
3 members that our Board has approved to serve as Board
4 members of TCC. I know it sounds a little confusing, but
5 essentially what I'm trying to do today is, ask the
6 Board's consideration and approval of the extension and
7 reappointment of David Danenfelzer and Roy Nash to
8 appointments -- to continue to serve as representatives
9 approved by Texas -- by TSAHC's Board to serve on the TCC
10 Board.

11 So as you see in the staff recommendations,
12 we're recommending the appointment of Roy Nash to the
13 Texas Community Capital Board, to begin essentially -- you
14 know, these terms kind of already expired, so we're kind
15 of a day late and dollar short, but we're trying to get
16 this caught up.

17 The TCC Board doesn't meet on a monthly basis.

18 They meet every other month, and so we kind of got a
19 little bit behind the curve on this. So, what we're
20 asking you to do is approve both Mr. Nash and Mr.
21 Danenfelzer's appointments.

22 Moving forward, Mr. Danenfelzer would be for a
23 two-year appointment and Mr. Nash's would be for an
24 additional four-year appointment, and what that allows us
25 to do is stagger the appointments to every two and four

1 years.

2 So with that, Mr. Chairman, if I made this more
3 complicated than it needs to be, what I'm essentially
4 doing is seeking approval from the Board to reappoint
5 David Danenfelzer and Mr. Nash to the previously
6 referenced terms to serve and continue to serve on the
7 Texas Community Capital Board of Directors.

8 MR. DIETZ: Great. Makes sense to me. Any
9 questions for Mr. Long?

10 (No response.)

11 MR. DIETZ: Okay. Hearing none, is there a
12 motion?

13 MS. JOHNSON-ROSE: Sorry, Bill. This is
14 Courtney. I had a question. Is Roy Nash a staff member?

15 MR. LONG: No, he is not. Roy Nash is the
16 Executive Director of the NeighborWorks Waco, a nonprofit
17 organization that we have done business within the past.

18 MS. JOHNSON-ROSE: Okay.

19 MR. LONG: Mr. Nash's background is extensive
20 in the affordable housing as well as in community
21 development in Waco, and he has -- he was previously
22 approved by TSAHC's Board to serve as a Board member, and
23 he came in on a short -- shortened term.

24 He was one of the two-year -- original, two-
25 year members that you guys approved, and so this would

1 give him a four-year term.

2 MS. JOHNSON-ROSE: Okay. All right. Thank
3 you. With that, Mr. Chairman, I will make the motion for
4 approval.

5 MR. DIETZ: Thanks, Courtney. Is there a
6 second?

7 MS. CARDENAS: This is Valerie. Second.

8 MR. DIETZ: Okay. It's been moved and seconded
9 that we approve Mr. Danenfelzer and Mr. Nash as members of
10 the Board of Directors of Texas Community Capital, LLC for
11 the terms referenced. Is there any public comment?

12 (No response.)

13 MR. DIETZ: Okay. Hearing and seeing none,
14 I'll go through a roll call vote. Bill Dietz? Yes.

15 Valerie Cardenas?

16 MS. CARDENAS: Yes.

17 MR. DIETZ: Courtney Johnson-Rose?

18 MS. JOHNSON-ROSE: Yes.

19 MR. DIETZ: Lali Shipley?

20 MS. SHIPLEY: Yes.

21 MR. DIETZ: And Andy Williams?

22 MR. WILLIAMS: Yes.

23 MR. DIETZ: Okay. The appointment of the
24 members to the Board of the Directors of TCC, LLC is
25 approved.

1 MR. LONG: Thank you to --

2 MR. DIETZ: On to Tab --

3 MR. LONG: -- David --

4 MR. DIETZ: Yes?

5 MR. LONG: -- for continuing to serve. David
6 Danenfelzer, thank you, because he's doing so much for us
7 right now. We appreciate his continued guidance and
8 leadership. So, thank you for your support on that.

9 MR. DIETZ: Great. Tab Item 8, which is the
10 "Discussion and Possible Approval of a Resolution
11 Authorizing the Issuance of Texas State Affordable Housing
12 Corporation Multifamily Mortgage Revenue Notes for the W.
13 Leo Daniels Towers Series 2020A-1 and 2020A-2, a Funding
14 Loan Agreement, a Borrower Loan Agreement, an Asset
15 Oversight, Compliance and Security Agreement and a
16 Regulatory Agreement, authorizing the execution of
17 documents and instruments necessary or convenient to carry
18 out the issuance of the notes, and other provisions in
19 connection therewith."

20 MR. DANENFELZER: Good morning. This is Dave
21 Danenfelzer. Can y'all hear me all right?

22 MR. DIETZ: We can.

23 MR. DANENFELZER: Great. Yeah. So, we are
24 talking about the W. Leo Daniels Towers in Houston, Texas.
25 This is a project we brought to you several months ago for

1 inducements, and in that time, we've been working with the
2 developer, the developer's partners, as well as other
3 agencies to work through all of the hurdles and pitfalls
4 that come with development. And we are at a point,
5 though, where we have succeeded in bringing the project
6 back to you with a recommendation to approve moving
7 forward with the closing on the bonds.

8 This is the final bond resolution that TSAHC
9 will pass. But please note that although TSAHC is
10 approving this today, there are other agencies or entities
11 that do need to approve and finalize the transaction
12 before we officially close.

13 The transaction has not been approved for
14 housing tax credits yet, though it is in process at the
15 Department of Housing -- Texas Department of Housing and
16 Community Affairs, for that process. And we will also,
17 after this approval, submit an application for clearance
18 to move forward with the closing to the Texas Bond Review
19 Board. It's officially called [audio skip].

20 In any case, there's -- you know, the -- while
21 the write-up in your Board talks a lot about the -- you
22 know, the project itself, and we have updated some of the
23 numbers in the financial summary as far as cost of
24 rehabilitation, total cost of the project in different
25 sources reduces for the project, one important change or

1 shift that has happened -- if you remember, back in
2 August, we brought this transaction to you.

3 Because of some hurdles that the primary
4 developer, ITEX Group, who originally applied to us, was
5 having with the Texas Department of Housing on other
6 projects not associated with this one -- and at that time,
7 we also wanted to clarify that the original application
8 not only included ITEX Group as the developer, but it did
9 also include Jeshurun Development, and the -- many of the
10 things that TDHCA, or Texas Department of Housing, have
11 been sorted through.

12 ITEX has gotten clearance to move forward with
13 participating more fully in the ownership of the property.

14 So that is one of the changes that is coming to you
15 today. So we have a much more solid and better
16 understanding of the ownership structure with ITEX Group
17 and Jeshurun, both participating in the ownership and
18 operations of the project, long term.

19 At this point, really, I think there's not much
20 else I can add to the summary and the presentation that
21 you've received. I do know, and I want to make clear one
22 thing that was a question actually asked of me a couple of
23 weeks ago, and it is -- and I think this is an important
24 thing.

25 The resolution talks about mortgage revenue

1 notes rather than the term "bonds." Over the years, we've
2 used that term "notes" versus bonds somewhat
3 interchangeably. It is an important term under the IRS
4 Tax Code rules, but both notes and bonds are tax-exempt
5 securities which we can issue through the Private Activity
6 Bond Program.

7 The main reason some bond purchasers or note
8 purchasers use the term "note" is simply because of ways
9 that they can take advantage of the Community Reinvestment
10 Act. So certain banks and -- as well as other financial
11 institutions like to use the mortgage revenue note process
12 in order to take advantage and get credit under the CRA
13 rules, rather than the bond process.

14 But essentially, the documents and the purpose
15 of those documents and how they're enforced are all the
16 same. They all meet the IRS requirements for tax-exempt
17 securities.

18 And so that's just a question I know comes up
19 every once in a while, and it did come up a couple of
20 weeks ago, so I wanted to talk about that openly with the
21 Board so there wasn't any question about [audio skip].

22 With that, I'll close my presentation and ask
23 if there's any questions?

24 MR. DIETZ: Great. Any questions for the --
25 from the Board?

1 (No response.)

2 MR. DIETZ: Okay. Hearing none, is there a
3 motion?

4 MS. CARDENAS: This is Valerie. So, moved.

5 MR. DIETZ: Thanks, Valerie. Is there a
6 second?

7 MS. SHIPLEY: This is Lali. I'll second.

8 MR. DIETZ: Okay. It's been moved and seconded
9 that we approve the resolution regarding the issuance of
10 the mortgage revenue notes for the W. Leo Daniels Towers.

11 Is there any public comment?

12 (No response.)

13 MR. DIETZ: Okay. I don't see or hear any, so
14 we'll go through a roll call vote. Bill Dietz? Yes.

15 Valerie Cardenas?

16 MS. CARDENAS: Yes.

17 MR. DIETZ: Courtney Johnson-Rose?

18 MS. JOHNSON-ROSE: Yes.

19 MR. DIETZ: Lali Shipley?

20 MS. SHIPLEY: Yes.

21 MR. DIETZ: And Andy Williams?

22 MR. WILLIAMS: Yes.

23 MR. DIETZ: Okay. The resolution is approved.

24 Thank you, Mr. Danenfelzer.

25 On to Tab Item 9, the "Presentation, Discussion

1 and Possible Approval of a Resolution Regarding the
2 Submission of one or more Applications for Allocation of
3 Private Activity Bonds, Notices of Intention to Issue
4 Bonds and State Bond Applications for the -- to the Texas
5 Bond Review Board and Declaration of Expectation to
6 Reimburse Expenditures with Proceeds of Future Debt for
7 the Gardens of Balch Springs Apartments."

8 MR. DANENFELZER: Thank you. This is David
9 Danenfelzer, Senior Director of Development Finance. We
10 have a new project. We have actually a couple on today's
11 agenda. This is the first of two which we are inducing
12 today.

13 And as a reminder, the inducement process and
14 the resolution you're providing today allows -- gives
15 staff and the Corporation the authority to move forward
16 with beginning the process of developing all of the bond
17 documents, all of the review procedures, as well as the
18 TEFRA hearings or public hearings that are required to
19 meet the IRS Revenue Code in order to bring a project back
20 to you for final bond approval.

21 This process will take a few months, and in
22 this case, it will take a bit longer because we do not
23 currently have available volume cap for this project. We
24 will be able to utilize our volume cap for 2021. In
25 January, we will have access to that, and we will go ahead

1 and utilize that volume cap for this project.

2 So it will be a few months before we move
3 forward, but it is often important for us to get the
4 resolution for tax purposes as well because from the IRS
5 perspective, once we have this resolution, the developer
6 can begin taking steps too in their development process,
7 including environmental surveys, engineering studies and
8 other things. And they are able to then reimburse
9 themselves from the bond proceeds at a later date once the
10 bonds close. So, this is very helpful to the developer to
11 get the inducement so early in the process.

12 Focusing in on the project, the project is
13 being proposed by TDI Affordable Development. It is 185
14 units of new affordable housing construction targeted to
15 seniors in Balch Springs, Texas.

16 As you [audio skip] from the Dallas-Fort Worth
17 area, probably know a little bit about where it is. It's
18 just south of Mesquite, and over off of where 20, and I
19 believe, it's 635 or 80 intersect. But Balch Springs is a
20 suburban area just outside of Dallas, and the project does
21 meet our targeted housing needs for senior and service-
22 enriched housing, which is why we -- it does meet our
23 minimum requirement for targeted housing needs.

24 The project is also going to be part of a much
25 larger subdivision or master-planned community called

1 [audio skip] Park. It's 173 acres, includes several
2 hundred units of affordable -- not affordable housing, but
3 market-rate housing as well as single family and
4 multifamily housing in there, several hundred thousand
5 square feet of office/commercial space.

6 Much of this is still to be planned and
7 developed over the next couple of years, but this is a
8 very large planned development that the city of Balch
9 Springs is quite excited about, and they have provided
10 letters of support for this project.

11 The total budget for the project is
12 approximately \$36.2 million, or about 176,000 per unit.
13 This is a pretty -- I'd actually say, it's right in where
14 the median cost of new affordable housing for the Dallas-
15 Fort Worth area is occurring. But that's also very
16 similar to market-rate housing in the Dallas-Fort Worth
17 area, although these will be rent-restricted units and so
18 [audio skip] affordable to households [audio skip] area.

19 As far as the developer goes, the developer,
20 TDI Affordable Development, is a collaboration between JPI
21 and Prudentia Development. JPI is actually one of the
22 largest multifamily developers in Texas, who have more
23 than 98,000 units in Texas and other states. You know,
24 they are not a well-known affordable housing developer.

25 However, what I understand from speaking both

1 with our bond counsel, who has a long history of working
2 both in commercial and residential real estate, JPI is a
3 solid, solid name, particularly in the Dallas-Fort Worth
4 area, for their development and predominantly, kind of,
5 high-end apartments.

6 So, we're kind of excited to see a developer
7 who is known for their high quality of construction and
8 their product start to look at entering the affordable
9 housing market. Because it is something, I believe, from
10 reading and understanding, that JPI's mission is to look
11 at also giving back to the community, and they see this as
12 the new way to do that in the Texas market, providing some
13 affordable housing.

14 They've partnered with Ryan and Natalie Combs
15 from Prudentia Development. I'll mention that I know Ryan
16 from other projects that we have worked on, including his
17 time at Bonner Carrington, but more recently, we did
18 work -- TSAHC worked with Ryan when he was at Palladium
19 USA to develop a project, including the [audio skip] in
20 Midland project and the [audio skip] project.

21 Both of those projects are complete and
22 operating and have excellent track records as well. So,
23 we do believe we have a development team here that is well
24 experienced both in affordable housing, but also very
25 high-quality construction.

1 I think I'll go ahead and wrap there, and I'll
2 allow the Board to ask any questions you may have.

3 MR. DIETZ: Great. Thank you for that
4 explanation. Any questions from the Board or comments?

5 (No response.)

6 MR. DIETZ: Or motions?

7 MS. CARDENAS: This is Valerie. So, moved.

8 MS. JOHNSON-ROSE: This is --

9 MS. SHIPLEY: This is Lali. I second.
10 I'm sorry, Courtney.

11 MR. DIETZ: All right. So that is the -- it
12 has been moved and seconded. Is there any public comment?

13 (No response.)

14 MR. DIETZ: Okay. I don't see or hear any
15 public comment, so we'll do our roll call vote. This is
16 on the approval of the resolution regarding the submission
17 of the private activity bonds, et cetera, for the Gardens
18 of Balch Springs Apartments. Bill Dietz? Yes.

19 Valerie Cardenas?

20 MS. CARDENAS: Yes.

21 MR. DIETZ: Courtney Johnson-Rose?

22 MS. JOHNSON-ROSE: Yes.

23 MR. DIETZ: Lali Shipley?

24 MS. SHIPLEY: Yes.

25 MR. DIETZ: And Andy Williams?

1 MR. WILLIAMS: Mr. Chairman, because of my
2 interest in the [audio skip] program, I recuse myself from
3 this vote.

4 MR. DIETZ: Okay. So, if we would please note
5 that Mr. Williams abstains from this particular vote.
6 With that, the motion is approved. So, thank you, Mr.
7 Danenfelzer.

8 We'll go to Tab Item 10, which is the
9 "Presentation, Discussion and Possible Approval of a
10 Resolution Regarding the Submission of one or more
11 Applications for Allocation of Private Activity Bonds,
12 Notices of Intention to Issue Bonds and State Bond
13 Applications to the Texas Bond Review Board and
14 Declaration of Expectation to Reimburse Expenditures with
15 Proceeds of Future Debt for the Riverstation Apartments."

16 MR. DANENFELZER: Good morning again. This is
17 David Danenfelzer, Senior Director of Development Finance.
18 This application, like the last, is for an inducement.

19 Again, it allows the Corporation staff to move
20 forward with planning and preparation for the development,
21 and it also is a benchmark for the developer in order to
22 start expending funds and attributing those to the bond
23 proceeds in the future. But this particular project is --
24 was -- the application is from Dominion as the developer.

25 We worked most recently with Dominion on two

1 projects in the Midland area. Both those projects were
2 new construction [audio skip], the Ventura at Tradewinds
3 and Ventura at Fairgrounds projects. The Ventura at
4 Fairgrounds project closed earlier this year, in June.

5 This project, however, is an acquisition and
6 rehab of an existing affordable housing complex. It's 236
7 units, and it does meet our targeted housing needs for at-
8 risk preservation projects. The funding that will be
9 utilized, including bonds, tax credits and other sources,
10 will rehabilitate the property up to more current
11 standards, and there is anticipation of spending
12 approximately 47,000 per unit in the rehabilitation of
13 these units.

14 I'll note, because this is a rehabilitation
15 project, it is always the intent of the developer, as well
16 as a requirement, to ensure that as many, if not all, of
17 the existing tenants remain in place. Many of these
18 rehabilitations occur while the tenants are in place.

19 However, in certain cases, tenants are
20 relocated on a temporary basis in order to complete the
21 full rehab of the project. In this case, they will be
22 still working on that relocation plan, and we will review
23 that at a later date and prior to the final bond approval
24 by the Board.

25 This property is located in the Dallas area,

1 and it's off South Great Trinity Forest Way, which is near
2 the Trinity Golf Club. The neighborhood does have a very
3 high percentage of renters, but it is kind of -- like
4 many -- what I'll say is, it's -- the neighborhood in this
5 census tract is quite large and does include a lot of not
6 necessarily affordable, but mixed-rate, some affordable
7 and some market-rate rental housing.

8 It is a very urbanized area, very walkable, and
9 does have bus lines to many retail and educational
10 services, as well as some jobs in industry and
11 manufacturing. They're located not too far away, along
12 the I-45 corridor.

13 As far as Dominion goes in the developer
14 summary, you know, I mentioned that we've worked with them
15 before. There's some information in the write-up about
16 their experience.

17 Again, this project is also being worked on by
18 Jeff Spicer, who is the vice president of Dominion. And
19 we have worked with Mr. Spicer for -- on a number of
20 projects, including those with Dominion, as well as the DF
21 Sagebrush Apartments, which we are going to be talking
22 about a little bit later today, though that project is not
23 related to Dominion. I just want to [audio skip], Spicer
24 does work for Dominion, but also has other interests in
25 apartments and affordable housing projects, not associated

1 [audio skip].

2 So, at this point, you know, I'll just note
3 that our recommendation is to move forward with the
4 resolution, and ask if there are any questions?

5 MR. DIETZ: Okay. Thank you. Is there any
6 question for Mr. Danenfelzer?

7 (No response.)

8 MR. DIETZ: Or is there a motion?

9 MS. CARDENAS: This is Valerie. So, moved.

10 MR. DIETZ: Thanks, Valerie. Is there a
11 second?

12 MS. JOHNSON-ROSE: This is Courtney. I'll
13 second.

14 MR. DIETZ: Okay. It's been moved and
15 seconded. Is there any public comment?

16 (No response.)

17 MR. DIETZ: Okay. I did not see or hear any,
18 so we'll do our roll call vote. Valerie Cardenas?

19 MS. CARDENAS: Yes.

20 MR. DIETZ: Courtney Johnson-Rose?

21 MS. JOHNSON-ROSE: Yes.

22 MR. DIETZ: Lali Shipley?

23 MS. SHIPLEY: Yes.

24 MR. DIETZ: Andy Williams?

25 MR. WILLIAMS: Yes.

1 MR. DIETZ: And Bill Dietz? Yes. So, the
2 resolution is approved as submitted with regard to the
3 Riverstation Apartments.

4 Tab Item 11 is the "Presentation, Discussion
5 and Possible Approval of the Publication for Public
6 Comment of the Guidelines, Scoring Criteria and Targeted
7 Housing Needs for the Allocation of Qualified Residential
8 Rental Project Tax Exempt Bond Funds under the Multifamily
9 Housing Private Activity Bond Program Request for
10 Proposals and the 501(c)(3) Bond Program Policies for
11 Calendar Year 2021."

12 MR. DANENFELZER: Again, good morning. David
13 Danenfelzer, Senior Director of Development Finance. Each
14 year, the Corporation is required by statute to review and
15 new requests for proposals as well as to update our
16 501(c)(3) bond policy.

17 Several years ago, the Corporation did combine
18 these into one document because they both relate to tax-
19 exempt bonds or tax-exempt securities, and so we deal with
20 them as one master document. And we have now done that
21 for about six years, I believe.

22 In every year, there's obviously some little
23 changes that we have to go through. Our bond counsel,
24 issuer counsel and municipal advisers review these
25 policies and also provide updates. Many times, the

1 updates are very minor because they're just small word
2 change or things that have come down in interpretation
3 from the IRS that do require us to make amendments to.

4 Sometimes, they're because of state law changes
5 which we react to. And this year, in particular, state
6 law changes from the last legislative session have
7 significantly shifted the way the Private Activity Bond
8 Program for multifamily housing operates in the sense of
9 the flow of projects, when they can apply for certain
10 volume cap, and the timing of those applications.

11 This last year, one of the reasons that the --
12 you know, outside of economic reasons and the low cost of
13 debt, one major change in the statute was the size of
14 developments that could be applied for prior to August 15
15 of each year, as well as how that process was managed in
16 applying for those bonds.

17 And what we've seen here from TSAHC's
18 perspective is that we have -- you know, we did, and we do
19 anticipate allocating all of our volume cap from 2020. We
20 have applications already approved now in excess of what
21 we anticipate for our 2021 volume cap. And so, we've
22 looked at the policies in order to rewrite some of the
23 sections including, and most importantly, Section 5
24 regarding application review and Section 10 regarding
25 awards and reservation of volume cap.

1 The first change in the application review
2 process is that, while previously we would allow an
3 application to submit an inducement to go through the
4 process like we just did with the Gardens of Balch Springs
5 and Riverstation, and then give them the flexibility to
6 apply between January 1 and June 1 of each year, we've
7 decided that we would -- one, we would hold out a period
8 of time between June 1 and October of each year in order
9 to allow us to get through the volume of applications that
10 are utilizing our current volume cap, but also to give
11 staff and the Board the ability to plan the next year's
12 allocation and any changes that we might use.

13 What we realized is that the applications that
14 we're looking at right now are really based on last year's
15 RFP and so we've committed to following that into 2021.
16 But if for some reason there was a major shift in the
17 markets or other changes that came down, it would be
18 difficult for us in 2021 to really change things on the
19 applications that we already have. So, we're kind of
20 creating a time period where we're not going to accept
21 applications in order to plan for the next year.

22 The second thing that we're also doing is that
23 flexibility to apply and then hold an inducement
24 application open until June 1 of every year. We're moving
25 that deadline back to May 1 in order to ensure that we can

1 utilize our volume cap efficiently, and if we have
2 applications that are not moving forward, we can then move
3 to other applications later in the process and bring them
4 through, get their volume cap allocated, and then fully
5 utilize our allocation each year.

6 So those are kind of the changes, in summary.
7 I think there's other little details that are noted in the
8 write-up, as well as the Board -- as well as the draft
9 policies. And it's also important to note -- probably the
10 most important thing is, this is a draft that is being
11 requested your approval today for us to publish this
12 draft.

13 We will collect public comment, and we will
14 bring this back to you in December for final approval,
15 once we've collected public comment, considered it, and
16 included anything -- any other changes that result from
17 that comment.

18 MR. DIETZ: Great. Thank you, Mr. Danenfelzer.

19 Any questions from the Board?

20 (No response.)

21 MR. DIETZ: So, did I understand you correctly
22 that this is -- we'll see this again before it's --

23 MR. DANENFELZER: Yes.

24 MR. DIETZ: -- finalized?

25 MR. DANENFELZER: Yes. The Board will see the

1 entire document once again, once it has been posted and
2 we've collected public comments. There is always small
3 changes that will occur between now and then. Most often,
4 though, they are very small changes.

5 But we do -- you know, if we get very critical
6 and important comments, public comment, that makes us
7 reconsider something, we could also bring this back in
8 November to discuss those critical comments or changes
9 between now and November, or we'll just wait until
10 December and discuss it at that time.

11 MR. DIETZ: Great. Is there a motion?

12 MS. JOHNSON-ROSE: Mr. Chairman, this is
13 Courtney Rose. So, moved.

14 MR. DIETZ: Thanks, Courtney. Is there any
15 second?

16 MS. CARDENAS: This is Valerie. Second.

17 MR. DIETZ: Okay. I think we've got Valerie
18 seconding. So, it has been moved and seconded that we
19 approve for publication for public comment the guidelines
20 for the 501(c)(3) Bond Program policies for calendar year
21 2021. Is there any public comment at this time?

22 (No response.)

23 MR. DIETZ: I don't see or hear any, so we'll
24 go to our roll call vote. Valerie?

25 MS. CARDENAS: Yes.

1 MR. DIETZ: Courtney?

2 MS. JOHNSON-ROSE: Yes.

3 MR. DIETZ: Lali?

4 MS. SHIPLEY: Yes.

5 MR. DIETZ: And Andy?

6 MR. WILLIAMS: Yes.

7 MR. DIETZ: And Bill is also yes. So, the
8 approval is granted for publication for public comment.

9 Tab Item 12 is the "Presentation, discussion
10 and possible approval of a \$1,700,000 loan to the DF
11 Sagebrush Apartments, LP, an affiliate of the Texas
12 Housing Foundation, for the refinance of the Sagebrush
13 Apartments, a 60-unit affordable rental project in Brady,
14 Texas."

15 And I believe we have Ms. Ramirez presenting.

16 MR. LONG: Cassandra, are you on mute
17 accidentally?

18 MR. DIETZ: Sarah, can you tell if she's with
19 us?

20 MS. ELLINOR: Yeah, it appears she is on audio,
21 and -- but for some reason, it's showing that she's muted,
22 and I can't unmute her to help her out. So, I don't know.

23 Perhaps Dave, do you know the presentation?
24 Maybe you want to present for her, or --

25 MR. DANENFELZER: Sure. I can go ahead and do

1 the presentation.

2 MR. LONG: Dave, before you start, Cassandra,
3 if you can join, it would be a great opportunity. While
4 Dave is starting, you can chime in as Dave finishes. Go
5 ahead, Dave. Thank you.

6 MR. DANENFELZER: No problem. So, David
7 Danenfelzer, Senior Director of Development Finance. This
8 is a Texas Housing Impact Fund loan. We are proposing a
9 \$1.7 million refinance of the Sagebrush Apartments located
10 in Brady, Texas.

11 The apartments is a 60-unit affordable housing
12 complex, which the Corporation has had an involvement in
13 since inception. The Corporation, as part of its
14 background, actually was part of the original financing in
15 2003, and we were part of, at that time, a 9 percent
16 housing tax credit application, or I should say, we were
17 the financing member of the lender of that 9 percent
18 application, and assisted in its original construction.

19 A few years ago --

20 MS. RAMIREZ: Can you guys hear me?

21 MR. DANENFELZER: Oh, there's Cassandra.

22 MS. RAMIREZ: Can you hear -- I don't know
23 what's going on. Can you guys hear me?

24 MS. ELLINOR: We can hear you, Cassandra.

25 MR. DIETZ: We can hear you now. Yes.

1 MS. RAMIREZ: Oh, great. I don't know what
2 happened with this, but if you'd like me to present, I'm
3 happy to.

4 MR. DANENFELZER: Yeah. I just --

5 MS. RAMIREZ: All right.

6 MR. DANENFELZER: -- got -- I was just about to
7 talk about the public benefit. So why --

8 MS. RAMIREZ: Great.

9 MR. DANENFELZER: -- don't you go ahead and
10 pick it up from there?

11 MS. RAMIREZ: Sure. Well, good morning. I'm
12 Cassandra Ramirez, Development Finance Manager with TSAHC.
13 The agenda item write-up and resolution provided in your
14 Board book is related to the refinance of two bridge
15 loans, a \$1,000,000 term loan from Loan Star Capital Bank,
16 and an existing 700,000 term loan from TSAHC that matured
17 on October 1, 2020. Both of these loans were made in
18 2017.

19 One -- a correction to note in your Board book
20 is that the operating pro forma provided references an old
21 interest rate calculation of 3.5 percent from September.
22 We updated the interest rate closer to the Board meeting
23 in October to 3.75 percent, with a debt coverage ratio
24 still above TSAHC's 1.15 minimum debt coverage ratio.

25 TSAHC has worked with the Texas Housing

1 Foundation in previous projects, as David has mentioned,
2 most recently, the Ventura at Tradewinds and Ventura at
3 Fairgrounds projects. And let's see, what else.

4 So, the Loan Committee and staff met yesterday
5 and approved the loan based on staff's recommendations,
6 which includes an interest rate of 3.75 percent per annum
7 for a 60-month term. Interest-only payments will be made
8 during the first 24 months of the loan term.

9 All 60 units will retain their current
10 affordability requirement term of the Corporation's loan
11 and planned refinancing. And from your write-up, you can
12 see that 100 percent of the units are required to be
13 affordable to households at or below 60 percent of the
14 AMI.

15 The Corporation will collect an origination fee
16 of 17,000 on the date of the closing. Closing of the loan
17 must occur simultaneously with other financing sources,
18 and the Corporation must approve of any subordination or
19 parity agreements.

20 Approval is conditioned on a satisfactory
21 financial review, property inspection review and
22 appraisal. Staff did review past on-site monitoring
23 reports from the Texas Department of Housing and Community
24 Affairs, and reviewed current financials available, as
25 well as completed a cap rate analysis of the building and

1 referenced an approximately value of 2.6 million.

2 The Corporation will include an asset oversight
3 agreement that will also include an annual fee of \$1,500
4 for the term of the loan. Are there any questions from
5 the write-up provided?

6 As mentioned, the Loan Committee and staff met
7 yesterday to discuss this loan, and the outcome was that
8 the Loan Committee was supporting staff's recommendations
9 just noted. So, with that, I'll wrap up and ask for any
10 questions or comments from documents provided.

11 MR. DIETZ: This Bill Dietz. I just have one
12 question. So is -- the \$700,000 loan was existing loan
13 that we already had, and we're basically kind of renewing
14 that. Then the million-dollar loan was with a different
15 lending entity.

16 Is that correct?

17 MS. RAMIREZ: Correct, uh-huh.

18 MR. DIETZ: And who was it with?

19 MS. RAMIREZ: Texas Lone Star Bank.

20 MR. DIETZ: Okay.

21 MS. RAMIREZ: Loan Star Capital Bank. I'm
22 sorry.

23 MR. DIETZ: Okay. Okay. And I guess, Loan
24 Star Capital Bank is just a private lending institution?

25 MS. RAMIREZ: Yes.

1 MR. DIETZ: Yeah. And did that -- were they
2 interested, or did they bid on it, or how did that come to
3 pass, or --

4 MS. RAMIREZ: Texas Housing Foundation did have
5 discussions with them. Their interest rate for their
6 loan, their current loan, with this bank was 5.75, and
7 they've been doing a 90-day extension since it also
8 matured, but their approach has been to talk to TSAHC and
9 work with TSAHC to refinance and refinance the first lien
10 lender's note.

11 MR. DIETZ: I see. So is that a substantial
12 interest rate difference really -- is the --

13 MS. RAMIREZ: Uh-huh.

14 MR. DIETZ: -- yeah.

15 MS. RAMIREZ: Yeah. Brady, Texas is rural.
16 There aren't a lot of affordable housing communities in
17 the area, and our interest is to preserve affordability
18 and maintain this property. They -- you know, they do
19 have an affordability requirement until 2042, but they're
20 exceeding the requirements in serving, you know, several
21 extremely low-income households at this property.

22 MR. DIETZ: I see. Any questions from other
23 Board members for Ms. Ramirez?

24 MS. SHIPLEY: This is Lali. I think we might
25 have skipped over public benefit a little, in

1 transitioning between you and David. And I see what's
2 written here --

3 MS. RAMIREZ: Sure.

4 MS. SHIPLEY: -- and I think you touched on it
5 a little bit. But was there anything else to add to it?

6 MS. RAMIREZ: I would just highlight that this
7 project is -- the rural location does advance TSAHC's
8 mission to serve underserved markets. We've been working
9 with this developer since 2017, and overall, they've been
10 in good standing for the loan we currently have.

11 And like I said, there just isn't a lot of
12 affordable housing in Brady, and this is a good project to
13 continue investing in. They do intend to reapply for tax
14 credits as the takeout source for the loan, and we're
15 hopeful that they'll be successful in the coming years.

16 MR. DIETZ: Great. Any other questions or
17 comments?

18 (No response.)

19 MR. DIETZ: Okay. Is there a motion?

20 MS. CARDENAS: This is Valerie. So, moved.

21 MR. DIETZ: Thanks, Valerie. Is there a
22 second?

23 MS. SHIPLEY: This is Lali. I second.

24 MR. DIETZ: Okay. It's been moved and seconded
25 to approve the \$1.7 million loan to DF Sagebrush

1 Apartments. Is there any public comment?

2 (No response.)

3 MR. DIETZ: Hearing and seeing none, we'll do a
4 roll call vote. Valerie?

5 MS. CARDENAS: Aye, yes.

6 MR. DIETZ: Courtney?

7 MS. JOHNSON-ROSE: Yes.

8 MR. DIETZ: Lali?

9 MS. SHIPLEY: Yes.

10 MR. DIETZ: Andy?

11 MR. WILLIAMS: Yes.

12 MR. DIETZ: And this is Bill, yes. So, the
13 loan is approved.

14 MS. RAMIREZ: Thank you, Chairman Dietz --

15 MR. DIETZ: Great. Thank you.

16 MS. RAMIREZ: -- and look forward --

17 MR. DIETZ: Yeah. Thank you, Ms. Ramirez.

18 Okay. Is there -- looks like there's no other action
19 items.

20 Is there any reason to go into a closed meeting
21 today?

22 MR. LONG: No, there is not, Mr. Chairman. We
23 should be good.

24 MR. DIETZ: Great. Any other comments or
25 closing announcements?

1 MR. LONG: I would just, again, thank everybody
2 for the continued support of how we're handling these
3 Board meetings. I know it's a little different than what
4 we've ever had to do, but I again thank you so much from
5 the Board member --- to the Board members for your support
6 and being able to make these meetings work for us, because
7 we have a lot of activity going on, as you can see in our
8 agenda we've had lately.

9 So -- and I just wanted to thank the staff
10 again for all their hard work.

11 MR. DIETZ: And I guess we'll just continue to
12 play it month by month as to whether or not we can come
13 back for in-person meetings and make that announcement at
14 an appropriate time frame. The -- we have a required time
15 frame for public notice, and so that would have to be part
16 of the public notice.

17 Is that correct?

18 MR. LONG: That's correct. And the other thing
19 I would just let you know, that the Governor's Office has
20 been having, I would say, about once a -- once every other
21 week or sometimes as recent as once a month, they're
22 trying to do calls with the executives to let us know kind
23 of what their take on getting back to in-office staff and
24 meetings.

25 And the last one I had was about a week ago,

1 and that did not give any direction other than to continue
2 the current format we're using, which is the remote
3 meetings.

4 MR. DIETZ: I see. I see. Great. Okay.
5 Well, thank you, everybody, for your participation in the
6 meeting today, and it is now 12:04, and our meeting is
7 adjourned.

8 (Whereupon, at 12:04 p.m., the Texas State
9 Affordable Housing Corporation Board meeting was
10 adjourned.)

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C E R T I F I C A T E

MEETING OF: TSAHC Board
LOCATION: via RingCentral
DATE: October 14, 2020

I do hereby certify that the foregoing pages,
numbers 1 through 7373, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Elizabeth Stoddard before
the Texas State Affordable Housing Corporation.

DATE: October 19, 2020

(Transcriber)

On the Record Reporting
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