



February Board Meeting

To be held at the offices of
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, TX 78752

Tuesday, February 21, 2023
10:30 a.m.

**TEXAS STATE AFFORDABLE HOUSING CORPORATION
BOARD MEETING
AGENDA**

**To be held at the offices of
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, Texas 78752**

**February 21, 2023
10:30 A.M.**

CALL TO ORDER

ROLL CALL

Bill Dietz, Chair

CERTIFICATION OF QUORUM

Pledge of Allegiance – **I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.**

Texas Allegiance – **Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.**

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

PUBLIC COMMENT

PRESIDENT’S REPORT

David Long

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 January 17, 2023. |
| Tab 2 | Presentation, Discussion and Possible Approval of a Resolution approving the purchase of land by the Corporation under the Affordable Communities of Texas Land Bank Program in an amount not to exceed \$800,000 for acquisition costs and \$50,000 in closing costs for the Mesquite Wood Subdivision Phase II Project. |
| Tab 3 | Presentation, Discussion and Possible Approval of the Publication of Modifications to the Affordable Communities of Texas program (“ACT”) policies. |
| Tab 4 | Presentation, Discussion and Possible Approval to Publish for Public Comment, the Texas Foundations Fund Draft 2023 Guidelines. |
| Tab 5 | Presentation, Discussion and Possible Approval of the Texas State Affordable Housing Corporation’s 2023 Annual Action Plan. |
| Tab 6 | 88th Texas Legislative Session Update. |

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

ACTION ITEMS IN OPEN MEETING:

Action in Open Meeting on Items Discussed in Closed Executive Session

ANNOUNCEMENTS AND CLOSING COMMENTS**ADJOURN**

A Board member of the Corporation may participate in a Board meeting by video conference pursuant to Section 551.127 of the Texas Government Code. A quorum of the Board will meet at the Texas State Affordable Housing Corporation's headquarters located at 6701 Shirley Avenue., Austin Texas, 78752.

Individuals who require auxiliary aids or services for this meeting should contact Rebecca DeLeon, ADA Responsible Employee, at 512-220-1174 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that the appropriate arrangements can be made.

Section 46.035 of the Texas Penal Code prohibits handgun licensees from carrying their handguns at government meetings such as this one. This prohibition applies to both concealed carry and open carry by handgun licensees. Handgun licensees are required by law to refrain from carrying their handguns at this meeting.

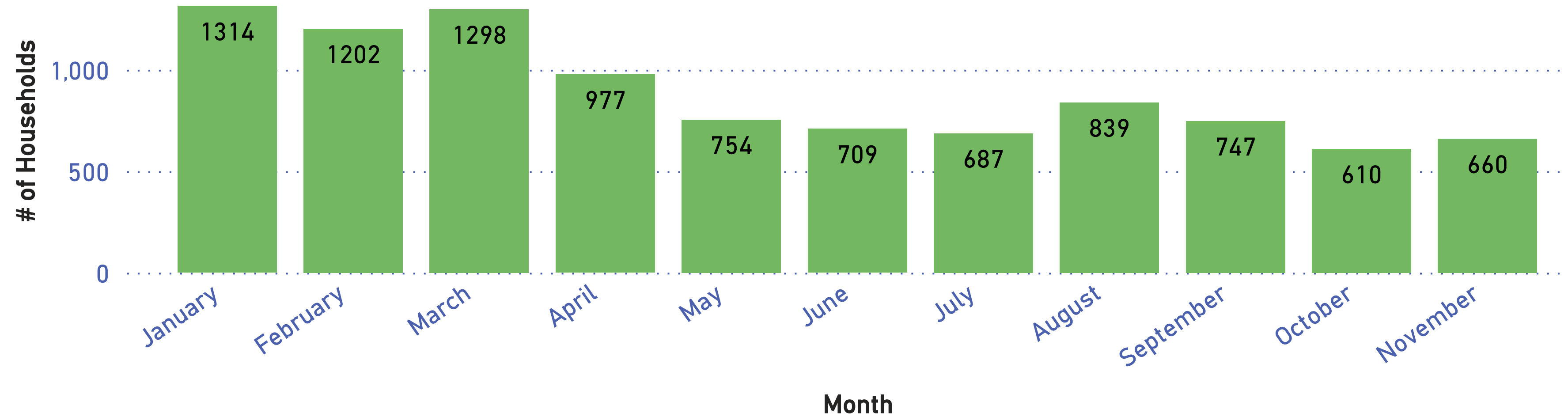
Texas State Affordable Housing Corporation reserves the right to recess this meeting (without adjourning) and convene at a later stated time, if and to the extent allowed by law. If Texas State Affordable Housing Corporation adjourns this meeting and reconvenes at a later time, the later meeting will 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.

President's Report

Tab A

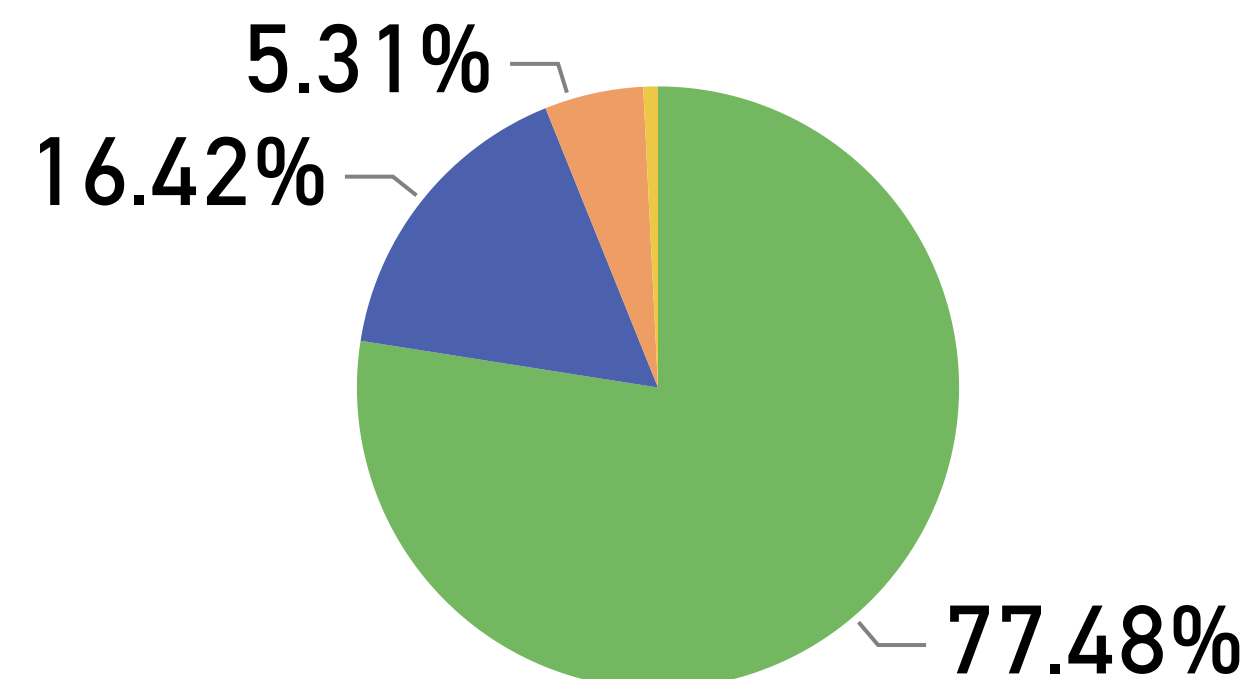
Homeownership Finance Reports

of Households by Month



Loan Type

- FHA - Purchase
- Conv. - Purch.
- VA - Purchase
- USDA-RHS Purch.



70.10K

Average Annual Income

236K

Average of Loan Amount

5.61%

Average Interest Rate

690

Average Credit Score

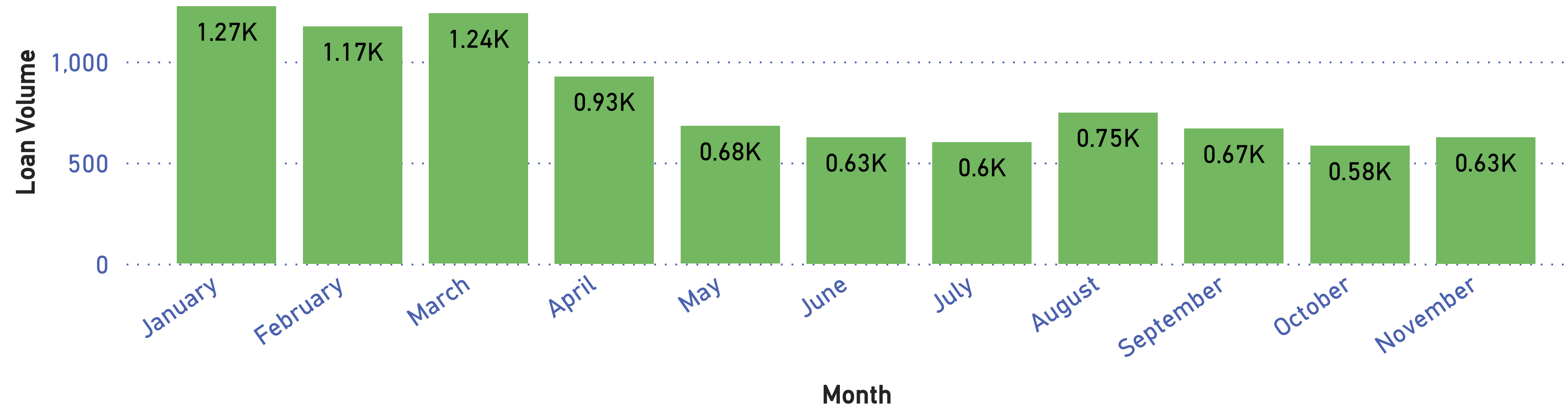
9797

Households Served

2

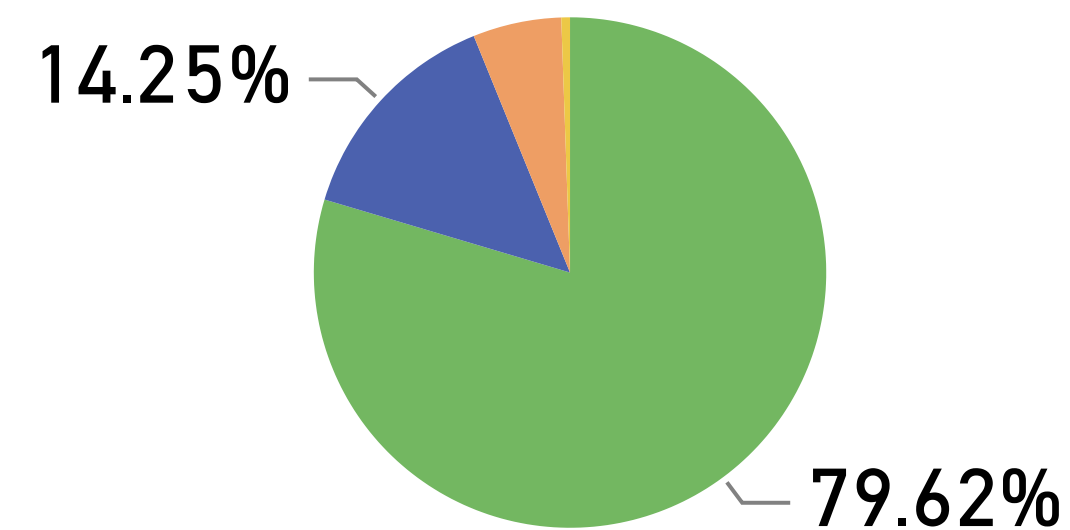
Average Household Size

Loan Volume by Month



Loan Type

- FHA - Purch...
- Conv. - Purch.
- VA - Purchase
- USDA-RHS ...



7,867.46

Average DPA Awarded

71,956,927.60

Total DPA Awarded

70.85K

Average Annual Income

236K

Average Loan Amount

2156M

Total Loan Volume

9150

Households Served

5.66%

Average Interest Rate

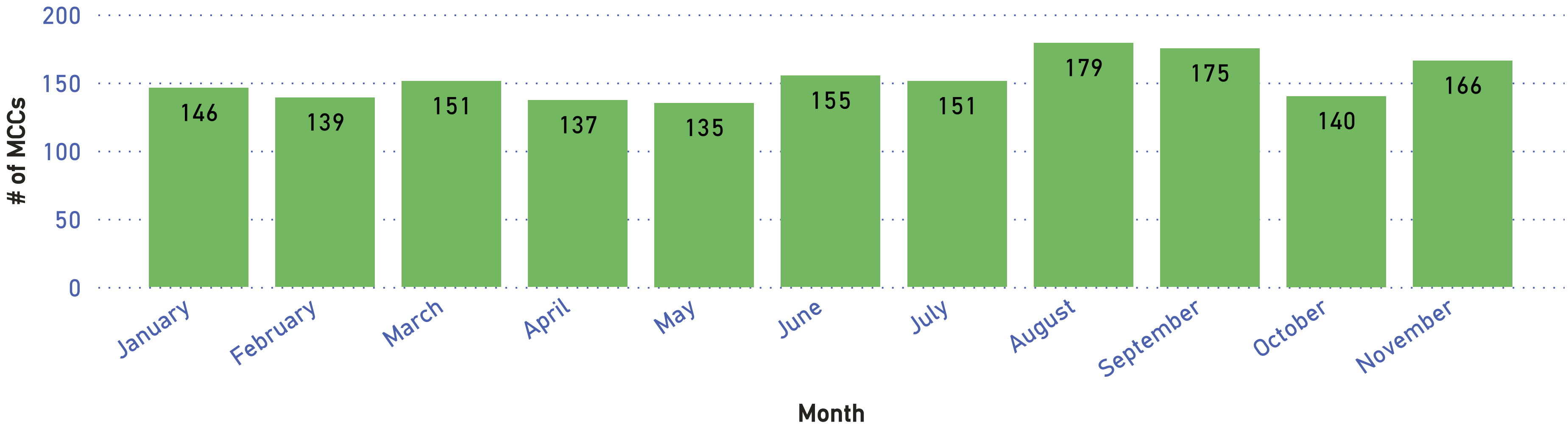
689

Average Credit Score

2

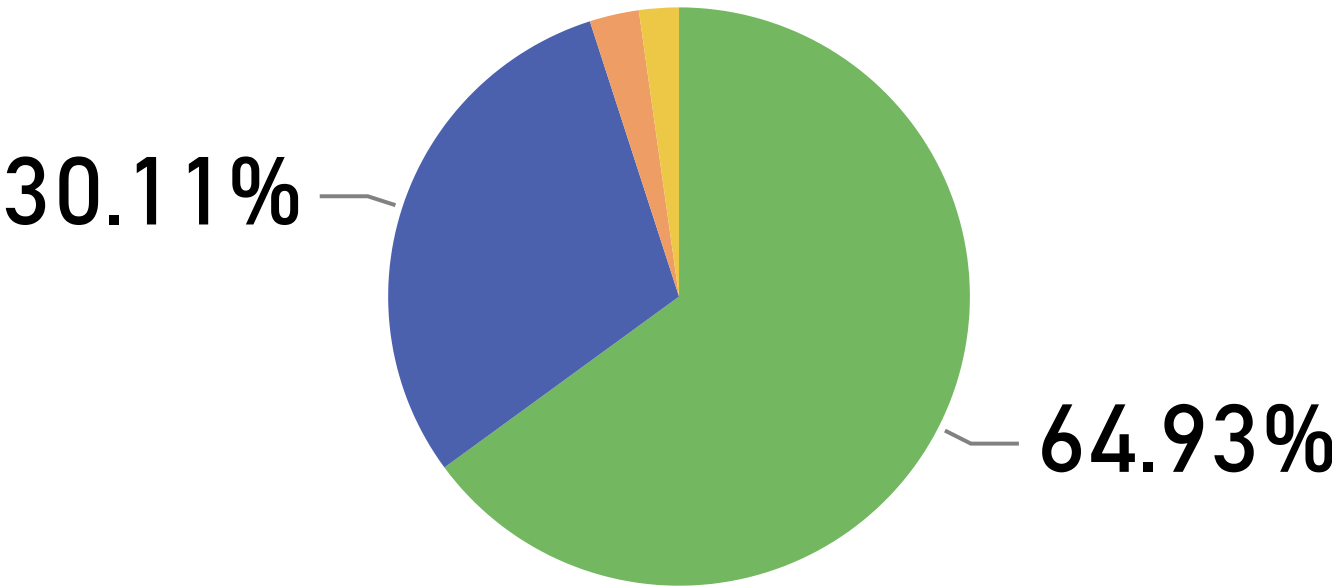
Average Household Size

of MCCs by Month



Loan Type

- FHA - Purchase
- Conv. - Purch.
- VA - Purchase
- USDA-RHS Purch.



62.75K

Average Annual Income

235K

Average of Loan Amount

5.48%

Average Interest Rate

699

Average Credit Score

1674

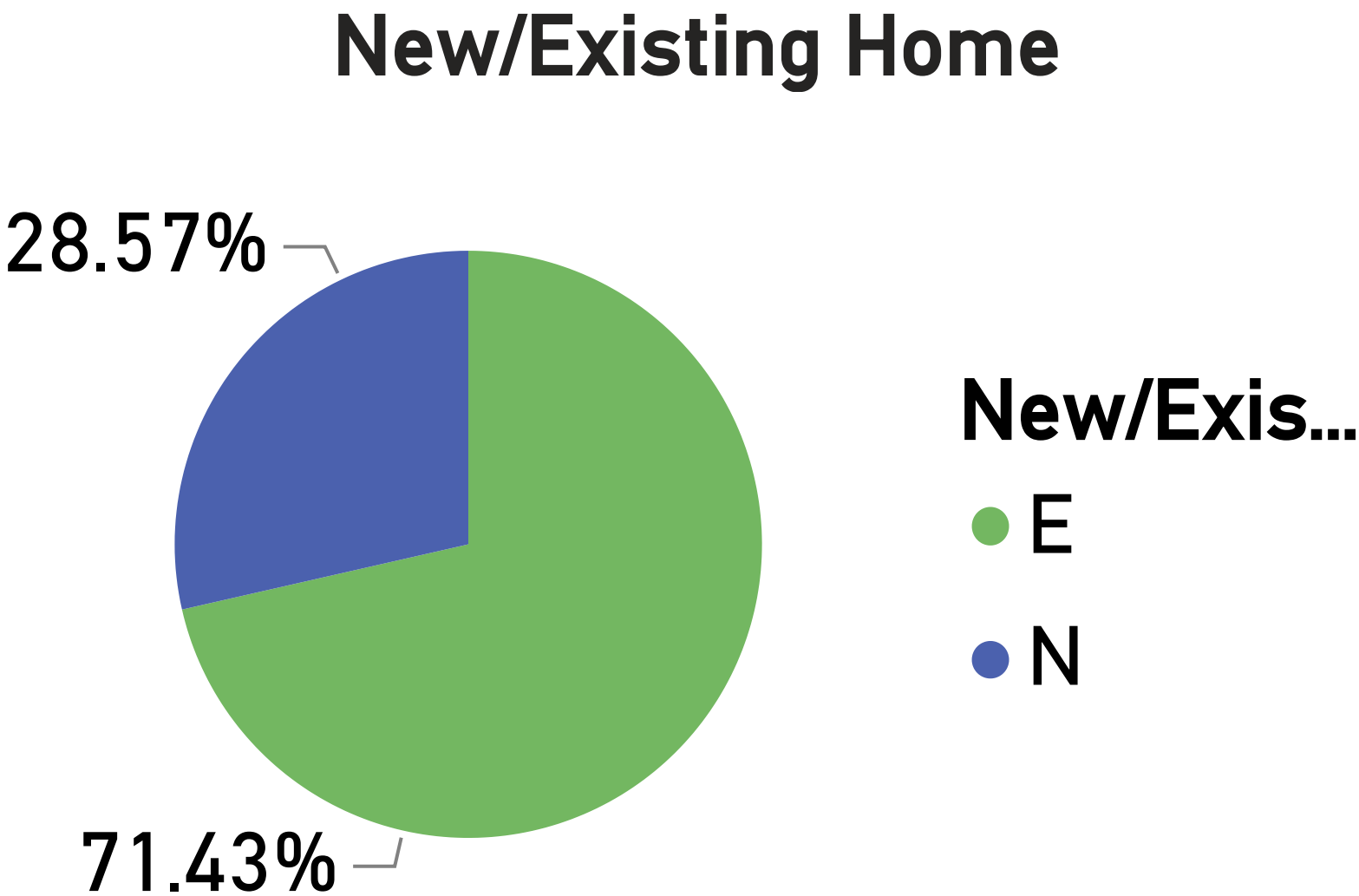
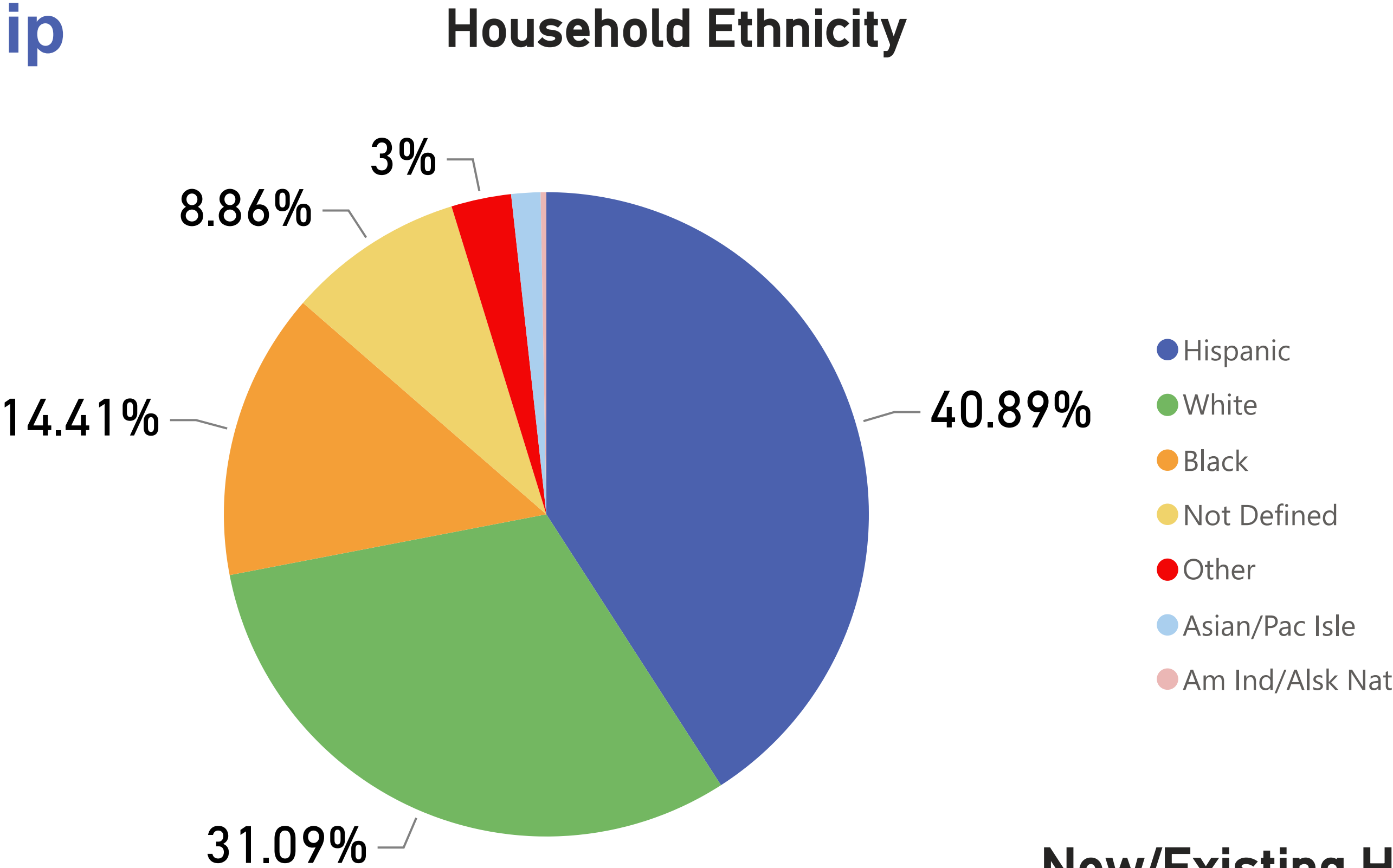
Issued MCCs

2

Average Household Size

Professions
Occupation % of Total

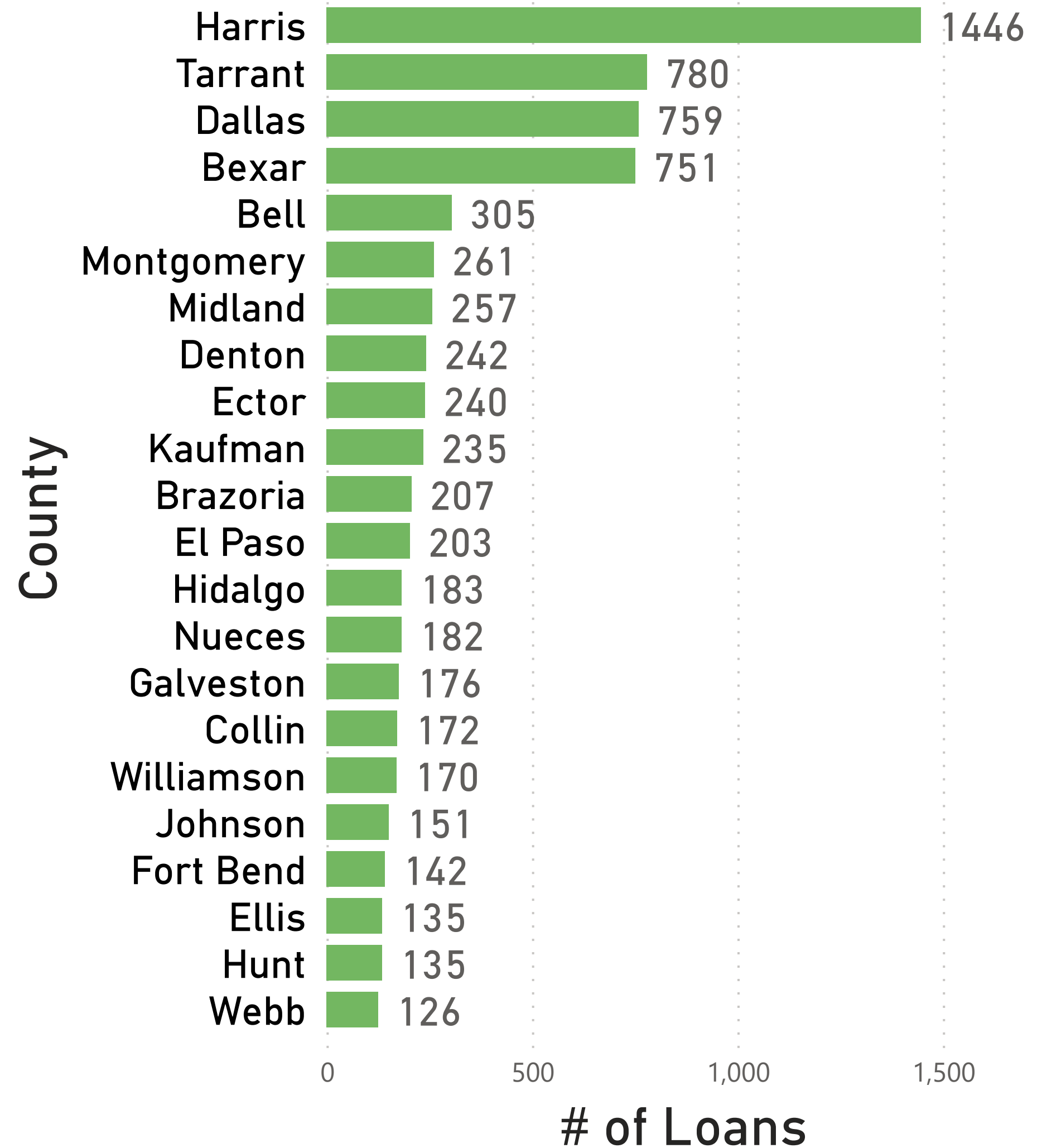
Other	85.56%
Teacher	5.71%
Veteran	2.68%
Active Military	1.21%
Peace Officer	0.99%
Prof Nurse Fac	0.85%
Fire Fighter	0.75%
Corrections Off	0.66%
Public Sec Off	0.29%
Allied Hlth Fac	0.28%
Sch Counselor	0.27%
Teacher Aide	0.27%
EMS Personnel	0.27%
County Jailer	0.13%
School Nurse	0.06%
Sch Librarian	0.02%
Total	100.00%



Top Lenders

Top Lenders	# of Loans
Fairway Independent Mortgage Corporation	785
Everett Financial, dba Supreme Lending	740
Gateway Mortgage, a division of Gateway	554
Amcap Mortgage, LTD	354
PrimeLending	309
SFMC, LP dba Service First Mortgage Comp	299
Cardinal Financial Company	297
DHI Mortgage Company, Ltd.	288
loanDepot.com LLC	276
CMG Mortgage, Inc. dba CMG Financial	242
Guaranteed Rate	234
Guild Mortgage Corporation	234
American Pacific Mortgage Corporation	208
T2 Financial dba Revolution Mortgage	184
Security National Mortgage Company	183
KBHS Home Loan, LLC	175
Academy Mortgage Corporation	146
Crosscountry Mortgage, LLC	146
Thrive Mortgage, LLC	139
Ark-La-Tex Financial (Benchmark Mtg.)	128
Movement Mortgage, LLC	114
Synergy One Lending, Inc.	110
Caliber Home Loans, Inc.	108
Nations Reliable Lending, LLC	106
Total	7413

Top Originating Counties



Tab B

Development Finance Report

Texas State Affordable Housing Corporation

Development Finance Programs Report February 2023

Affordable Communities of Texas Program (ACT)

This month, staff will present the Mesquite Wood Subdivision Phase II land bank acquisition for board consideration. Harlingen Community Development Corporation (Harlingen CDC) has identified property near central Harlingen to build up to 22 new affordable single-family homes. They are seeking TSAHC's help with the acquisition, land banking, and phased redevelopment of the property. Additional materials and a resolution are included in the board book.

The rehabilitation of 2706 Purdy Court (Laredo) is complete, and the home has been listed on MLS. Staff is vetting housing applications for income eligible buyers.

Staff released a request for proposals to select an architectural and engineering firm to design a potential redevelopment of TSAHC's property at 1910 East MLK Jr. Blvd, in Austin. The site currently provides office space for three nonprofit entities. However, the property's location makes it ideal for a compact affordable housing development. Staff consulted with a planning firm and determined that a total of 30 affordable condominium units would be feasible under the current zoning. Once an architect/engineering firm is hired, staff aims to initiate a full housing plan design and return to the Board this fall with a budget and financing proposal.

Here is a summary of the past month's portfolio activity:

Program	Portfolio as of January 1, 2023	Transferred	Sold	Portfolio as of February 1, 2023	Current Portfolio Value
ACT Land Bank	15			15	\$241,198.24
ACT Land Trust	1			1	\$650,000.00
Totals	16			16	\$891,198.24

Our current pipeline report:

- 5 properties listed for sale
- 3 homes under construction
- 3 properties leased to Local Partner
- 2 properties in predevelopment
- 3 properties searching for a Local Partner

Texas Housing Impact Fund

In February, staff closed the \$3,000,000 construction loan for the Burnet Place Apartments in Austin. TSAHC's loan will be used to finance the construction of 61 new affordable apartment homes serving persons with HIV/AIDS. Of the 61 units, 40 units will be set-aside for households earning 30% or less than the area median income (AMI) and 21 units will be set-aside for households earning 50% or less than AMI. The housing will include wrap-around supportive services provided by Project Transitions. A construction start is anticipated soon after loan closing.

Texas State Affordable Housing Corporation

Development Finance Programs Report February 2023

Multifamily Bond Program

Multifamily bond projects are progressing. The Eden Court transaction, reinduced in January, received its reservation of private activity bonds from the Texas Bond Review Board on January 31st. A kick-off call is already scheduled to begin the process of drafting bond documents. The project's TEFRA hearing will be held on February 15th. The Juniper Creek Apartments project is also moving forward. The bond reservation application was submitted on February 8th. The reservation should be approved within 3-4 days of receipt. Both projects will begin holding regular calls and staff anticipated returning to the Board in April with final bond resolutions for approval.

Tab C

Monthly Financial Reports

Texas State Affordable Housing Corporation

Statement of Net Position (unaudited)

As of December 31, 2022

Assets

Current assets:

Cash and cash equivalents	\$ 2,281,049
Pooled investments	7,876,291
Restricted assets:	
Cash and cash equivalents	5,365,879
Accrued interest	22,744
Investments, at fair value	6,668,948
Accounts receivable and accrued revenue	83,137
Accrued interest receivable	264,780
Loans receivable, current portion	72,550
Notes receivable, current portion	28,888,857
Downpayment assistance, current portion	343,492
Prepaid expenses	<u>299,883</u>

Total current assets	<u>52,167,610</u>
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Noncurrent assets:

Loans receivable, Net of uncollectible amounts of \$9,395	186,570
Notes receivable, net of allowance for loss \$422,773	213,767,741
Lease Receivable	120,524
Investments, at fair market value	36,913,738
Mortgage servicing rights, net of accumulated amortization of \$2,633,815	94,247
Capital assets, net of accumulated depreciation of \$912,349	5,742,018
Owned real estate, net of amortization of \$1,964,989	14,098,147
Downpayment assistance	116,637
Restricted investments held by bond trustee, at fair market value	<u>17,516,965</u>

Total noncurrent assets	<u>288,556,587</u>
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Total assets	<u>\$ 340,724,197</u>
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(continued)

Texas State Affordable Housing Corporation

Statement of Net Position (unaudited)

As of December 31, 2022

Liabilities

Current liabilities:

Accounts payable and accrued expenses	\$ 446,466
Notes payable, current portion	64,620
Custodial reserve funds	254,121
Other current liabilities	167,921
Payable from restricted assets held by bond trustee:	
Revenue bonds payable, current portion	385,000
Accrued interest on revenue bonds	224,183

Total current liabilities	<u>1,542,311</u>
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Noncurrent liabilities:

Notes payable	2,048,956
Revenue bonds payable	17,139,204
Unearned revenue	<u>1,169,916</u>

Total noncurrent liabilities	<u>20,358,076</u>
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Total liabilities	<u>21,900,387</u>
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Deferred Inflows of Resources

Deferred revenue	<u>346,821</u>
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Total deferred inflows of resources	<u>346,821</u>
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Net Position

Invested in capital assets	5,742,018
Restricted for:	
Debt service	985,094
Other purposes	4,377,947
Unrestricted	<u>307,371,930</u>

Total net position	<u>318,476,989</u>
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Total liabilities and net position	<u><u>\$ 340,724,197</u></u>
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Texas State Affordable Housing Corporation

Statement of Revenues, Expenses and Changes in Net Position (unaudited) For the 4 Months Ending December 31, 2022

Operating Revenues:	
Interest and investment income	\$ 678,042
Net increase (decrease) in fair value of investments	(781,236)
Single family income	17,466,182
Asset oversight and compliance fees	121,947
Rental program income	307,849
Multifamily income	246,038
Land bank income	7,730
Public support:	
Federal & state grants	314,789
Contributions	27,211
Other operating revenue	<u>13,343</u>
Total operating revenues	\$ <u>18,401,895</u>
Operating Expenses:	
Interest expense on bonds and notes payable	\$ 217,997
Program and loan administration	113,091
Texas Foundation Fund & Misc Grants	-
Salaries, wages and payroll related costs	1,771,614
Professional fees and services	227,987
Depreciation and amortization	806,915
Office expense and maintenance	43,156
Travel and meals	35,452
Other operating expenses	<u>282,577</u>
Total operating expenses	<u>3,498,789</u>
Net income	14,903,106
Total net position, beginning	<u>303,573,883</u>
Total net position, ending	\$ <u><u>318,476,989</u></u>

Texas State Affordable Housing Corporation
Budget Report
December 31, 2022

	Annual Budget	Actual	Percent of Annual Budget	Reference
Revenue				
Single Family Program Revenue	8,653,000	4,066,846	47%	
Lending Program Revenue	5,645,000	3,467,527	61%	①
Multifamily Program Revenue	1,055,000	143,061	14%	
Rental Program Revenue	918,000	301,834	33%	
Federal & State Grants	1,500,000	310,948	21%	
Grants, Donations & Other Awards	260,000	72,211	28%	
Land Bank Revenue	601,000	6,051	1%	②
Servicing Revenue	98,000	24,246	25%	
Investment Revenue	1,580,000	552,662	35%	
Total Revenue	20,310,000	8,945,386	44%	
Expenditures				
Texas Housing Impact Fund	6,575,000	3,546,191	54%	
Affordable Communities of Texas	3,100,000	284,366	9%	
Other Program Expenditures	3,439,000	1,245,554	36%	
Salaries & Payroll Related Expenditures	4,400,000	1,771,614	40%	
Grants	1,115,000	16,194	1%	③
Principal & Interest on Notes Payable	136,000	43,906	32%	
Professional Services	605,000	227,987	38%	
Marketing	159,000	35,202	22%	
Insurance	260,000	80,023	31%	
Travel & Meals	99,000	35,452	36%	
Furniture, Equipment, & Software	49,000	24,947	51%	
Building Maintenance	70,000	17,351	25%	
Professional Dues, Conferences & Train	34,000	13,554	40%	
Sponsorships	24,000	2,500	10%	
Communication	27,000	8,674	32%	
Bank Fees & Charges	22,000	7,830	36%	
Publications, Subscriptions & Office Ex	26,000	11,533	44%	
Freight, Delivery, Postage	12,000	3,449	29%	
Printing & Office Supplies	5,000	1,288	26%	
Total Expenditures	20,157,000	7,377,615	37%	
Excess Revenues Over Expenditures	153,000	1,567,771		

Average Expected Percent Received/Expended = 33%

**Texas State Affordable Housing Corporation
Budget Report
December 31, 2022**

Explanations

- ① Income associated with the Corporation's Lending Programs exceeds projected revenue as of December 31st. This is primarily the result of the timing of payments associated with note agreements in these programs. We expect that this line item will be on target by year end.
- ② Budgeted Land Bank Revenue consists of income from property sales as well as oil and gas royalties. Through the first four months of the new fiscal year the Land Bank Program did not sell any property. We anticipate the sale of multiple properties over the next four months and we expect this line item to be on target by year end.
- ③ Budgeted Grants represents awards made by the Corporation's Texas Foundations Fund. Applications will be received in May and presented to the Board for approval in July. Grants will be disbursed in July & August.

Tab 1

Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on January 17, 2023.

**TEXAS STATE AFFORDABLE HOUSING CORPORATION
BOARD MEETING**

The Governing Board of the Texas State Affordable Housing Corporation (TSAHC)

**January 17, 2023
10:30 a.m.**

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 Bill Dietz, Chair, at 10:51 a.m., on January 17, 2023, at the offices of Texas State Affordable Housing Corporation, 6701 Shirley Avenue, Austin, TX 78752. Roll Call certified that a quorum was present.

Members Present:

Bill Dietz, Chair
Courtney Johnson-Rose, Member
Lemuel Williams, Member

Guests Present:

Routt Thornhill, Coats Rose

President’s Report

Janie Taylor, Executive Vice President

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on December 6, 2022.

Mr. Dietz submitted an oral correction, updating Agenda language to December 6, 2022, not 2023. Mr. Lemuel Williams made a motion to approve the minutes of the Board meeting held December 6, 2022. Ms. Rose seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 12 in the official transcript.

Tab 2 Presentation, Discussion and possible approval of a \$2 million loan to National Church Residences (NCR), or an affiliate, for the acquisition and rehabilitation of Oak Bluff apartments, a 39-unit multi-family community in Columbus, Texas.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose made a motion to approve a resolution for a \$2 million loan to National Church Residences (NCR), or an affiliate, for the acquisition and rehabilitation of Oak Bluff apartments, a 39-unit multi-family community in Columbus, Texas. Mr. Lemuel Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 13 in the official transcript.

Tab 3 Presentation, Discussion and possible approval of a \$1.2 million permanent loan to National Church Residences (NCR) for the Oak Bluff apartments, a 39-unit multi-family community in Columbus, Texas.

Presented by David Danenfelzer, Senior Director, Development Finance

Item Withdrawn. No Action taken.

See page 14 in the official transcript.

Tab 4 Presentation, Discussion and possible approval of a \$2 million loan to National Church Residences (NCR), or an affiliate, for the acquisition and rehabilitation of Tejas Cove, a 61-unit multi-family community in Bay City, Texas.

Presented by David Danenfelzer, Senior Director, Development Finance

Mr. Lemuel Williams made a motion to approve a Resolution for \$2 million loan to National Church Residences (NCR), or an affiliate, for the acquisition and rehabilitation of Tejas Cove, a 61-unit multi-family community in Bay City, Texas. Ms. Rose seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 18 in the official transcript.

Tab 5 Presentation, Discussion and possible approval of a \$1.47 million permanent loan to National Church Residences (NCR) for the Tejas Cove apartments, a 61-unit multi-family community in Bay City, Texas.

Presented by David Danenfelzer, Senior Director, Development Finance

Item Withdrawn. No Action taken.

See page 19 in the official transcript.

Tab 6 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 Eden Court Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose made a motion to approve the 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 Eden Court Apartments. Mr. Lemuel Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 23 in the official transcript.

Tab 7 Presentation and Discussion of the Texas State Affordable Housing Corporation's Fiscal Year 2022 and 2023 Strategic Plans.

Presented by Joniel LeVecque, Senior Director of Single Family Programs; Delia Davila, Senior Manager, Single Family Compliance, Donnetta McGrew, MCC Program Manager

No Action Taken.

See page 26 in the official transcript.

The Board went into closed session from 11:42am to 12:01pm to discuss personnel matters Texas Government Code § 551.074.

Announcements and Closing Comments

Ms. Taylor and Board Members tentatively scheduled the next Board Meeting for February 21, 2023, at 10:30am.

Adjournment

Mr. Dietz adjourned the meeting at 12:02pm.

Respectfully submitted by _____
Rebecca DeLeon, Corporate Secretary

Tab 2

Presentation, Discussion and Possible Approval of a Resolution approving the purchase of land by the Corporation under the Affordable Communities of Texas Land Bank Program in an amount not to exceed \$800,000 for acquisition costs and \$50,000 in closing costs for the Mesquite Wood Subdivision Phase II Project.

CERTIFICATION

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

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

1. The Board of Directors of the Corporation (the “Board”) convened on February 21, 2023, at the Corporation’s offices in Austin, Texas, and the roll was called of the duly constituted members of said Board, who are as follows:

<u>Name</u>	<u>Office</u>
William H. Dietz	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Courtney Johnson Rose	Director
Lemuel Williams	Director
Andy Williams	Director

2. The officers of the Corporation (who are not Board members) are as follows:

<u>Name</u>	<u>Office</u>
David Long	President
Janie Taylor	Executive Vice President
Melinda Smith	Chief Financial Officer and Treasurer
Rebecca DeLeon	Secretary
Cynthia Gonzales	Assistant Secretary

All Board members were present except _____, thus constituting a quorum. All of the officers of the Corporation (except the Secretary) were present at the meeting.

3. Whereupon, among other business, the following written resolution (the “Resolution”) bearing the following caption:

“RESOLUTION NO. 23-__

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING THE PURCHASE OF LAND BY THE CORPORATION UNDER THE AFFORDABLE COMMUNITIES OF TEXAS LAND BANK PROGRAM IN AN AMOUNT NOT TO EXCEED \$800,000 FOR ACQUISITION COSTS AND \$50,000 IN CLOSING COSTS FOR THE MESQUITE WOOD SUBDIVISION PHASE II PROJECT IN HARLINGEN

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

____ AYES

____ NOS

____ ABSTENTIONS

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

SIGNED this 21st day of February, 2023.

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

RESOLUTION NO. 23-__

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING THE PURCHASE OF LAND BY THE CORPORATION UNDER THE AFFORDABLE COMMUNITIES OF TEXAS LAND BANK PROGRAM IN AN AMOUNT NOT TO EXCEED \$800,000 FOR ACQUISITION COSTS AND \$50,000 IN CLOSING COSTS FOR THE MESQUITE WOOD SUBDIVISION PHASE II PROJECT IN HARLINGEN

WHEREAS, the Texas State Affordable Housing Corporation (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of Subchapter Y (Section 2306.551 et. seq.) of Chapter 2306, Texas Government Code, as amended, and other applicable provisions of Texas law (collectively, the “Act”); and

WHEREAS, under the Act, the Corporation is authorized to perform activities and services that the Corporation’s Board of Directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income, and such activities and services shall include the purchase and development of single-family affordable housing; and

WHEREAS, said activities and services include those permitted to be funded by the Affordable Communities of Texas (“ACT”) land banking program, a program established and maintained by the Corporation, which includes the provision for purchasing property for the purpose of developing affordable single-family affordable housing that satisfies the requirements of the Corporation’s ACT Policy and Guidelines; and

WHEREAS, the Board of Directors has reviewed and discussed a staff proposal to utilize approximately \$850,000 in funding from the Corporation’s ACT land bank program to purchase 22 lots located in Harlingen, Texas for the development of twenty-two single-family homes as set forth more fully in the attached project summary (the “Mesquite Wood Subdivision Phase II Project”) targeted to households earning 80% or less of the area median income, and

WHEREAS, after due discussion and consideration, the Board of Directors of the Corporation has determined to approve the Purchase for the purposes described above.

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

Section 1. Approval of Land Purchase and Related Matters. The Board of Directors approves the Land Purchase by the Corporation in an amount not to exceed \$850,000 for the Mesquite Wood Subdivision Phase II Project in collaboration with Harlingen Community Development Corporation (“Harlingen CDC”).

The Board has determined that a purchase of land by the Corporation for the purpose of developing affordable single-family housing is a suitable purpose under the ACT Policy and Guidelines and such purpose is approved by the Board of Directors.

The Board authorizes the President and the Executive Vice President to approve, in consultation with counsel, the form and substance of all necessary documents relating to the Land Purchase, including but not limited to purchase and sale agreements and assignments thereof, ground leases, and related transaction documents (collectively, the “Transaction Documents”).

Section 2. Execution and Delivery of Transaction Documents. The President and the Executive Vice President are each, in the name and on behalf of the Corporation, authorized to execute and deliver the Transaction Documents to which the Corporation is a party.

Section 3. Execution and Delivery of Ancillary Documents; Taking of Ancillary Actions. The President and the Executive Vice President are each, in the name and on behalf of the Corporation, authorized by the Board of Directors, at any time before or after the execution and delivery of the Transaction Documents, in consultation with counsel, to (i) execute, acknowledge and deliver any and all such orders, directions, certificates, agreements, documents, instruments, amendments and other papers or items (collectively, “Ancillary Documents”), and (ii) do or cause to be done any and all such acts and things (collectively, “Ancillary Actions”), which such officer deems necessary or desirable in connection to consummate the transactions contemplated by the Transaction Documents, or to otherwise fulfill the purposes of this resolution.

Section 4. Ratification of Prior Actions. All actions taken prior to the date of this Resolution by any officer of the Corporation in the name and on behalf of the Corporation, with respect to any of the matters and transactions described above, are ratified, confirmed and approved by the Board of Directors.

Section 5. Conflicting Prior Actions. Any order, resolution, approval or any action of the Board of Directors in conflict with this Resolution is hereby repealed to the extent of any such conflict.

Section 6. Severability. Any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

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APPROVED AND EFFECTIVE this 21st day of February, 2023.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

William H. Dietz, Chairperson

ATTEST:

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

Texas State Affordable Housing Corporation

Affordable Communities of Texas Project Summary

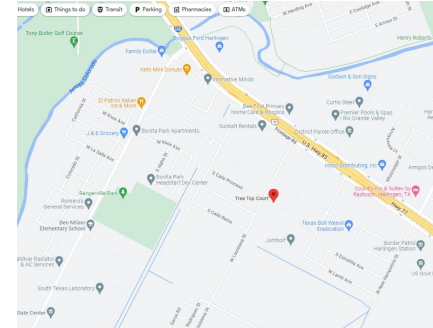
Agenda:

Presentation, Discussion and Possible Approval of a Resolution approving the purchase of land by the Corporation under the Affordable Communities of Texas Land Bank Program in an amount not to exceed \$800,000 for acquisition costs and \$50,000 in closing costs for the Mesquite Wood Subdivision Phase II Project.

Summary:

In December 2022, TSAHC was presented with an opportunity to help one of our longtime Local Partners in the Affordable Communities of Texas (ACT) land banking program, Harlingen Community Development Corporation (Harlingen CDC.) Harlingen CDC has identified property near central Harlingen to build up to 22 new affordable single-family homes. They are seeking TSAHC's help with the acquisition, land banking, and phased redevelopment of the property.

Map of Project Area



The subdivision is located near central Harlingen in close proximity to several amenities and single-family residences. Mesquite Wood Subdivision Phase I, just south of Phase II, is fully built out with the exception of one home under construction. The Phase II lots are improved with utilities and street infrastructure and have been cleared and leveled in preparation for housing construction along a newly installed cul-de-sac street.

Public Benefit:

The proposed project will allow Harlingen CDC to develop 22 new single-family homes targeted to households earning 80% or less of the area median income (AMI.) The City of Harlingen has provided a letter of support for this project and is interested in collaborating with Harlingen CDC and TSAHC as a provider of down payment assistance pending HOME funds availability in 2023-2024.

Like many urban markets, the Rio Grande Valley is growing quickly, and affordable housing development has become even more challenging due to increased competition for suitable land and escalating land costs. Through TSAHC's ACT land bank program TSAHC would acquire and hold the property while Harlingen CDC completes the phased housing construction and affordable home sales.

Financial Summary:

TSAHC will utilize approximately \$850,000 in funding from its ACT land bank program to purchase 22 improved lots. Funding for the construction of the initial five homes is available through a program related investment provided by Texas Community Bank, already in the program's budget. Home sales are anticipated two years after construction start and with a target sales price of \$196,500. At the time of home sale, TSAHC would receive proceeds which would reimburse our acquisition, development, and holding costs plus a modest return on investment. Harlingen CDC has executed a Memorandum of Understanding outlining the details of the land banking process and responsibilities of both TSAHC and

Texas State Affordable Housing Corporation

Affordable Communities of Texas Project Summary

Harlingen CDC. Harlingen CDC is working to secure at least \$100,000 in HOME funds from the City of Harlingen to provide down payment assistance to income eligible buyers.

Developer Summary:

Established in 1991, Harlingen CDC is a nonprofit whose mission is to offer enhanced affordable homeownership and rental housing opportunities to families and individuals, and to offer financing and technical assistance to community-based groups and entrepreneurs in the City of Harlingen and the State of Texas. Harlingen CDC is governed by a seven-member board of directors. Mr. Alfredo Huerta has served as executive director since 1991.

In 2013, Harlingen CDC partnered with TSAHC for the redevelopment of the Park Meadows subdivision utilizing the same model as proposed for the Mesquite Wood Subdivision Phase II Project. Park Meadows included the construction and sale of 32 single-family homes primarily serving households at 80% AMI or below.

Recommendation:

Staff recommends approval of the resolution approving the purchase of land by the Corporation under the Affordable Communities of Texas Land Bank Program, in an amount not to exceed \$850,000, for the Mesquite Wood Subdivision Phase II Project in Harlingen. Funding will be conditioned on a satisfactory financial review by the Corporation as well as the receipt of site due diligence items noted in the Due Diligence checklist provided to Harlingen CDC and referenced in the purchase sale offer.

Tab 3

Presentation, Discussion and Possible Approval of the Publication of Modifications to the Affordable Communities of Texas program (“ACT”) policies.

Texas State Affordable Housing Corporation

Affordable Communities of Texas Land Bank

Agenda Item

Presentation, Discussion and Possible Approval of the Publication of Modifications to the Affordable Communities of Texas program (“ACT”) policies.

Summary

Staff is proposing several modifications to the ACT policies in order to clarify TSAHC’s management and authority to purchase certain properties and provide downpayment assistance under the program. Here is a summary of changes being proposed.

- Section 8, Project Approvals is being updated to provide better clarity on the steps needed for proposed property acquisitions to get from opportunity to approval. The new language clarifies that properties costing more than \$500,000 will need to be presented to the board prior to acquisition, as well as granting Executive staff the authority to place a property under contract prior to board review.
- Section 14, Security Interest, is being amended to provide clear authority to program staff and Executive staff when issuing subordinate notes or mortgages on ACT property sales. Under the ACT-VET initiative, TSAHC provided more than \$1 million in second lien deferred forgivable loans to qualified veterans with disabilities. This updated language clarifies TSAHC use of similar products to assist low-income households and increase home sales for the ACT program.

No other changes are being proposed at this time. A black lined copy of the proposed policies is attached to this agenda item for the board’s review and discussion. If approved, staff will publish the proposed amended policies to our website for public comment and seek final approval from the board at our March meeting.

Recommendation

Staff recommends that the Board approve the publication of modifications to the Affordable Communities of Texas program (“ACT”) policies to the Corporation’s website.

Texas State Affordable Housing Corporation

Affordable Communities of Texas Policies and Guidelines

1. **General.** These policies and guidelines (collectively, the “Policy”) have been approved by the Board of Directors of the Texas State Affordable Housing Corporation (the “Corporation”) and set forth the Corporation’s policies and guidelines relating to the Affordable Communities of Texas program (the “ACT Program”). The ACT Program supports the Corporation’s public purpose of promoting the public health, safety and welfare through the provision of adequate, safe and sanitary housing primarily for individuals and families of low, very low and extremely low income and for persons who are eligible for loans under the Homes for Texas Heroes Home Loan Program. The ACT Program’s purpose is to create partnerships between the Corporation and local housing providers to acquire or accept donations of foreclosed housing assets, government properties and other real estate primarily for the benefit of, or to create affordable housing for, low-income households.
2. **Source of Funds for the ACT Program.** The primary sources of funding for the ACT Program are loans, grants or other sources of funding (“investments”) made by public and private entities to the Corporation. The Corporation may also commit its own funds to the ACT Program, accept private donations and grants, or apply for funding from government agencies. The availability of funds is dependent upon the Corporation’s ability to find new investments and generate revenue from the sale, lease or disposition of properties acquired by the Corporation.
3. **Eligible Activities.** The ACT Program focuses primarily on the acquisition of vacant or foreclosed housing units, land and other properties that may be used to provide safe, decent and affordable housing. Properties may be developed to preserve, rehabilitate, or construct housing for homeownership, rental, cooperative or any other form of affordable housing that is consistent with the Corporation’s public purpose. The ACT program may also be used to clear vacant or blighted structures, maintain vacant lots, and manage the rehabilitation of existing homes or construction of new homes on land-banked properties owned by the Corporation or Local Partners (hereinafter defined). The Corporation shall adhere to its procurement guidelines when selecting vendors or other parties to maintain, manage or redevelop ACT properties. The use of ACT Program funds may be limited by local, state, federal or other contractual agreements between the Corporation and the providers of such funding.
4. **Corporation’s Role.** To carry out the eligible activities of the ACT Program, the Corporation will enter into memoranda of understanding with its Local Partners (“Local Partner MOU”). Each Local Partner MOU will detail the responsibilities and roles of both the Corporation and Local Partner. The Corporation’s responsibilities may include any one or more of the following:
 - a. **TSAHC Land Bank.** In this capacity, the Corporation will acquire properties using ACT Program funds, hold properties in the Corporation’s name, and manage the redevelopment of properties directly or with assistance from Local Partners. The Corporation may use ACT Program funds to cover the cost of option fees, title reports, due diligence activities, environmental reviews, purchase price and closing costs. Local Partners may be responsible for financing the redevelopment of acquired land bank properties, unless otherwise provided by the Corporation through an agreement separate from the Local Partner MOU. The Corporation and the applicable Local Partner shall determine the appropriate end use of the property (for-sale or rental) and a timeline for completing redevelopment and occupancy by a qualified low-income household. The Corporation shall determine the final sales price or rental rates of all homes, in its sole determination, ensuring that Local Partners are reimbursed for reasonable rehabilitation costs from sales proceeds. The Corporation may also utilize

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Affordable Communities of Texas Policies and Guidelines

- a shared equity agreement, in the form of a ground lease or other acceptable documentation, in order to recover its investment in a property and generate revenues for the ACT Program.
- b. TSAHC Land Trust. In this capacity, the Corporation may acquire real property, provide or accept mortgages and manage real and improved property in perpetuity for the benefit of providing affordable housing. The Corporation will assist Local Partners with the planning and redevelopment of properties and may commit ACT Program funds to cover predevelopment activities. After redevelopment the Corporation may split the land from the improvements and sell the improvements to the Local Partner or qualified low-income households. The Corporation will continue to own the land and grant access to the Local Partner or qualified low-income households through a ground lease agreement, mortgage or other legal agreement deemed appropriate in the sole determination of the Corporation. The Corporation may collect ground lease payment or other payments in order to cover its holding cost, monitoring expenses and other expenses associated with a land trust property.
 - c. Buyer Agent. In this capacity, the Corporation will serve as a conduit for the acquisition of properties on behalf of Local Partners, using funding provided by Local Partners. The Corporation will be reimbursed by Local Partners for any option fees, title agreements or due diligence activities required to purchase the property and paid for by the Corporation. The Corporation will immediately transfer ownership of the property to the Local Partner, be reimbursed for any expenses incurred during the acquisition process, and collect a transaction fee prior to transfer in an amount no less than \$500.00.
 - d. Land Bank Administrator. In this capacity, the Corporation will acquire properties using funding provided by Local Partners, hold properties in the Corporation's name, and manage the redevelopment of properties with assistance from Local Partners. The Corporation will be reimbursed by Local Partners for any option fees, title agreements or due diligence activities required to purchase the property and initially paid for by the Corporation. The Corporation will hold properties under its ownership until the Local Partner can complete redevelopment activities and place qualified low-income households into properties. The Corporation will collect an annual fee for overhead and administration, plus reimbursement for the actual cost of insurance premiums from the Local Partner. The Corporation shall transfer ownership of the property to the Local Partner within 60 days of written notice, and the Corporation will collect a reasonable transfer fee.
5. **Selection of Local Partners.** The Corporation intends to focus on developing partnerships with qualified nonprofit and local government entities as local partners (collectively the "Local Partners") that have established relationships to the communities where properties are acquired by the Corporation. The Corporation will market the ACT Program to Local Partners in targeted communities and/or may accept partnership applications from Local Partners. In either case, Local Partners must meet the following minimum qualifications:
- a. A nonprofit entity must be an active nonprofit 501(c)(3) or (c)(4) organization as recognized by the U.S. Internal Revenue Service, and registered as a nonprofit entity within the State of Texas;
 - b. Financial audits or statements of the Local Partner for a two-year period must reflect the entity's ability to manage funds appropriately, as determined solely by the Corporation;
 - c. At least two years of experience in the planning, marketing, development or management of housing programs for moderate and low-income households;

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Affordable Communities of Texas Policies and Guidelines

- d. The ability to provide evidence of support from local government officials for their activities within the target community; and
 - e. The entity must not have an active exclusion cited within the Texas Comptroller's System for Award Management Database.
6. **Competitive or Select Application Procedures.** In the event the Corporation receives funding that requires the Corporation to utilize a competitive or other application process to disburse the funds, the Corporation shall publish on its website a request for proposals (an "RFP") and application materials. The Corporation will only accept applications when there are available sources of funds and will include all guidelines, procedures, thresholds and scoring criteria in the relevant RFP.
7. **Local Partner Approvals.** The Director of Development Finance (the "Director") is responsible for coordinating and overseeing the review of Local Partner applications. Local Partner applications that fulfill all of the threshold and selection criteria of this Policy and any applicable RFP will be recommended by the Director to the Corporation's President or Executive Vice President for approval and execution of a Local Partner MOU. If approved, the Local Partner must enter into a Local Partner MOU with the Corporation prior to the commencement of land banking activities.

8. Project Approvals. The process of reviewing and selecting projects or properties that will be acquired utilizing ACT Program funds will be completed in the following manner.

- a. Each project, proposed by a Local Partner or found by TSAHC staff, will be assessed to determine if the project will meet all of the requirements of this Policy. This includes, but is not limited to the Qualified Project, Affordability Threshold, Construction Standards, Locations Standards and Additional Threshold Requirements, in the proceeding sections.
- b. Once a project is determined to meet the requirements of this Policy, the Director will present a project summary to the President, Executive Vice President and Chief Financial Officer for approval.
- c. If a project's initial purchase cost exceeds \$500,000, the project summary will also be presented to the Board of Directors for approval.
- ~~a-d. Projects requiring board approval may be placed under contract, as long as the purchase agreement is conditioned upon board approval prior to closing. The selection of individual properties acquired by the ACT Program will be completed by the Director. If a property is selected, the President or Executive Vice President will execute purchase contract and other applicable documentation on behalf of the Corporation, and the Corporation's staff will pursue the applicable due diligence requirements of this Policy, including any requirements of the related ACT Program funding sources.~~

8.9. Qualified Projects. All housing units acquired by the Corporation must meet the following criteria in order to be considered a qualified project ("Qualified Project") for the purposes of this policy.

- a. A Qualified Project must be consistent with the public purpose of the Corporation;
- b. A Qualified Project must be financially feasible and provide sufficient funds to the Corporation to sustain the ACT Program;
- c. A Qualified Project must be located in an area that provides access to reasonable educational, and

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Affordable Communities of Texas Policies and Guidelines

employment opportunities, and to transportation and other community services; and

- d. A Qualified Project must have a plan to ensure the property will be redeveloped primarily for the benefit of low-income Texans.

In order to be considered for the TSAHC Land Trust, a Qualified Project must also demonstrate a special circumstance or condition that justifies its inclusion in the Land Trust program. Such special circumstances may include the development of homes for persons with disabilities or other special needs, homes for extremely low-income households, and homes in areas considered to be high opportunity areas (such as areas experiencing gentrification or high income areas) that will advance the Corporation's public purpose and provide affordable housing opportunities in these special circumstances.

9.10. **Affordability Threshold.**

- a. The Corporation's public purpose requires that housing provided by the Corporation be used primarily for the benefit of low, very-low and extremely low-income households. To ensure adherence to these requirements, Qualified Projects will be required to meet the following minimum qualifications:
 - i. Acquired and developed units for homeownership shall be primarily made available to low, very low and extremely low-income households at eighty percent (80%) or below of the area median income (the "AMI") for the location of the property, or eighty percent (80%) or below of the statewide median income, whichever is greater;
 - ii. Acquired and developed units for rental shall be primarily made available to low, very low and extremely low-income households at or below 80% of the AMI for the location of the property;
 - iii. All multifamily properties (4 or more units) acquired and developed for rental shall be held to the following additional income and rent restrictions:
 - A. At least 20% of the total units in the development for persons or families earning 50% or less of the AMI, based on the size of the unit and number of persons occupying the unit; or
 - B. At least 40% of the total units in the development for persons or families earning 60% or less of the AMI, based on the size of the unit and number of persons occupying the unit.
 - iv. The Corporation may impose additional affordability requirements in accordance with funding limitations or on a case by case basis.
- b. Consistent with its public purpose the Corporation may permit the development of units for sale or rental to qualified low or moderate income households, not to exceed 120% of the AMI for the location of the property or statewide median income, whichever is greater; and
- c. In the event the President or Executive Vice President determines that a property is not suitable for low or moderate income households, due to environmental or location conditions, feasibility concerns, or any other reason deemed appropriate by the President or Executive Vice President, the Corporation may remove a property from affordability restrictions and sell it to a private or public

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entity, and funds from such sale will be used by the Corporation for the acquisition or rehabilitation of other suitable ACT Program properties.

10.11. Construction Standards. To ensure that working families have safe, decent, affordable housing, and to ensure long-term affordability and usability, all Qualified Projects must meet the following standards:

- a. All Qualified Projects, at the time of acquisition or completion of construction or rehabilitation, shall meet all local building codes for the jurisdiction where they are located. If the development is located in an area where no local building codes are in place or have been adopted, the development shall meet the most recent International Residential Code or International Building Code;
- b. All Qualified Projects, at the time of acquisition or completion of construction or rehabilitation, shall be compliant with the Federal Fair Housing Act Accessibility Standards, Titles II and III of the Americans with Disabilities Act of 1990 and §2306.514 (visitability guidelines) of the Texas Government Code. Borrowers must submit to the Corporation a certification from the project architect, engineer, or other third-party building inspector that the proposed Qualified Project will meet or exceed the above listed accessibility requirements;
- c. All Qualified Projects, at the time of acquisition or completion of construction or rehabilitation, shall be compliant with the U.S. Department of Energy's Energy Star Program, as confirmed by a certified third-party Home Energy Rating System ("HERS") inspector or as certified to by the Development's architect or engineer; and
- d. All Qualified Projects, at the time of acquisition or completion of construction or rehabilitation, shall have sidewalks, driveways and streets that are compliant with the Americans with Disabilities Act and Fair Housing Accessibility Standards.

11.12. Location Standards. The Corporation shall consider a variety of factors to determine if a Qualified Project is located in an area that promotes safe, healthy and decent housing for low-income households. The Corporation will consider a project's proximity to grocery stores, pharmacies, financial services and other commercial services. All Qualified Projects must meet the following minimum location standards:

- a. Qualified Projects may not be located within the 100-year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps; and
- b. Qualified Projects located within a county or city that is covered by the Texas Windstorm Insurance Association (TWIA) shall be required to secure windstorm insurance in accordance with the TWIA insurance policy requirements.

12.13. Additional Threshold Requirements. All Qualified Projects must meet the following additional threshold requirements:

- a. A general review of environmental conditions at each Qualified Project location. The environmental review may include a review of city or county environmental records; an environmental notification process, as may be required by the Corporation's funding partners; or a Phase I Environmental Site Assessment and any necessary updates, based on the Corporation's sole determination of need;
- b. The Corporation generally will not fund a Qualified Project that may cause the displacement of a low-income household. Exceptions to this requirement may be considered on a case-by-case basis;

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- c. The Corporation will use minimum underwriting standards in evaluating all projects. The Corporation will review such items as debt coverage ratio, cost of project maintenance and the Local Partner's financial strength and creditworthiness. The minimum underwriting standards will reflect the nature of the project, its location and the AMI for qualified low-income households. The Corporation's Director shall be responsible for determining the feasibility of each project; and
- d. The Corporation may require a third-party market analysis, or may conduct its own assessment of market conditions, to determine the feasibility of a proposal. Current information on demographics, population growth, employment trends, median home prices, zoning requirements, absorption rates, and any other indicators of the market capacity may be considered in the Corporation's review.

13.14. Security Interest. To ensure the fulfillment of the applicable Affordability Threshold, a variety of agreements may be filed and recorded in the deed records of Qualified Projects. At a minimum, the Corporation may consider the following security interests, or any combination thereof:

- a. Deed Restriction or LURA: The Corporation may file a deed restriction or Land Use Restriction Agreement (the "LURA") in the real property records that defines limitations on resale and occupancy of the Qualified Project. Deed restrictions may or may not be filed as non-foreclosable instruments.
- b. Shared Appreciation Agreement: A shared appreciation agreement (the "Shared Appreciation Agreement") will be filed and recorded as a mortgage instrument, deed restriction, or other form of agreement or instrument acceptable to the Corporation, and will allow the Corporation to recapture grant funds or equity transfers (or the equivalent thereof) to a Qualified Project upon any future sale or transfer of ownership. The Corporation shall seek to recapture 100% of such grant dollars and/or a percentage of such equity transfers. The total recapture amount will depend on the net proceeds available after repayment of superior liens.
- c. Ground Lease: The Corporation may also hold properties and sell or lease their improvements to Local Partners to operate affordable rental housing, or sell improvements to qualified low-income households. In either case, the Qualified Project will be restricted for occupancy in accordance with the applicable affordability requirements through a ground lease agreement.

e.d. Loan or Lien: The Corporation may issue a note or mortgage to a Qualified Household, in a primary or subordinate lien position, in order to secure a financial stake and provide security for an affordability term. The note or mortgage may be made on a repayable or forgivable basis. The Corporation may forgive any unpaid balance of a note or mortgage to a Qualified Household prior to the end of the term of the note or mortgage, if the Qualified Household can demonstrate extraordinary circumstances which had not been reasonably foreseeable at the time the note or mortgage was made, and merit the need for forgiveness of the note or mortgage. Any forgiveness of the note or mortgage will be made at the sole discretion of the Corporation Executive staff.

14.15. Project Monitoring. The Corporation requires that all Qualified Projects undergo a regular review to determine that the project continues to meet the applicable Affordability Threshold criteria and goals of the ACT Program. The Corporation may require, especially in the case of rental developments, that an asset management or asset oversight review be completed on an annual, semi-annual or other periodic

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Affordable Communities of Texas Policies and Guidelines

basis, as determined by the Corporation. The Corporation may charge an annual fee in order to cover the cost of such reviews.

15.16. **Disposition of Properties.** To accomplish the sale or transfer of Qualified Projects, the Corporation may rely on its Local Partners to market, broker, or otherwise sell or lease Qualified Projects. In the absence of a Local Partner, or as otherwise determined necessary, the President or Executive Vice President of the Corporation shall be authorized to list properties for-sale as owner without representation, contract disposition activities to a licensed real estate broker or contract with any other qualified third-party entity for the disposition of the property.

16.17. **Insurance.** The Corporation shall be authorized to carry general liability, property, casualty and other necessary insurance coverage on Qualified Projects. The President, Executive Vice President, or Chief Financial Officer of the Corporation shall be authorized to contract for such insurance services.

17.18. **Fees.** The Corporation may charge fees, penalties, or any other monetary amounts deemed reasonable by the Corporation's President or Executive Vice President to cover the cost of operating the ACT Program, including application review, professional fees, asset and compliance reviews, ground leases, maintenance or holding costs, and any other applicable costs associated with operating the program.

Tab 4

Presentation, Discussion and Possible Approval to Publish for Public Comment, the Texas Foundations Fund Draft 2023 Guidelines.



DRAFT Texas Foundations Fund 2023 Guidelines

Texas Foundations Fund Overview

Through its Texas Foundations Fund (TFF) program, the Texas State Affordable Housing Corporation (TSAHC) works with nonprofit organizations across Texas to support housing services that meet critical housing needs of very low-income households in Texas. In 2023, all applicants that meet the **Eligibility Requirements** and **Program Evaluation Criteria** set forth below will be eligible for a grant award. To ensure sufficient funding to each awardee, TSAHC reserves the right to place a limit on the number of organizations awarded. In that circumstance, TSAHC will consider applications in the order in which they were received.

2023 Grantee Application Process

Grantees eligible for grant awards will be selected through an online application process. The online application will be available on TSAHC's website at www.tsahc.org in **April 2023**. Interested applicants must first complete an eligibility quiz to determine if they may qualify as a potential grantee.

Only organizations that pass the eligibility quiz will be instructed to complete the online application. Applications must be submitted online no later than **5:00 pm on Friday, May 26, 2023**.

After submitting an application, applicants may not contact members of TSAHC's Board of Directors regarding their application. Failure to comply will result in the disqualification of the application. All questions about the application process should be submitted in writing to Anna Orendain by email at aorendain@tsahc.org.

If an application contains deficiencies that require clarification or correction, TSAHC staff will contact the applicant directly to request clarification or correction of such deficiencies. Failure to respond to follow up requests for information may result in the disqualification of an application.

Eligibility Requirements

To qualify as a Grantee eligible for a grant award, applicants must meet the following eligibility requirements:

1. **Organization Type:** Applicant must be a nonprofit organization with a 501(c)(3) designation from the Internal Revenue Service.
2. **Organization Experience:** Applicant must have at least **three** years of experience operating housing programs in Texas.
3. **Program Experience:** Applicant must have at least **two** years of experience operating the program for which a grant award will be requested (see section below for additional program eligibility information).
4. **Government Grant Performance:** Applicant must certify that it has not defaulted on or been required to repay any federal, state or local government grants within the past two years. Applicants do not need to have prior experience with government grants to be eligible for a grant award.

5. Financial Requirements:

- a. Applicants with a budget size **above \$2 million** must be able to provide annual financial audits for its two most recent fiscal years and must be prepared to submit its audits, as well as other financial documents, when requested.
- b. For organizations with budget sizes **below \$2 million**, TSAHC will waive the requirement for an external audit and accept either a financial review or a reference letter of support from another funder who has supported the program for which a grant award will be requested.

6. Household Requirements: To ensure TFF grants are disbursed in a manner that promotes equity and reaches those who are most in need, each applicant must utilize grant funds to serve only:

- a. Households at or below 50% of the area median family income (very low-income)¹, **and**
- b. Households that include someone who is part of an underserved population as demonstrated with documentation provided by the Grantee.

Eligible Programs

Programs that provide the following housing services are eligible for a TFF grant:

1. The rehabilitation and/or critical repair of single-family homes² to remedy unsafe living conditions.

- Critical repairs may also include accessibility modifications for homes with a household member with a disability.
- Homes receiving repairs must be owner-occupied.
- TSAHC will support the critical repair of single-family rental homes owned and operated by the organization applying only if the repairs enhance accessibility for a renting household with an individual with a disability³
- All rehabilitation and/or critical repairs funded through the Texas Foundations Fund must be provided free of charge.

2. The provision of the following supportive services or housing counseling services that help individuals and families maintain housing stability.

- a. Services provided to residents of permanent supportive housing including but not limited to:
 - Case management,
 - Physical and mental health care services,
 - Substance use disorder counseling and services,

¹ While an applicant's program may serve households above this income level with other funding sources, a grant from the Texas Foundations Fund may only be used to serve households meeting this income requirement. TSAHC uses the U.S. Department of Housing and Urban Development's Section 8 income limits to determine income eligibility for the Texas Foundations Fund program. To review the current income limits, visit: www.huduser.org/portal/datasets/il.html

² TSAHC defines "single family home" as a residential property with an attached or detached dwelling that consists of (i) a single unit on an individual lot, or (ii) a single unit in a condo project, Planned Unit Development, or duplex, triplex or fourplex, or (iii) not more than four connected units, with each unit intended as housing for one family. Dwellings that are not titled as real estate, such as RVs and houseboats, are not eligible.

³ In exceptional circumstances, TSAHC may allow a Grantee to perform critical repairs on a rental home owned by a private landlord and occupied by a very low-income household. Grantees must notify TSAHC in advance if they wish to use a portion of their Texas Foundation Fund grant for this purpose. Additional information, including documentation that the landlord is financially unable to perform the repairs, will be required.

- Employment services, or
- Food insecurity services.

b. Housing counseling services including but not limited to:

- Homebuyer education (pre-purchase or post-purchase),
- Credit counseling,
- Financial counseling or coaching,
- Foreclosure prevention counseling, or
- Eviction prevention counseling.

All housing services funded through TFF must be provided free of charge. Organizations that solely provide services without a housing focus are not eligible to apply for a grant. TSAHC will only consider organizations whose mission and programs demonstrate a clear housing focus.

2023 Funding Availability, Timeline and Disbursement

TSAHC provides TFF grant funding by blending private donations with earned revenue from its affordable housing programs. TSAHC's Board of Directors approves the funding available each year under the TFF program. The funding available to each Grantee will depend on the number of Grantees that are eligible to receive an award.

Grantees will be selected for a one-year term ("Grantee Term"). It is anticipated that Grantees will be announced in July 2023 and grant funds will become available in August 2023. A Grantee must spend 100% of its grant and submit a report documenting use of the grant and updated financial information by the end of the Grantee Term. Grants will be disbursed in one installment immediately upon execution of a Grant Agreement.

Grant Agreement

Grantees will be required to execute a grant agreement that outlines:

- A description of the program for which the grant award will be used,
- Eligible expenditures⁴,
- The process to request grant funds,
- Reporting requirements, and
- TSAHC's right to inspect properties or service records and to review financial documents.

Administrative Allowance

A Grantee may use five percent (5%) of the awarded funds for administrative or technical assistance costs to carry out the programs funded by their Texas Foundations Fund award. In certain circumstances, TSAHC will allow Grantees to use up to 10% of the awarded funds for administrative or technical assistance costs. However, Grantees requesting more than 5% must justify and explain the need for additional administrative or technical assistance funds.

Program Evaluation Criteria

In order to promote an equitable distribution of awards, Grantees will be grouped into the following three tiers based on budget size: Tier 1: Small Organizations, Tier 2: Mid-Size Organizations, and Tier 3: Large

⁴ Grantees must use 100% of their grant for direct costs to provide the program for which the grant is requested. These costs may include but are not limited to administrative costs as described in the "Administrative Allowance" section, contractor fees, materials, salaries for staff performing critical repair work, salaries for staff providing supportive housing services, salaries for staff directly coordinating and supporting the program, travel expenses for staff directly coordinating and supporting the program, and building permits and inspection fees for homes to be repaired. The grantee agreement will include a full list of expenses eligible for a grant.

Organizations. An equal amount of funding will be available to Grantees within each tier, and there will be an additional amount of funding available across all tiers that is flexible depending on the volume of applicants within one or more tiers.

Grantees must satisfactorily respond to each of the following criteria in their application to be eligible for an award:

- Organization has a mission and defined scope of work,
- Organization operates an eligible program that meets a demonstrated community need,
- Organization describes how the program meets the demonstrated community need,
- Organization has community partnerships to help execute its scope of work,
- Organization operates in a defined geographic area in one or multiple counties,⁵
- Organization provides demographic data on households served and demonstrates it will meet **Household Requirements** above,
- Organization collects feedback from households it serves to improve its programs, and
- For returning Grantees, organization is in good standing by meeting past requirements of the Texas Foundations Fund program. As an example, applicants that were selected as 2022 nonprofit partners must have submitted their final report and accessed 100% of their 2022 award to be eligible for a grant.

Reporting Requirements

At the end of the Grantee Term, all Grantees will be required to submit documentation that details how the Grantee has spent the TFF grant award. Documentation may include:

- Number of households and individuals affected by the grant funding,
- Description of program funded by Texas Foundations Fund,
- Description of services provided by the program which received grant funds,
- One or more success stories from households affected by the Grantee's program,
- Program budget,
- Photos of services, repairs, or households served, and/or
- Description of grant and program impact.

Failure to adhere to the terms of the grantee agreement may result in the delay or cancelation of grant funds, termination of the grant agreement, or request for repayment of all or part of the grants disbursed.

Questions

Questions should be submitted in writing to Anna Orendain by email at aorendain@tsahc.org. Applicants are highly encouraged to review the Texas Foundations Fund's Question and Answer section of TSAHC's website at www.tsahc.org for pertinent application information.

⁵ In an effort to achieve broad geographic distribution of Texas Foundations Fund awards, TSAHC has designated eight geographic regions comprising the entire State of Texas and will make an effort to award at least one qualified applicant in each region. As part of the online application, applicants will need to select the geographic region they plan to serve with the award. Applicants will also need to select the county(ies) they plan to serve within that region. Applicants will only be able to select one geographic region; however, applicants may select as many counties within that region as are applicable.

Tab 5

Presentation, Discussion and Possible Approval of the Texas State Affordable Housing Corporation's 2023 Annual Action Plan.



TEXAS STATE AFFORDABLE HOUSING CORPORATION
2023 ANNUAL ACTION PLAN

TEXAS STATE AFFORDABLE HOUSING CORPORATION

2023 ANNUAL ACTION PLAN

INTRODUCTION

This plan is prepared in accordance with Texas Government Code, Section 2306.566, which requires the Texas State Affordable Housing Corporation (“TSAHC”) to develop a plan to address the state’s housing needs. Texas Government Code, Section 2306.0721(g) requires TSAHC’s Annual Action Plan to be included in the State Low Income Housing Plan (“SLIHP”) prepared by the Texas Department of Housing and Community Affairs (“TDHCA”).

TSAHC OVERVIEW

The Texas State Affordable Housing Corporation, created in 1994 at the direction of the Texas State Legislature, is a self-sustaining nonprofit entity whose purpose is to primarily serve the housing needs of low, very low, and extremely low-income Texans and other underserved populations who cannot access comparable housing options through conventional financial channels. TSAHC’s enabling legislation can be found in Texas Government Code, Chapter 2306, Subchapter Y, Sections 2306.551 et seq.

TSAHC’s office is located in Austin, Texas. A five-member volunteer Board of Directors, appointed by the Governor of Texas, oversees the policies and business of TSAHC. None of TSAHC’s programs or operations are funded through the State’s budget appropriations process.

TSAHC is statutorily authorized to issue mortgage revenue bonds and other tax-exempt bonds to finance the purchase and creation of affordable housing. TSAHC also has the authority to use loans from banks, private mortgage companies, nonprofit organizations and other financial institutions to assist primarily low, very low, and extremely low-income Texans. Over the course of its history, TSAHC has utilized approximately \$4 billion in single family bonding authority and approximately \$1.7 billion in multifamily private activity bonds.¹ Bond issuances are used to finance the creation and preservation of affordable multifamily housing and the following home buyer programs:

- Homes for Texas Heroes Home Loan Program
- Home Sweet Texas Home Loan Program
- Mortgage Credit Certificate Program

¹ 2022 TSAHC bond activity includes the closing of \$64,530,000 in Multifamily Private Activity Bonds.

Using its statutory purpose and powers as guidance, TSAHC has developed the following additional programs, services, and initiatives to help meet the need for affordable housing in Texas:

- Home Buyer and Financial Education
- Texas Housing Impact Fund
- Affordable Communities of Texas
- Asset Oversight and Compliance
- Single Family Rental Program
- Multifamily Rental Program
- Texas Foundations Fund
- Texas Supportive Housing Institute

TSAHC MISSION AND OBJECTIVE

TSAHC's mission is to serve the housing needs of moderate, low, very low, and extremely low-income Texans and other underserved populations through innovative programs. TSAHC accomplishes this mission by helping developers build housing for working families, and helping Texans achieve and sustain the dream of homeownership and improve their financial situation. TSAHC's programs and initiatives reflect our core belief that every Texan deserves the opportunity to live in safe, decent and affordable housing.

As Texas' population grows and the housing industry changes, the programs and services TSAHC administers continue to evolve and expand to meet these changing dynamics. TSAHC remains committed to the populations it has historically served, but is also active in responding to new challenges like creating supportive housing developments for Texas' most vulnerable residents, preserving housing in rural areas, expanding housing opportunities for Texans with complex health needs, helping Texans rebuild after natural disasters, and helping Texans remain stably housed during these ongoing challenging times.

TSAHC's objective in 2023 is to serve the evolving housing needs of Texans by implementing innovative solutions through its current programs and adapting those programs where necessary to respond to changes in the housing market, particularly the high interest rate environment. TSAHC also remains committed to exploring opportunities to establish new programs and initiatives to better assist underserved populations and entities addressing housing affordability challenges.

TSAHC'S ONGOING RESPONSE TO COVID-19

The past two years have completely reshaped how Texans live and do business. During that time, TSAHC responded to the pandemic in a variety of ways summarized below.

Since early 2020, TSAHC has been committed to working with tenants that reside in properties we own to keep them stably housed and respond to work requests in a safe manner. We implemented a rental assistance program for tenants and set up payment plans for tenants experiencing financial hardships. If a tenant received rental assistance, we required them to attend a virtual financial education course. Additionally, we automatically renewed leases for all tenants (unless they opted out of the lease) and froze rental rates for 2020 and 2021. Lastly, we helped tenants apply for local and statewide assistance programs when appropriate.

For properties that receive physical inspections and site visits as part of our asset oversight and compliance program, we quickly transitioned to virtual inspections to protect the health and safety of TSAHC staff and property management. The virtual site visits still allowed us to honor the responsibilities that come with overseeing these properties. In 2021, we transitioned to a hybrid of virtual and in-person site visits, which we continued in 2022.

Throughout the past two years, we have continued to participate in internal and external meetings on virtual platforms. For a period of time we transitioned programs and initiatives that were formerly held in-person to virtual platforms. In spring 2022, we moved to a hybrid in-person and remote work environment and modified protocols. These decisions were made with health and safety considerations of TSAHC staff and those we collaborate with at the forefront.

PROGRAM DESCRIPTIONS AND IMPLEMENTATION PLANS

HOMEOWNERSHIP PROGRAMS

Over the last decade, research has consistently shown that homeownership has a positive impact on the socioeconomic status of a household and their community. The most recent data from the Federal Reserve highlights the economic benefits of homeownership as the average household wealth of a homeowner is \$255,000 while the average wealth of a renter is \$6,300.²

In addition to financial benefits, there are social benefits to homeownership. Stable housing created by homeownership can lead to better educational achievement, health benefits, reduced crime, and improved civic participation.³

TSAHC currently administers the Homes for Texas Heroes and Home Sweet Texas Home Loan Programs, which provide 30-year fixed-rate mortgage loans, tax credits, and down payment assistance to low and moderate-income families and individuals.

² Source: Brett Holzhauer, "Here's the average wealth of homeowners and renters," CNBC, August 24, 2021

³ Source: "Social Benefits of Homeownership and Stable Housing," Richard J. Rosenthal Center for Real Estate Studies, October 2017

The Homes for Texas Heroes Home Loan Program was established by the Legislature in 2003 for the purpose of making mortgage loans with down payment assistance to:

- Public School Classroom Teachers
- Public School Teacher's Aides
- Public School Librarians
- Public School Nurses
- Public School Counselors
- Faculty Members of an Allied Health or Professional Nursing Program
- Paid Firefighters
- Emergency Medical Services Personnel
- Peace Officers
- Corrections Officers
- Juvenile Corrections Officers
- County Jailers
- Veterans and Active-Duty Military Personnel
- Public Security Officers

In 2006, TSAHC created the Home Sweet Texas Home Loan Program to serve home buyers not eligible for the Homes for Texas Heroes Home Loan Program. The Home Sweet Texas Home Loan Program serves Texans of all professions.

Down Payment Assistance Options

TSAHC offers down payment assistance (DPA) through both the Homes for Texas Heroes and Home Sweet Texas Home Loan Programs because a primary barrier for prospective buyers is accumulating sufficient funds for a down payment.⁴

This problem has worsened recently as increasing rents and inflation make it harder to save money and transition into homeownership. This is having a profound impact on middle-income households who are increasingly becoming rent cost-burdened and having a difficult time making the leap from renting to homeownership.⁵

Additionally, the median home price statewide reached a record high of \$360,000 in June 2022 and tapered off slightly to \$343,168 by September 2022. For context, the median home price in Texas was \$320,900 at the end of 2021 and \$270,000 at the end of 2020.⁶ This represents an approximately 25% increase from 2020 until now while currently the national average is just under 8% over a two-year period.

⁴ Source: "Biggest Barriers to Homeownership," <https://dsnews.com/daily-dose/09-02-2021/biggest-barriers-to-homeownership>, dsnews.com, September 2, 2021

⁵ Source: "The State of the Nation's Housing 2022," Joint Center for Housing Studies of Harvard University, 2022

⁶ Source: <https://www.recenter.tamu.edu/data/housing-activity/>, accessed November 10, 2022.

To ensure low and moderate-income Texans can continue to achieve the dream of homeownership, TSAHC increased the income limits for our Homes for Texas Heroes and Home Sweet Texas Home Loan Programs from 115% of the area median family income to 125% of the area median family income in October 2021.⁷ Serving moderate-income Texans – those between 80 and 125 percent AMFI – is an important component of meeting the state’s housing needs, because those households are struggling to afford homes in the absence of assistance.

TSAHC’s down payment assistance continues to be available on a first-come, first-served basis and is provided either in the form of a grant that does not require repayment or a three-year deferred forgivable second lien. The products TSAHC offers are always contingent on market conditions and interest rate trends which have been volatile during most of 2022.

Home buyers must also meet income and purchase price limits set by federal guidelines, while demonstrating creditworthiness and meeting standard mortgage underwriting requirements. Home buyers must also occupy the purchased home as their primary residence. The programs are accessible to eligible borrowers by directly contacting a participating mortgage lender.

Homeownership Programs Financing Mechanisms

TSAHC funds its mortgage loans with down payment assistance in two ways: by issuing mortgage revenue bonds available under its statutory authority, and by pooling loans on a regular basis and selling the mortgage-backed securities (known in the industry as the TBA program). TSAHC did not issue mortgage revenue bonds and funded its mortgage loans with down payment assistance exclusively through the TBA program in 2022.

Mortgage Credit Certificate Program

In 2008, TSAHC established the Mortgage Credit Certificate (MCC) Program as another way to assist first-time home buyers. The MCC Program is made possible under IRS rules that allow the conversion of single-family mortgage revenue bonds into MCCs. TSAHC’s MCC Program serves the same populations eligible for the Homes for Texas Heroes and Home Sweet Texas Home Loan Programs; however, the program is only available to first-time home buyers (defined as those who have not owned a home in three years).

Under the MCC Program, the home buyer can take a portion of the annual interest paid on the mortgage loan as a special federal income tax credit. An MCC has the potential of saving the home buyer thousands of dollars over the life of the loan. And although the MCC Program is not a home loan program, TSAHC requires the home buyer to obtain a fixed-rate mortgage loan. Home buyers can also combine the MCC Program with the mortgage loan and down payment assistance provided under the Homes for Texas Heroes and Home Sweet Texas Home Loan Programs.

⁷ The income limits for the Mortgage Credit Certificate program continue to be set at 115% AMFI per federal guidelines.

Home Buyer Education Requirement

Every home buyer who utilizes one of TSAHC's homeownership programs must complete an approved home buyer education course offered by a provider listed on the Texas Financial Toolbox website.⁸ The providers listed on this site are generally nonprofit organizations or government entities who are either HUD-approved or certified to provide home buyer education.

TSAHC requires home buyer education to ensure households are well prepared for the responsibilities of owning a home. Research by the U.S. Department of Housing and Urban Development (HUD) revealed that home buyer education empowers individuals with the ability to make better financial decisions, understand their home buying options, improve their credit, save more money, and lower housing costs.⁹

Moreover, according to that same HUD publication, home buyer education can help mortgage borrowers avoid delinquencies and defaults. The HUD paper references the 2014 National Foreclosure Mitigation Counseling program that analyzed 240,000 loans and found that borrowers that took home buyer education were three times more likely to get a loan modification to avoid default.

2022 Homeownership Programs Activity Synopsis

In 2022, TSAHC's home buyer programs helped 10,420 households with their home purchase through down payment assistance, an MCC, or both.¹⁰

In comparison, TSAHC assisted 22,726 households in 2021 and 16,325 households in 2020. To date, TSAHC has served more than 100,000 households under our homeownership programs.

2023 Implementation Plan

As the home buying market cools off due to increased interest rates, we continue to adjust internally to respond to the changing market conditions. For example, TSAHC has expanded our efforts to market and promote our programs in areas of the state where our volume isn't as robust. We intend to carry out this marketing effort to recruit new lenders, establish new connections, and make inroads with home buyers in those regions throughout 2023.

In 2023, TSAHC will also continue offering "Overcoming the Down Payment Hurdle" courses throughout the state to share information about our programs in new and existing markets. These courses allow us to meet mortgage lenders, REALTORS®, and other industry professionals

⁸ Texas Financial Toolbox, <http://www.texasfinancialtoolbox.com/home-buyer-education>

⁹ Source: Evidence Matters, "The Evidence on Homeownership Education and Counseling," Spring 2016

¹⁰ This marks activity from January 1, 2022 through December 31, 2022.

in the markets they work in and strengthen our existing connections or make new ones. We conducted 57 of these classes in 2022.

In 2023, TSAHC will continue to engage the Lender Advisory Council on ways to improve our programs, stay abreast of any changes or developments in the mortgage industry, and adjust to meet the needs of Texas' home buyers.

TSAHC continues to spread awareness about our programs and share knowledge about the industry through podcasts and Facebook live events. Since our podcast launched in 2020, we've produced 28 episodes¹¹ dedicated to home buying issues, homeownership topics and other housing industry related content. In 2023, we will continue producing podcast segments and holding periodic Facebook live events. We will also explore other ways to promote our programs through social media and other communications channels.

In 2023, TSAHC will also work alongside a network of partners as part of the Harris County Homeownership Collaborative (HCHC) to create new Black, Indigenous, and people of color (BIPOC) homeowners in the greater Houston area. The initiative is part of the Wells Fargo BIPOC Wealth Opportunities Restored through Homeownership (WORTH) program, and the goal is to create 5,000 new BIPOC homeowners in Houston by 2025. HCHC's work is supported by a Wells Fargo grant that provides grant funding annually for four years.

Most importantly, we remain committed to offering a suite of home buying products even as interest rates continue to climb to the highest levels in years. We evaluate the market daily and respond accordingly with the best options possible to ensure Texans always have assistance available to fulfill their dream of homeownership.

HOME BUYER EDUCATION AND FINANCIAL EDUCATION

Connecting Consumers with High Quality Housing and Financial Counselors

In 2012, TSAHC created the Texas Financial Toolbox (www.texasfinancialtoolbox.com) to give consumers an easy way to find nonprofit organizations or government entities that can help them achieve their financial and homeownership goals through home buyer education, credit counseling, or financial education.

Whether consumers want to learn how to better manage their money, find out if they're ready for homeownership, understand the home buying process and the programs that are available to help them buy a home, or learn how to avoid foreclosure, the Texas Financial Toolbox is a great place to start. Information about home buyer programs, home buyer education classes, financial education, and foreclosure prevention is available, all searchable by city. This is a unique tool TSAHC believes is providing essential information to Texas consumers.

¹¹ <https://www.buzzsprout.com/1048519>

In 2018, TSAHC expanded the Toolbox resource by creating a Loan Comparison Calculator¹² to help potential home buyers compare the different loans types and down payment assistance options offered by TSAHC. This tool is also available on TSAHC's website www.tsahc.org.

The Loan Comparison Calculator replaced an earlier down payment assistance calculator created in 2017 and a mortgage calculator created in 2010 that provided home buyers with an estimated interest rate based on their credit score.

The Toolbox also includes a step-by-step guide to help families and individuals gain a better understanding of the home buying process.

Housing Connection Training

TSAHC has offered home buyer and financial education training to Texas housing nonprofits since 2012. From 2012-2017, TSAHC administered the Texas Statewide Homebuyer Education Program (TSHEP), a housing and financial counselor training program, on behalf of the Texas Department of Housing and Community Affairs. In 2017 TSAHC decided to expand the scope of the training provided and opted not to continue our role as administrator of TSHEP.

In 2018, TSAHC introduced the Housing Connection training program. The Housing Connection training built upon the success of TSHEP by offering not only housing and financial counselor training but also training for nonprofits interested in affordable housing development. The program's goal is to help both affordable housing and counseling organizations access trainings, promote themselves, and build capacity for their organizations and programs.

Our training partner that offers and delivers the courses is NeighborWorks, a congressionally chartered nonprofit organization that supports community development across the country. In 2022, we offered the following courses: (1) Rental Housing Certification: Part I and (2) The Fundamentals of Affordable Housing Development.

In 2022, 36 housing counselors representing 25 organizations and 16 cities received training through Housing Connection. Thanks to philanthropic support from our network of mortgage lenders and REALTORS, TSAHC was able to offer the training courses free of charge and provide hotel scholarships to participants traveling from out of town.

To date, 784 individuals representing 340 organizations in 156 municipalities across Texas have attended trainings provided by TSAHC through either TSHEP (2012-2017) or Housing Connection (2018-2022). Additionally, TSAHC has provided more than \$137,000 in scholarships to participants. We're proud to note that 100% of the 2022 attendees would recommend this training to a colleague.

¹² <http://www.texasfinancialtoolbox.com/mortgage-calculator>

2023 Implementation Plan

In 2023, TSAHC will once again provide a variety of courses for housing counselors and nonprofit housing professionals. The course selection will be guided by feedback from past and prospective participants. TSAHC will continue to make the training as affordable as possible by raising public and private funds to subsidize the costs of attending either virtually or in-person.

TEXAS HOUSING IMPACT FUND

The Texas Housing Impact Fund (THIF) helps provide safe, decent, and affordable housing with an emphasis on serving rural and underserved communities by providing flexible financing options to affordable housing developers.

Leveraging investments from multiple sources, TSAHC is able to provide flexible short-term and long-term affordable housing financing to developers through the THIF. This funding model has enabled TSAHC to steadily grow the fund over time, with applications for new loans accepted on an ongoing basis, provided there is funding available for the program.

To date, the THIF has financed the construction or rehabilitation of 289 single family homes and 3,342 rental units for low and moderate-income households. These numbers include units currently under construction.

TSAHC currently offers four types of loans:

- Permanent financing loans
- Revolving lines of credit
- Construction loans
- Deferred forgivable loans offered through the Affordable Housing Partnership (geographically limited to certain counties)

Single Family Construction/Rehabilitation

Homeownership continues to be the primary means by which lower-income households create stability and build wealth for the future. As mentioned above, the average household wealth of a homeowner is \$255,000 while the average household wealth of a renter is \$6,300.

However, due to rising housing prices, many Texans cannot afford to purchase a home in their communities. For example, according to the Real Estate Center at Texas A&M University, as of June 2022, the median home price in Texas was a record high \$360,000.¹³ Escalating home prices are especially problematic in urban areas like Austin (median home price of \$472,000), Dallas (\$400,000), and Houston (\$340,000).¹⁴

¹³ Source: <https://www.recenter.tamu.edu/data/housing-activity/>, accessed November 11, 2022.

¹⁴ Source: <https://www.recenter.tamu.edu/data/housing-activity/>, accessed November 11, 2022.

By financing the construction or rehabilitation of single-family homes that are affordable to well-qualified low and moderate-income home buyers, the THIF is helping families and individuals achieve the dream of homeownership and build household wealth.

In 2022, TSAHC approved a THIF line of credit to construct 5 homes for low- to moderate-income home buyers in Port Arthur and Brownsville, Texas.

Multifamily Construction/Rehabilitation

TSAHC also recognizes that not all families and individuals are ready to become homeowners. Access to affordable rental housing is what is most important to these households. By funding the construction of affordable rental units, the THIF helps households access affordable rental homes without having to sacrifice other basic needs, such as food, education, or medical care.

In 2022, TSAHC provided THIF financing to help rehabilitate or build 277 affordable rental units.

Affordable Housing Partnership

TSAHC launched the Affordable Housing Partnership (AHP) program in 2020 as part of the THIF suite of loan products. Thanks to a partnership with the Texas Health and Human Services Commission, TSAHC offers deferred forgivable loans to developers in Dallas and Travis counties to subsidize the construction of affordable, accessible, and community-integrated units designated for residents with long-term health needs.

In 2022, TSAHC approved 2 loans to support the construction of 9 rental units in Travis County.

Texas Housing Impact Fund Loan Production

Loan Production	2022	2003 - 2021
Loans Approved	6	51
# of Single Family Homes Built or Under Construction	5	284
# of Rental Units	277	3,272
Amount of Loan Funds Approved	\$8,275,000 ¹⁵	\$33,430,462

2023 Implementation Plan

TSAHC plans to continue to provide flexible lines of credit to developers that address our funding priorities. These loan products, leveraged with TSAHC's access to lower cost land through its Affordable Communities of Texas (ACT) land bank, will enable these developers to

¹⁵ Texas Housing Impact Fund loans are a revolving line of credit for single-family construction awarded to Legacy CDC and Brownsville CDC and for loans for the rehabilitation or creation of multifamily units for Cady Lofts, Saison North Apartments, and Burnet Place Apartments.

continue to construct and rehabilitate single family homes that are affordable. TSAHC forecasts sustained demand for THIF loans into 2023 as staff is currently reviewing multiple applications for single-family and multifamily developments around Texas.

In 2023, TSAHC plans to continue to explore lending opportunities to address housing needs for underserved populations including disaster impacted areas, small urban and rural markets, and urban areas that are rapidly changing and risk losing affordable housing. In 2023, there will be an emphasis on exploring the future of the Affordable Housing Partnership as we have exhausted our initial funding under that program and will look for ways to continue offering it.

TSAHC will continue to grow the fund by pursuing grants, program related investments or equity equivalent investments from foundations, banks, and other lenders and investors.

TSAHC will also continue to publish an annual Texas Housing Impact Fund Investment Report to document the statewide impact of the program. This report enhances TSAHC's efforts to market the Texas Housing Impact Fund to developers and potential investors.

AFFORDABLE COMMUNITIES OF TEXAS PROGRAM

TSAHC created the Affordable Communities of Texas (ACT) Program, a land bank and land trust program, in 2008 to stabilize communities experiencing high rates of foreclosure. TSAHC works in partnership with 30 nonprofit organizations across the state to acquire and redevelop foreclosed homes, vacant land, and tax foreclosed properties to make these homes available for sale or rent to low-income families.

Over its history, TSAHC has acquired 573 properties through the ACT program and has created 296 homes for extremely low, very low, low, and moderate-income Texans. The ACT Program has a current portfolio of 16 lots and homes, and there are three active components of the program distinguished by source of funding and targeted use of properties:

- ACT Land Banking – This is TSAHC's general land banking program that includes properties that are either purchased by TSAHC or donated to TSAHC. Properties are redeveloped for affordable housing. If a property is not suitable for redevelopment (i.e., poor location, high cost of redevelopment, or other extenuating circumstances), the property is sold, and the funds are reinvested in the ACT Program.
- ACT Land Trust – Properties acquired are intended to be held in perpetuity by TSAHC. Homes built or redeveloped on land trust sites may be rented or sold to qualified low-income households.

Affordable Communities of Texas Portfolio

Program/Initiative	Acquisitions 2022	Sales 2022	Current Portfolio	Current Asset Value
ACT Land Banking / Land Trust	2	6	16	\$1,186,024

2023 Implementation Plan

The ACT Program will continue to play an integral role in TSAHC's overall affordable housing strategy. TSAHC intends to increase efforts to expand our portfolio of ACT land bank properties by forming partnerships to acquire foreclosed and vacant properties and working directly with local and regional governments where possible. We are making an intentional effort to expand our ACT portfolio in South Texas.

For properties already in our land bank, we will continue working with our network of local partner developers to redevelop and sell those properties. We also intend to begin developing a parcel of land in Plano, Texas that is part of our land trust.

TSAHC continues to explore the implementation of land trust mechanisms that allow TSAHC to deliver homeownership opportunities to low- to moderate-income home buyers and deeper levels of affordable rental housing.

MULTIFAMILY PRIVATE ACTIVITY BOND PROGRAM

TSAHC uses its statutory authority to issue tax-exempt multifamily private activity bonds (PAB) to help affordable housing developers construct or preserve multifamily rental units. As a conduit issuer, TSAHC is allocated 10 percent of Texas' multifamily PAB cap each year.

TSAHC makes available to developers its multifamily PAB allocation through an annual Request for Proposal application process. To be considered for multifamily PAB financing, multifamily developments must meet specific housing needs identified each year by TSAHC's Board of Directors. In 2022, those housing needs were:

- At-Risk Preservation and Rehabilitation of Existing Affordable Units
- Housing in Rural and Smaller Urban Markets
- Senior and Service Enriched Housing Developments
- Housing in Areas with Disaster Declarations

In 2022, TSAHC closed on \$64,530,000 in multifamily PABs to construct or rehabilitate 510 affordable rental units across 2 municipalities.¹⁶

2023 Implementation Plan

TSAHC anticipates continued interest and growth in our PAB program due to the high number of affordable housing units needed to meet the demand. For example, research conducted by the National Low Income Housing Coalition found that, in Texas, there are only 51 units that are

¹⁶ The developments are Market Place at Liberty Crossing in Wilmer, Texas and Sandpiper Cove in Galveston, Texas.

affordable for every 100 households that earn 50% or less of the average median income.¹⁷

The demand is reflected in the number of TSAHC PAB projects that are either currently induced, pending closing or under review. That pipeline of potential 2023 PAB closings already includes 7 developments totaling \$168,000,000 in total bond financing.

TSAHC plans to continue to address this ongoing housing demand using PABs to finance the construction and rehabilitation of units that are affordable to low and very low-income Texans. In 2023, TSAHC will build on our initiatives that emphasize the preservation of housing in rural areas and work with developers who are addressing this housing priority.

TSAHC will also explore how to create more permanent supportive housing (PSH) units either through PABs or other financing structures. The creation of additional PSH housing is another priority for TSAHC, due in part to an ongoing collaboration with the Texas Health and Human Services Commission that will be covered in detail later in this plan.

ASSET OVERSIGHT AND COMPLIANCE

Asset oversight and compliance monitoring of multifamily properties financed through multifamily private activity bonds is required by many bond issuers, including TSAHC. We also require asset oversight and compliance monitoring of multifamily properties financed through our THIF. TSAHC believes these reviews are one of the best ways to ensure properties are continuing to provide safe and decent affordable housing to their residents.

Asset Oversight

As part of the asset oversight review process, staff performs an annual inspection of each property, monitors each property's financial and physical health, and provides suggestions for improvement to property owners and managers. Staff completes a report of each property and submits its reports to property owners, managers, and other stakeholders. The reports are also available on TSAHC's website.

These visits are typically on-site, physical inspections, but because of the COVID-19 pandemic and subsequent safety concerns, TSAHC has performed a hybrid of virtual and in-person visits for the past two years. For both types of reviews, TSAHC required property management agents to provide us with required property reports. For virtual reviews, we also required them to provide photos of the property.

In 2022, TSAHC performed asset oversight reviews for 65 properties, totaling 6,807 units. By comparison, TSAHC performed reviews on 59 properties, totaling 5,729 units in 2021.

¹⁷ Source: "The Gap: A Shortage of Affordable Homes," The National Low Income Housing Coalition, April 2022

Compliance

As part of the compliance review process, staff reviews tenant files annually to ensure that property owners and managers are following the federal affordability requirements relating to the tax-exempt status of the bonds. Completed compliance reports are submitted to property owners, managers, and other stakeholders and are also available on TSAHC's web site. In addition, TSAHC manages an online reporting system that allows property managers to complete their monthly compliance reporting online.

Each month, staff monitors whether property owners and managers are providing the required number of affordable units to income-eligible households and that high-quality resident services are being provided. Monthly compliance monitoring helps TSAHC ensure that property owners and managers are meeting all program requirements.

In 2022, TSAHC performed compliance reviews for 66 properties, totaling 7,143 units. By comparison, TSAHC performed reviews on 57 properties, totaling 5,793 units in 2020. These properties are financed either through PABs or THIF financing. TSAHC will continue to ensure that staff is well-equipped to handle the demands of adding a significant number of properties and units to the asset and compliance review portfolio over the past year and into 2023.

2023 Implementation Plan

In 2023, TSAHC staff will continue to conduct site visits in a manner that best protects the health and safety of our staff, as well as staff and residents at properties in our asset and compliance portfolio. In 2023, staff anticipates adding 3 properties and 710 units to the portfolio of asset oversight reviews and 13 developments for compliance reviews.

TSAHC will also continue to review and update its policies and procedures as industry trends and changes in policy dictate. TSAHC will continue to closely monitor the financial health and physical condition of properties in its portfolio and offer specific strategies for improvement.

SINGLE FAMILY RENTAL PROGRAM

The cost of living in Austin continued to rise in 2022. The average monthly rent was \$1,826 as of November 2021,¹⁸ which is simply unaffordable for many low- to moderate-income Austin families.

In May 2013, TSAHC created the Single Family Rental Program to provide eligible low-income families with affordable, below-market rental homes in high-opportunity neighborhoods in the Austin Metropolitan Statistical Area (MSA).

¹⁸ Source: <https://www.rentcafe.com/average-rent-market-trends/us/tx/austin/>, accessed November 11, 2022

Homes available through the program are located in areas with higher than average median incomes, with access to good schools and other services nearby. The program has received an extraordinary number of applications from low-income families and individuals interested in renting a home available under the program.

The program offers individuals and families that earn at or below 80% of the area median family income the opportunity to rent a home at prices significantly less than market rate. TSAHC screens each applicant for rental, credit, and criminal history and to verify income eligibility.

Given the success of the program and ongoing need for affordable rental opportunities in other areas of the state, TSAHC expanded the program to San Antonio in 2019 and the Dallas-Fort Worth metroplex in 2022. Since that time, TSAHC has purchased eight single-family homes in the San Antonio MSA and seven homes in the DFW metroplex, which have all been leased to qualifying households.

In 2022, TSAHC also added two homes in Austin to the Single-Family Rental Program portfolio. Combined, the Single-Family Rental Program now provides 37 rental homes across the Austin, San Antonio, and Dallas-Fort Worth MSAs.

2023 Implementation Plan

In 2023, TSAHC intends to purchase five homes across the three markets.

MULTIFAMILY RENTAL PROGRAM

In July 2015, TSAHC expanded its rental program by acquiring the Rollins Martin apartment complex in East Austin. Built in 1998, the Rollins Martin apartment complex was originally financed as part of the federal low-income housing tax credit (LIHTC) program. It consists of 15 three-bedroom apartment units, all of which are affordable for families earning at or below 60% of the area median family income.

The apartment complex is located in a rapidly developing neighborhood of East Austin that is quickly becoming unaffordable to its long-time lower-income residents. In 2021, the average rent in the neighborhood was \$1,408, while nearly 15% of the neighborhood's residents live below the poverty level.¹⁹ By maintaining affordability in the rapidly changing neighborhood, TSAHC is meeting a critical housing need for the community.

Beyond this, TSAHC has also made substantial improvements to the Rollins Martin apartment complex. Since 2015, TSAHC has completed the following repairs and improvements: installed new appliances, tankless water heaters, and HVAC for each unit; installed new roofing, new outdoor trash receptacles, a bike rack, surveillance system, and a fence for the property;

¹⁹ Source: https://housingworksAustin.org/wp-content/uploads/2022/06/District01_2021_v05.pdf, accessed November 14, 2022

expanded doors for the laundry area in each unit; replaced all staircases; added additional security features to the locks on each unit's door; upgraded the surveillance system; replaced all siding and windows; added new paint, lighting, doors, mailboxes and signage; and completely renovated eight units.

In 2021, TSAHC also reconstructed the dumpster enclosure area to create more recycling space and poured a semicircle driveway to make it easier for trash trucks to safely access and leave the dumpster area. In addition, TSAHC built an ADA accessible sidewalk and pad for the common area between buildings 3 and 4. In 2022, we completed renovations in seven units and performed extensive repairs on the roof. All 15 units have received complete renovations now.

TEXAS FOUNDATIONS FUND

History of the Texas Foundations Fund

TSAHC created the Texas Foundations Fund (TFF) to improve housing conditions for very low-income Texas households, with an emphasis on assisting underserved populations. TSAHC defines very low-income households as households earning at or below 50% of the area median family income.

Through TFF, TSAHC partners with nonprofit organizations across Texas to support quality programs that address the critical housing needs of very low-income families and individuals. Selected partners receive grants to support their housing services. Since 2008, TSAHC has awarded almost \$8,000,000 in grants.

The housing services listed below are eligible for support through TFF:

- Home repairs and accessibility modifications in owner-occupied homes.
- Services at supportive housing communities.
- In 2022, we added housing and financial counseling services as an eligible activity.

TSAHC selected these services by conducting a survey asking its partner housing organizations to identify the greatest housing needs of the very low-income Texans they serve. TSAHC also conducts follow up surveys every few years to confirm that the services funded by the Texas Foundations Fund are still critically needed by very low-income Texans.

TSAHC funds TFF awards primarily with earned revenue from its other housing programs. TSAHC's Board of Directors determines the amount available for each funding round.

Prior to each application cycle, TSAHC publishes TFF Guidelines for public comment, giving stakeholders the opportunity to provide feedback prior to submitting a funding proposal.

Prior to 2016, the Foundations Fund was a competitive grant process. For the three award cycles that followed (2016 – 2021), it was a non-competitive application process. Nonprofits that met eligibility criteria partnered with TSAHC for a two-year term in a matching grant structure.

2022 Funding Cycle

In late 2021, TSAHC surveyed TFF stakeholders to see if any changes should be made to the program. After compiling survey results, TSAHC made its draft 2022 Texas Foundations Fund guidelines available for public comment. Based on comments received, TSAHC staff decided to make five significant changes: (1) grantees were no longer required to provide proof of a matching grant; (2) the audit requirement was waived for organizations with a budget of less than \$2 million and replaced with a requirement that a financial review or reference letter from a funder be provided instead; (3) the definition of underserved populations was expanded; (4) housing and financial counseling services were added as an eligible activity to be funded; and (5) for funding purposes, applicants were separated into small, mid-sized, or large based on budget size.

The 2022 TFF application cycle opened in May 2022. We received 55 applications from nonprofits serving communities throughout Texas. After a thorough review of the applications, TSAHC staff determined that 54 applicants met the eligibility requirements.

The total funding available to these partners in 2022 was \$1,250,000. The 23 small organizations each received a \$15,000 grant; the 15 mid-sized organizations each received a \$23,000 grant; and the 16 large organizations each received a \$35,000 grant.

2023 Implementation Plan

In early 2023, we will once again survey partners and other stakeholders to help inform our decision making about how TFF should best operate.

GRANTS FOR DISASTER RECOVERY

Housing and Economic Assistance to Rebuild Texas (HEART)

On August 23, 2017, Hurricane Harvey made landfall along the Texas coast, inflicting catastrophic damage to Southeast Texas, the Gulf Coast region, the greater Houston area, and the Coastal Bend area. In response to this catastrophic event, TSAHC partnered with Enterprise Community Partners to create a grant program to provide critical home repair funding, programmatic support, and technical assistance for nonprofits providing ongoing relief efforts to the impacted areas with an emphasis on providing relief outside of the Harris County area.

The program, entitled Housing and Economic Assistance to Rebuild Texas (HEART), launched in April 2018 thanks to a generous financial commitment from the Rebuild Texas Fund, a joint

initiative of the OneStar Foundation and the Michael & Susan Dell Foundation. Other funding was provided by the Meadows Foundation, the Center for Disaster Philanthropy, BBVA and a commitment from TSAHC's Board.

The program awarded \$2,555,000 to 39 nonprofits providing housing-related assistance to low-income households directly affected by Hurricane Harvey. Among those nonprofits, 19 provided critical home repair services, repairing 174 homes.²⁰ The HEART program also provided webinars (11 total with more than 200 attendees) as well as individual technical assistance opportunities. TSAHC and Enterprise Community Partners concluded administering the HEART program in early 2021.

Winter Storm Uri Response

In February 2021, Winter Storm Uri ravaged Texas, bringing prolonged below freezing temperatures and record snowfall to many parts of the state. In addition, millions of Texans were without electricity compounding the devastating impacts of this unprecedented disaster. The Federal Emergency Management Agency declared a disaster for every county in Texas and provided a combination of public and individual assistance depending on the severity of the disaster in those respective communities.

In March 2021, the TSAHC Board of Directors approved a special funding round of the Texas Foundations Fund program to respond to this event and made \$300,000 available to organizations providing home repairs for affected households in the most severely impacted areas. TSAHC provided grant funding to 15 organizations that provided home repairs to 236 households between April and August 2021 through this special funding round.

Texas Foundations Fund – Disaster Recovery

These twin natural disaster catastrophes motivated us to create a new program within TFF that was earmarked specifically for disaster recovery activities. That way funds could be made available in the immediate aftermath of a disaster, allowing organizations to more swiftly respond to disasters in their communities.

In September 2022, we took draft guidelines for the Texas Foundations Fund – Disaster Recovery program to TSAHC's Board of Directors and made them available for public comment. The guidelines define disasters that qualify for grant funding as well as organizational and household eligibility.

²⁰ These numbers reflect grantee reports received through December 31, 2021.

2023 Implementation Plan

TSAHC anticipates releasing the Texas Foundations Fund- Disaster Recovery application in early 2023. Total grant funding available for the program is \$250,000, and the maximum award for an organization is \$30,000. Any unutilized funding will roll over to the general TFF program in summer 2023.

SUPPORTIVE HOUSING INITIATIVES

Partnership with Texas Health and Human Services Commission (HHSC)

In 2016, TSAHC expanded its efforts to address supportive housing needs beyond grant funding provided through Texas Foundations Fund. We accomplished this by partnering with the Texas Health and Human Services Commission (HHSC) in a Center for Medicaid Services Innovation Accelerator Program (IAP).

The IAP launched in August 2017 and concluded in April 2018 with two outcomes. First, public and private partnerships developed between the Medicaid and housing systems to better address the housing and supportive services needs of the Medicaid recipient population. Second, HHSC and TSAHC created a state action plan that seeks to foster additional community living opportunities for Texans with ongoing health needs.

As part of executing the state action plan, TSAHC conducted a series of permanent supportive housing (PSH) workshops in 2019 for nonprofits and other interested parties who wish to create or preserve PSH units. These one-day workshops provided an overview of the financing of PSH developments and the implementation of supportive services at those developments.

Texas Supportive Housing Institute

Building upon the success of the PSH workshops, TSAHC launched the Texas Supportive Housing Institute in September 2020, which provides technical assistance to nonprofits, developers, service providers and property managers interested in creating and operating supportive housing in their communities. The training is conducted by the Corporation for Supportive Housing (CSH).

Five teams successfully completed the first institute in 2020 representing Dallas (two teams), Fort Worth (two teams), and Brownsville. They attended monthly, multi-part sessions held virtually over the course of September to December 2020. An added component of the institute is one-on-one technical assistance with CSH. TSAHC also made follow up grants available to participating development teams through a partnership with JPMorgan Chase.

In 2021, TSAHC offered the Institute again with the following enhancements: reduced the number of participating teams from six to four to expand/improve the individual instruction and attention provided to each; solicited teams in relatively similar project stages to improve cross collaboration; provided training that looks at issues through a racial equity lens and

incorporates feedback from those with lived experience; increased technical assistance from 14 hours per team 25 hours per team; and provided development teams with the opportunity to obtain Quality Endorsement reviews from CSH.

For the 2021 Institute, TSAHC selected four development teams in El Paso, Houston, San Antonio, and Waco. Three of these teams successfully concluded the Institute in January 2022.

In 2022, we decided to geographically limit the Institute to Austin-area teams to align the Institute curriculum and participants with local City of Austin and Travis County initiatives to create 2,100 supportive housing units by 2024. TSAHC selected six teams to participate in the 2022 Institute. We also elected to host the training in-person for the first time.

The in-person sessions hosted at TSAHC's offices allowed for more robust participation, increased peer learning, and promoted cross-collaboration among participants. As the teams are working towards a shared community goal, they are in similar stages of the development process which has allowed for a better experience for the teams and training providers. The 2022 Institute will conclude in 2023 with final presentations from the teams.

2023 Implementation Plan

For 2023, TSAHC will explore planning and hosting a supportive housing symposium in lieu of an Institute for two primary reasons. First, opportunities to share best practices and how to apply lessons learned in the supportive housing space is lacking in Texas. And second, due to past iterations of the Institute, we now have a pipeline of new developers, service providers, and property managers operating in supportive housing that need further education and training beyond what the Institute provides.

General Homelessness Activities

TSAHC continues to support other efforts addressing homelessness. This includes Advisory Member representation on the Texas Interagency Council for the Homeless (TICH) and serving as liaison between the TICH and United State Interagency Council on Homelessness. In addition, TSAHC sponsors the annual Texas Conference on Ending Homelessness hosted by the Texas Homeless Network. In 2022, TSAHC also awarded THN with a two-year grant to support a data collection system to better connect Texans experiencing homelessness to necessary services. We will continue to support THN's data collection efforts in 2023.

Tab 6

88th Texas Legislative Session Update.

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