

TEXAS STATE AFFORDABLE HOUSING CORPORATION

BOARD MEETING

Texas State Affordable Housing Corporation  
6701 Shirley Avenue  
Austin, Texas 78752

Tuesday,  
February 17, 2026  
10:30 a.m.

BOARD MEMBERS:

LEMUEL WILLIAMS, Chair  
VALERIE V. CARDENAS, Vice Chair  
DAVID LEWIS, Member  
DAVID RASSIN, Member  
ERNEST RICHARDS, Member

*ON THE RECORD REPORTING*  
*(512) 450-0342*

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P R O C E E D I N G S

(10:33 a.m.)

1  
2  
3 MR. WILLIAMS: I'd like to call this meeting to  
4 order of the Texas State Affordable Housing Corporation.  
5 Today's date is Tuesday, February 17th. The time is  
6 10:33. And I would like to take roll call for a certified  
7 quorum.

8 Vice Chair Valerie Cardenas.

9 MS. CARDENAS: Present.

10 MR. WILLIAMS: David Rassin.

11 MR. RASSIN: Good morning. Present.

12 MR. WILLIAMS: Ernest Richards.

13 MR. RICHARDS: Here.

14 MR. WILLIAMS: David Lewis.

15 MR. LEWIS: Here.

16 MR. WILLIAMS: And myself, Chair Lemuel  
17 Williams. We have a quorum. Okay.

18 Before we move into business, we are going to  
19 stand for the Pledge of Allegiance.

20 (Whereupon, the Pledge of Allegiance was  
21 recited.)

22 (Whereupon, a pledge to the Texas flag was  
23 recited.)

24 MR. WILLIAMS: Okay, moving on. Do we have any

1 public comment this morning?

2 MR. LONG: Actually, I'm going to jump in and  
3 do it this way. We have a guest today, and I would like  
4 to introduce him. Nick Koontz is a tax partner with the  
5 new firm that we hired under our RFP process to serve as  
6 our Single Family bond counsel.

7 The Single Family bond counsel firm is Hawkins  
8 Delafield and Wood. And I wanted Nick to kind of just  
9 introduce himself, spend a few minutes just saying who he  
10 is, and what he is going to be doing and how he is going  
11 to work with us.

12 Under the RFP process for the first time, we  
13 have separated Single Family and Multifamily. And  
14 Hawkins -- I am just going to minimize my words that I  
15 have to use to say what firm you work with. And then,  
16 Norton Rose Fulbright we have retained as multifamily  
17 counsel. So, we split that responsibility up.

18 So, Nick, if you want to introduce yourself for  
19 the record.

20 MR. KOONTZ: Sure. Good morning, everyone. My  
21 name is Nicholas Koontz. I am a partner with Hawkins  
22 Delafield and Wood.

23 And on behalf of myself and my partners, and my  
24 entire team, we are incredibly thankful to be a part of

1 TSAHC's program, and to help issue bonds in order to bring  
2 affordable housing to the people of the great state of  
3 Texas. It is just a privilege and an honor to work with  
4 people who are committed to helping with the affordable  
5 housing issues across the state, and quite frankly, across  
6 the country.

7 Affordable housing is something that is  
8 absolutely vital. Everybody is focused on it, including  
9 my firm. And that is what I do all the time.

10 It is not what I do sometimes. It is 100  
11 percent of my practice -- my personal practice is to  
12 single family, multifamily housing. So, we are excited to  
13 be a part of the upcoming bond issues, transactions. And  
14 I am just happy to be working with people that are  
15 committed to providing affordable housing.

16 So, with that, I am sure the last thing you  
17 want to hear is your tax lawyer drone on about taxes. So,  
18 I will say thank you. And I am so happy to be here.

19 MR. LONG: Thank you, Nick. Appreciate it.

20 MR. RICHARDS: Yes. I didn't catch your name.

21 MR. KOONTZ: Nicholas Koontz. But you can call  
22 me Nick. Please, call me Nick.

23 MR. RICHARDS: Okay. Thank you.

24 MR. KOONTZ: Any other questions? That was

1 easy. That was a softball.

2 MR. WILLIAMS: Nick, thank you.

3 MR. KOONTZ: Thank you.

4 MR. WILLIAMS: Any other public comments?

5 (No response.)

6 MR. WILLIAMS: Okay. Moving on to the  
7 President's Report. David Long.

8 MR. LONG: Good morning, Chairmen, Members.  
9 Today's Board book has extra reports in it, in the report  
10 section. The quarterly report sections are under Tab  
11 Items A through F.

12 And this month, they include the quarterly  
13 reports for the compliance and residential services, as  
14 well as fundraising. So, those were included in there for  
15 your review today, if you have not already had a chance to  
16 look at them.

17 The Corporation's Loan Committee met on  
18 Tuesday, the 10th. The Committee reviewed and approved a  
19 request for a partial release of retained funds related to  
20 the Jericho Village project, which is a Texas Housing  
21 Impact Fund development consisting of 38 supportive  
22 multifamily rental units located in Wiley, Texas, which is  
23 just northeast of -- and is a suburb of Dallas.

24 The committee also reviewed the outstanding

1 fifth loan report. And with no exceptions or issues that  
2 we saw in that report of the remaining loans that we  
3 reviewed.

4 I would also like thank Mr. Williams for his  
5 participation. Mr. Williams has joined us every time we  
6 have met. And I thank him for his willingness to serve on  
7 the Committee. And appreciate your time, sir.

8 MR. WILLIAMS: You are welcome.

9 MR. LONG: Single Family updates. The  
10 Corporation continues its outreach. We added two new  
11 mortgage lending offices; 221 lenders have completed our  
12 participation renewal in our offering for going into 2026.  
13 So, we are excited about having a lot of our new lenders  
14 sign on and continue to grow that portfolio of lenders  
15 participating in our program.

16 The staff also continues their outreach with  
17 our Senior Manager of Homeownership Programs. They hit  
18 the road for TSAHC's road show. And for 2026, they  
19 stopped in Belton and Irving and conducted some classes  
20 for our local realtors.

21 They also approved local lenders who were  
22 invited to these events. And we had a turnout of about 75  
23 that showed up. So, we are very excited about the  
24 continued support and interest that we see in the

1 programs.

2           Regarding fundraising, the Corporation, as you  
3 know, is a big part of the Rebuild Kerr program, as a  
4 result of the disaster floods on July 4th. The  
5 Corporation, in working with Connective, have successfully  
6 committed the initial \$1 million award we received from  
7 the Community Foundation of the Texas Hill Country, and  
8 have drawn down an additional tranche of \$2 million. And  
9 we anticipate that these funds will be committed by some  
10 time this summer.

11           The total award that we have received from the  
12 Hill Country Foundation is \$4 million. And so, we will be  
13 more than halfway through that by the end of the summer,  
14 hopefully. These funds are used to provide additional  
15 down payment assistance to homeowners that were impacted  
16 by the floods on July 4th, and we are excited to have that  
17 opportunity to work with those -- with the community, as  
18 well as help serve those borrowers.

19           The Corporation successfully renewed our  
20 program-related investment with the Sisters of Charity  
21 Incarnate Word. This is a program-related investment,  
22 i.e., a loan. It is at a low interest rate.

23           And I want to thank Katie Claflin. I almost  
24 said the wrong person -- Katie Claflin for involving. It

1 is a \$250,000 award at 1 percent interest.

2 And we are able to use that low interest rate  
3 loan to make lower loan funds available to our partner  
4 developers in our programs. So, thank you for that.

5 Marketing -- I mentioned this several times. I  
6 will keep you up to date on it as we go along. The  
7 Corporation started a redesign of our website. The design  
8 process is complete and we are working on the content that  
9 will populate each of those sections.

10 When -- we track the new launch to be sometime  
11 in early summer this year. So hopefully, we can continue  
12 to move forward, and be able to at one point, tell the  
13 Board we have completed it and have you go out and look at  
14 it.

15 On Friday the 13th, the Corporation released a  
16 podcast segment focusing on multifamily forecasts for  
17 2026. This segment features our own Michael Wilt  
18 interviewing Megan Lasch of OSDA Industries and Khayree  
19 Duckett of Dominion. And both of those are partners in  
20 our development team, so we are excited to have that out  
21 there.

22 I always invite you to go listen to those.  
23 Michael does a really good job of interviewing and  
24 participating, and I think they are a great educational

1 source. If you have not had the chance, please do so on  
2 several of them.

3 The Foundations Fund, the Corporation -- as you  
4 know, the Board authorizes us each year a certain amount  
5 of money. This year, the Corporation opened its 2026  
6 Foundation application in late January. And we have  
7 already received 25 applications.

8 We will begin reviewing the first tranche of  
9 applications in early March and anticipate the first round  
10 being awarded in April. And as always, we keep the Board  
11 informed, not only of the applications we receive, but the  
12 releases that we make and the amount of money that we are  
13 utilizing.

14 Heirs' property -- we have talked about this  
15 before. The Corporation has been hosting several meetings  
16 on this in part of a coalition that has been created. The  
17 Corporation last week released an on-demand training for  
18 housing counselors focusing on heirs' property and estate  
19 planning.

20 We are hosting a webinar on Wednesday -- excuse  
21 me, Wednesday the 18th to demo the on-demand training  
22 platform, introduce our training instructors. And we also  
23 want to formally recognize two of our major sponsors in  
24 this, which is J.P. Morgan Chase and the Federal Home Loan

1 Bank of Dallas.

2 We appreciate their support, both financially,  
3 as well as their commitment to making sure that the heirs  
4 property issues are addressed in the state of Texas.  
5 Together, they put together \$100,000 to make this all come  
6 together. So, we appreciate their efforts on that.

7 MR. LEWIS: What was the second company that  
8 you just mentioned? J.P. Morgan Chase and --

9 MR. LONG: Federal Home Loan Bank of Dallas.

10 MR. LEWIS: Thank you.

11 MR. LONG: TxDOT -- we are dealing with the  
12 highway improvement project that we have been a part of  
13 for several years now, in the process of planning and  
14 getting it to bear, bringing it to bear. Currently, we  
15 are working with our consultant firm, which is AB Land  
16 Planning. And they are hard at work on the revitalization  
17 plan that will guide the expenditure of the \$28.5 million  
18 we were awarded by TxDOT to support the houses and  
19 neighborhoods that were impacted by the expansion of I-45  
20 project.

21 AB Land Planning and TxDOT plan to have the  
22 revitalization plan finalized by summer of this year. It  
23 is all -- I would hate to give you an exact date, but some  
24 time summer this year. And after it has been kind of

1 finalized, the Corporation, AB Land Planning, and TxDOT  
2 plan the release of the actual plan for public comment  
3 before we finalize it. And at which time, we will bring  
4 it back to the Board for your consideration and approval.

5 Some events that we participated in recently.  
6 On the 21st, Katie and Michael attended a strategic  
7 planning session for the Corporation's part -- involvement  
8 in the Harris County Homeownership Collaborative. This  
9 collaborative was funded by the five-year grant from Wells  
10 Fargo to help increase homeownership opportunities in  
11 Houston and Harris County.

12 On February 10th, Michael and Ana participated  
13 in the public hearing for the Annual Action Plan, which we  
14 are seeking the Board's approval on today. That is one of  
15 the agenda items.

16 They didn't receive any public comment. So  
17 what you have in front of you for the meeting today is  
18 inclusive of anything that we have added as a result of  
19 anything that we have done, when we first asked the Board  
20 for permission to put it out for public comment.

21 Last week, I attended the Federal Home Loan  
22 Bank's Affordable Housing Advisory Council, which I am a  
23 member of. Pleased to say that that meeting continues to  
24 be an opportunity for me to not only gain insight as to

1 how the Federal Home Loan Bank is utilizing their  
2 resources in support of affordable housing across the five  
3 member -- the five state district that we serve. But  
4 also, to give advice and input to the Board on how they  
5 can help further those initiatives. So, we are excited to  
6 have that opportunity.

7           On the 12th of February, Janie, Katie, Erica,  
8 and Natalie attended a grand opening for Foundation  
9 Communities' Juniper Creek Apartment Complex in Austin.  
10 Just to remind the Board, the Board approved \$23 million  
11 in bonds for the property and is part of the ownership  
12 structure through a joint venture partnership that we have  
13 with Foundation Communities.

14           I want to thank Janie and the team for going.  
15 That is some -- we try to divide and conquer. And since I  
16 was in Dallas, Janie went and spoke on our behalf. And I  
17 appreciate Janie being there and being available to do  
18 that.

19           Also, on the 12th of February, Michael Wilt  
20 represented TSAHC at the grand opening of Anacua Village  
21 in Mission, Texas. And on this project, the Corporation  
22 provided \$2 million in financing for the property, which  
23 is developed by the Mission Housing Authority.

24           And I know -- we had originally hoped that Ms.

1 Cardenas could join us at that. But her work schedule  
2 altered and didn't allow her the opportunity. But we will  
3 keep you in mind for the next one that we have the  
4 opportunity to do down there. We appreciate your  
5 willingness initially.

6 With that, Mr. Chairman, my comments are  
7 complete. And if we have any questions, I am happy to  
8 answer them. The only thing I would remind the Board is  
9 that our next scheduled meeting is Tuesday, March 17th at  
10 10:30.

11 And again, that is tentative, because we will  
12 look to see what agenda items we need to bring to the  
13 Board, as well as Board availability to attend.

14 MR. WILLIAMS: Thank you, David.

15 Board members, any questions? Vice Chair.

16 MS. CARDENAS: I do have a question, Chairman.  
17 Just on the housing production for the month, which was  
18 phenomenal. I am showing here 579 households were served  
19 for the month of January, totaling \$145 million.

20 My question is, seeing that -- the number of  
21 households served, and then looking at the mortgage credit  
22 certificates where only 82 households were served, I  
23 guess, what distinguishes someone, you know, participating  
24 with mortgage credit certificates?

1 I understand down payment assistance, because  
2 there is also income levels comprised there. So, is that  
3 the same way in MCC -- or I just noticed, the 579  
4 households, and then 82 only received MCC?

5 MS. LeVECQUE: Joniel LeVecque. Thank you, Ms.  
6 Cardenas. So, for a person to qualify for the MCC, it is  
7 lower income limits than our DPA program. They also must  
8 be first-time homebuyers, or meet that first-time  
9 homebuyer requirement, whereas our DPA program does not  
10 require that.

11 MS. CARDENAS: Okay. DPA doesn't allow -- I  
12 always thought that the program -- I mean, I understand  
13 the definition. They could have not had a home in the  
14 past three years. But they don't have to be a first-time  
15 homebuyer?

16 MS. LeVECQUE: So, our non-bond DPA, which is  
17 our TBA or MBS-funded DPA, that is open to anyone, whether  
18 they have owned a home recently, or not. They could  
19 actually own a current home, as long as they are  
20 purchasing the new home as their primary residence.

21 MS. CARDENAS: Okay, interesting.

22 MS. LeVECQUE: So, yes. So, it makes it a  
23 little bit more difficult. So, you might have folks who  
24 qualify for DPA, and not MCC.

1           And then, also, just to kind of clarify about  
2 our report, we were at one point providing the monthly  
3 board report that was two months old, because a lot of our  
4 numbers will change as -- like, for instance, if a loan  
5 just recently closed this last month, it may not show up  
6 on our books for a month or so, until the loan is  
7 purchased by Lakeview. So, at one point, our Board  
8 reports were looking at a two-month look back. But we  
9 just recently moved that up.

10           So, sometimes, you will see those numbers  
11 change a little bit from month to month. So, whereas you  
12 might see January look one way this month, the next month,  
13 you will maybe see a few more numbers. And the MCCs take  
14 a little bit longer to issue.

15           MS. CARDENAS: Okay. So, going back to  
16 not -- where certain programs are non-DPA not having to be  
17 a first-time homebuyer, that doesn't affect our mission?  
18 Because I was always under the impression that, you know,  
19 with TSAHC it was affordability, first-time homebuyer.  
20 And if you are saying they already own a home and they  
21 could technically keep that home, as long as they are  
22 going to occupy the new one? Or do they have to dispose  
23 of that other home?

24           MS. LeVECQUE: So, if they had any previous

1 TSAHC assistance, they would have to dispose of it. But  
2 Fannie and Freddie who -- they are first-time homebuyer,  
3 or they are HFA programs, do not require them to be a  
4 first-time homebuyer. And they do not require them to  
5 dispose of it.

6 MS. CARDENAS: No, yes. No, I understand.

7 MS. LeVECQUE: Yes. With the HFA programs,  
8 though. I am referring to the Housing Finance Agency  
9 programs that Fannie and Freddie have, which is the  
10 affordable housing aspect of it. They do not require, so  
11 we aligned with them some years back to meet their  
12 guidelines.

13 MS. CARDENAS: Okay. Yes.

14 MS. LeVECQUE: Okay. Thank you. Anybody else?

15 MR. WILLIAMS: Board members?

16 MR. RICHARDS: No. I don't have any question.  
17 I just think I sent you my question about their report.

18 David, your report is always very reaching and  
19 very informative. But it is not included -- I's like to  
20 have it, so I can read. It is not included in the  
21 package, so --

22 MR. LONG: Oh, you mean, I don't put it in  
23 advance?

24 MR. RICHARDS: Yes.

1 MR. LONG: Yes. Would you like me to start  
2 doing that?

3 MR. RICHARDS: Yes. I would like to -- I mean,  
4 they reach very informative --

5 MR. LONG: I can always give you -- I can  
6 always email you a copy of it.

7 MR. RICHARDS: Sure.

8 MR. LONG: If that would be better, if you  
9 would prefer.

10 MR. RICHARDS: Yes.

11 MR. LONG: Okay. I can do that for you, sure.

12 MR. WILLIAMS: Board members? Any other  
13 questions?

14 (No response.)

15 MR. WILLIAMS: Okay. David, real fast. I know  
16 you mentioned it twice -- Federal Home Loan Bank. And I  
17 know there is a strong relationship between us and them.

18 And for the current Board members that really  
19 don't know about Federal Home Loan Bank, there is a little  
20 bit else to them. And what I mean by that is, there are  
21 just not that member-owned bank-to-bank. They do other  
22 things in the community.

23 MR. LONG: Correct.

24 MR. WILLIAMS: Could you just give us a

1 snippet? Especially what Federal Home Loan Bank has done  
2 in the community, and kind of do with TSAHC.

3 MR. LONG: Certainly. The Affordable Housing  
4 Advisory Council that I serve on is -- we are first and  
5 foremost, the Federal Home Loan Bank of Dallas is a  
6 five-state member reach. And I happen to serve as one of  
7 the Texas representatives.

8 And the AHP program, their affordable housing  
9 program, is basically our -- a component of what the bank  
10 is required to carve off and use those funds as grant  
11 dollars out to the communities that they serve in the  
12 five-state region. And they still require that anybody  
13 accessing those funds goes through a member bank.

14 As an example, the Corporation, TSAHC, could go  
15 to Frost Bank, who is a member bank, and say, we would  
16 like to participate in one of their programs and access  
17 those funds for the benefit of something that we need to  
18 do on a project, or for down payment assistance, or for  
19 veterans. There is a variety of programs that they offer.  
20 They have gotten very heavily into the affordability of  
21 things, as well as the disaster recovery.

22 And then, the other thing they have gotten into  
23 is FORTIFIED, which is their improvement of roofing  
24 systems. Given the disasters that are happening, they

1 have set aside a significant amount of money for  
2 FORTIFIED, which is their approved program where they have  
3 a greater extensive fortification of roof systems that are  
4 put on, and there is a new process for review and approval  
5 of that. And then insurance companies are starting to buy  
6 off on the need to have greater capacity in the roof, in  
7 structural integrity. So, they are trying to make that  
8 cheaper by funding it.

9 And then, the last thing they did recently is,  
10 they now make available to the six state HFAs -- Texas has  
11 two, us and TDHCA, and each of the other states has one  
12 HFA. They contribute now \$100,000 a year to each of us  
13 for our affordability programs that we can do. And there  
14 is certain things we can use it for.

15 And last year, we got \$120,000 because one of  
16 the HFA states decided they didn't want to participate.  
17 And so, they split that up amongst the other five.

18 So, we are using that towards marketing our  
19 podcasts, our commercials, our marketing of various  
20 programs and some other things that we did. And also, to  
21 just fund a portion of our -- we got permission to use  
22 that in support of our symposium that we did last year.

23 And this year, we will get another \$100,000.  
24 So, Katie and her team will be busy trying to spend that

1 money again. But it is a great opportunity.

2 They do it all in the form of grants, through  
3 their member banks. But they are really quite available.  
4 The President of the Federal Home Loan Bank attends our  
5 meetings, and he is very available. And have an  
6 opportunity -- the Board members are very easy to talk to.

7 And so, we give direction. The whole point of  
8 the council is give direction to the Board on what monies  
9 they delegate out to these grant programs that we oversee.  
10 So, it is a great opportunity. And I appreciate the Board  
11 giving me the time to go up and do that.

12 MS. CARDENAS: They also offer the HELP grant.

13 MR. LONG: That is one of the programs. Yes.  
14 I didn't name them all. But there is several. There is  
15 HELP --

16 MS. CARDENAS: And my question -- so to the  
17 Board, that's the Home Equity Leverage Program. So,  
18 depending on -- you know, it is on a first come, first  
19 served basis. And each family that qualifies, based on  
20 income limits, can receive up to \$25,000 in down payment.

21 And so, I guess my question too is, can that be  
22 layered on top of TSAHC?

23 MR. LONG: It can be. The AMI sometimes is a  
24 little restrictive.

1 MS. CARDENAS: Yes.

2 MR. LONG: Depending on which program we are  
3 looking to use. And the awards are limited. So, it would  
4 be more if we did it for a specific project. Like, we had  
5 20 houses we were going to work with, say Harlingen, and  
6 do that, we might be able to look at doing something like  
7 that.

8 But to bring that into our program would be a  
9 little restrictive and it would be very quickly used up.  
10 So, it is not something we take advantage of.

11 MS. CARDENAS: And I just didn't know  
12 for -- you know, because we do have lenders. We are a  
13 member bank and so --

14 MR. LONG: And yes. You can layer it.

15 MS. CARDENAS: We do have lenders that want,  
16 you know, to partner with us, because they need that  
17 access, or potential TSAHC, when they are trying to make  
18 that loan work --

19 MR. LONG: Right.

20 MS. CARDENAS: So, I didn't know if it could be  
21 layered.

22 MR. LONG: It can be layered. Yes, ma'am.

23 MR. WILLIAMS: Thank you, David.

24 MR. LONG: You bet.

1 MR. WILLIAMS: Anything else?

2 (No response.)

3 MR. WILLIAMS: Okay. David, thank you.

4 Moving on to our action items for open meeting.

5 Tab Item 1, presentation, discussion and possible approval

6 of minutes of the Board meeting held on January 20th of

7 2026. Any questions? Any comments?

8 MS. CARDENAS: Chair, I motion to approve Tab

9 Item 1 as presented.

10 MR. WILLIAMS: Motion has been made by Vice

11 Chair Cardenas. Can I get a second?

12 MR. LEWIS: I'll second.

13 MR. WILLIAMS: Second's been made by Mr. Lewis.

14 Any questions? Any comments?

15 (No response.)

16 MR. WILLIAMS: Before we move into a vote, any

17 public comment?

18 (No response.)

19 MR. WILLIAMS: Okay. Sorry about that. Both

20 of them.

21 Moving on to a vote, all in favor, say aye.

22 (A chorus of ayes.)

23 MR. WILLIAMS: All opposed?

24 (No response.)

1 MR. WILLIAMS: Any abstentions?

2 (No response.)

3 MR. WILLIAMS: The ayes have it on Tab Item 1.  
4 Okay.

5 Moving on to Tab Item 2, discussion and  
6 possible appointment of Board members to the Loan  
7 Committee and Audit Committee.

8 Board members, so we have both these items on  
9 the agenda. So currently right now, myself being  
10 appointed as Chair, from an optics standpoint, I am just  
11 going to be very clear, it just doesn't look good if I  
12 continue to serve on the Loan Committee. So, I am just  
13 going to leave it like that.

14 But certainly, there was an individual that has  
15 reached out and has expressed interest to serve on the  
16 Loan Committee. Mr. David Lewis reached out, and just  
17 asked, and inquired about the opportunity to serve. So  
18 certainly, with his background, I have no issues, no  
19 qualms with that.

20 I guess, Board members, so that we could just  
21 make it official with Mr. Lewis, along with the Audit  
22 Committee. We'll just start with Loan first.

23 I guess, Mr. Lewis, with that being said, would  
24 I guess, accept the nomination?

1 MR. LEWIS: Yes, sir.

2 MR. WILLIAMS: Okay.

3 MR. LEWIS: Thank you.

4 MR. WILLIAMS: So, Board members, are there any  
5 other nominations out there?

6 (No response.)

7 MR. WILLIAMS: Okay. And I guess, we'll do  
8 these together.

9 So, with the Audit Committee, currently right  
10 now, Vice Chair Cardenas has expressed interest to  
11 continue to serve in that capacity. So, Vice Chair, do  
12 you happily formally accept?

13 MS. CARDENAS: Yes.

14 MR. WILLIAMS: Okay. Hey, you have got to make  
15 sure these days.

16 MS. CARDENAS: Yes.

17 MR. WILLIAMS: Board members, any other  
18 nominations that are out there on the table?

19 (No response.)

20 MR. WILLIAMS: Okay. So I guess, moving into a  
21 vote scenario, we are just going to combine the two. Can  
22 I get a motion to approve Mr. David Lewis for the Loan  
23 Committee, and Vice Chair Cardenas for the Audit  
24 Committee.

1 MR. RASSIN: Is that enough people for the  
2 Audit Committee?

3 MR. WILLIAMS: Yes.

4 MR. LONG: There is one more. There's two  
5 people on the Audit Committee from the Board. Currently,  
6 it is the two of you.

7 MR. WILLIAMS: Is it me?

8 MR. LONG: Currently, it is you and Ms.  
9 Cardenas.

10 MS. CARDENAS: So, I know David Rassin has, you  
11 know -- you've sat in on several Audit Committee meetings.  
12 So, I would like to make that nomination, if it is okay.

13 MR. RASSIN: No, thank you.

14 MR. WILLIAMS: I totally forgot it was me, too.  
15 I am sorry.

16 MR. RASSIN: I don't mind sitting in. But I  
17 think it should be somebody who has formal financial  
18 sophistication for the Audit Committee. Which, while I  
19 understand what is going on, I am not formally financially  
20 sophisticated.

21 MR. LONG: It does require -- I mean, for the  
22 record, Mr. Chairman, we typically meet twice, twice a  
23 year.

24 MR. WILLIAMS: Yes.

1 MR. LONG: As part of the budgeting process.  
2 And as part of the approval of the audit.

3 MR. WILLIAMS: That is right.

4 MR. LONG: If there is further meetings that  
5 are held, we typically give the Board a chance to  
6 understand that they are held. Those meetings are held in  
7 advance of the normal scheduled Board meetings at 9:00 to  
8 9:30, so we have time to have that information reviewed,  
9 discussed, and approved by the Audit Committee and  
10 referred up to the full Board for consideration that day.

11 MR. WILLIAMS: Okay. I guess I was just super  
12 excited to just not do those tasks. Okay. Thank you for  
13 bringing that up.

14 So, I guess, with that being said, with other  
15 Board members being put on the spot, that leaves Mr.  
16 Richards and Mr. Lewis.

17 MR. LEWIS: I'm happy to do it. I mean, I have  
18 got a financial background. I am not a lawyer. I am  
19 definitely not an accountant. But I don't think that is  
20 required.

21 MR. WILLIAMS: Okay.

22 MR. LEWIS: If you don't mind me being on both.  
23 If there is a conflict with me serving on both committees,  
24 that is a little bit heavy --

1 MR. WILLIAMS: There is not.

2 MR. LEWIS: -- but I don't see a lot of hands  
3 going up.

4 MR. WILLIAMS: Okay.

5 MR. LEWIS: We just need to reflect, to have  
6 the paperwork adjusted, I guess.

7 MR. WILLIAMS: Yes. Okay. So, let's do this  
8 again. So, on Tab Item 2, discussion and possible  
9 appointment of Board Members to the Loan Committee and  
10 Audit Committee, we'll go ahead and combine these again.

11 So, for the Loan Committee, we have Mr. Lewis;  
12 Audit Committee, we have two members: Vice Chair Cardenas  
13 and Mr. Lewis. So, may I get a motion?

14 MR. RASSIN: So moved.

15 MR. WILLIAMS: Okay. Motion has been made by  
16 David Rassin. Can I get a second.

17 MR. RICHARDS: Seconded.

18 MR. WILLIAMS: Second by Mr. Richards.

19 Any comments? Any changes? Ideas? Okay.

20 (No response.)

21 MR. LONG: I'd like to make a comment.

22 MR. WILLIAMS: Yes, sir.

23 MR. LONG: And that is just that the Audit  
24 Committee does have one of the Board members who chairs

1 that. And currently, that is Ms. Cardenas. Can I assume  
2 that the nomination includes that she retains her Chair  
3 position in the Audit Committee?

4 MR. WILLIAMS: That is correct. Yes.

5 MR. RASSIN: That was the intention.

6 MR. WILLIAMS: Yes. Okay. If there's nothing  
7 else, any public comment?

8 (No response.)

9 MR. WILLIAMS: Okay. Moving into a vote. All  
10 in favor, say aye.

11 (A chorus of ayes.)

12 MR. WILLIAMS: All opposed?

13 (No response.)

14 MR. WILLIAMS: Any abstentions?

15 (No response.)

16 MR. WILLIAMS: Okay. The ayes have it for Tab  
17 Item 2. Thank you for that.

18 Moving on to Tab Item 3, presentation,  
19 discussion and possible approval of a resolution to  
20 restate, ratify, and affirm the officers of the  
21 Corporation, and restate the signature and approval  
22 authority of officers of the Corporation.

23 MS. SMITH: Good morning. My name is Melinda  
24 Smith, and I am the Chief Financial Officer. The bylaws

1 of the Corporation require that the officers of the  
2 Corporation be appointed by the Board, and that they be  
3 ratified and appointed annually by the Board. So, that is  
4 why we are here; to ask you to do that. And that is it.

5 MR. WILLIAMS: So I guess the question is  
6 for -- under Section 2, the officer of the Corporation who  
7 is not Board members: David Long, Janie Taylor, yourself,  
8 Rebecca and Cynthia?

9 MS. SMITH: Correct.

10 MR. WILLIAMS: Okay. Just making sure.

11 MS. SMITH: That is correct. Thank you for  
12 listing them for me.

13 MR. WILLIAMS: Straightforward.

14 MS. CARDENAS: Seeing that that is pretty  
15 straightforward as you just said, Chair, motion to approve  
16 Tab Item 3 as presented and discussed.

17 MR. WILLIAMS: Motion has been made by Vice  
18 Chair Cardenas. Can I get a second.

19 MR. RASSIN: Second.

20 MR. WILLIAMS: Second by Mr. Rassin. Any  
21 discussion before moving into a vote? Any public comment?

22 (No response.)

23 MR. WILLIAMS: Okay. Moving on. All in favor,  
24 say aye.

1 (A chorus of ayes.)

2 MR. WILLIAMS: All opposed?

3 (No response.)

4 MR. WILLIAMS: Any abstentions?

5 (No response.)

6 MR. WILLIAMS: The ayes have it on Tab Item 3.

7 MS. SMITH: Thank you very much.

8 MR. WILLIAMS: Thank you.

9 Moving on to Tab Item 4, presentation,  
10 discussion and possible approval of a resolution to  
11 approve Certificate of Amendment for the  
12 Corporation.

13 MR. LONG: Mr. Chairman, David Long. This is  
14 something that we have to do every time we have a change  
15 in leadership or at the Board level. We held off when we  
16 had Mr. Richards appointed, because we knew we had Mr.  
17 Dietz leaving. We just didn't know when.

18 And so, we are utilizing this opportunity to  
19 amend our certificate to include both Mr. Richards and Mr.  
20 Lewis. And this is something that we need the Board  
21 approval so that we can submit it to the Secretary of  
22 State, reflecting you're not only acknowledgment and  
23 approval, but also then formally changing it at the State  
24 records.

1 MS. CARDENAS: Also seems to be another  
2 standard requirement, so I motion to approve Tab Item 4 as  
3 presented.

4 MR. WILLIAMS: Motion has been made by Vice  
5 Chair Cardenas. Can I get a second?

6 MR. LEWIS: I will second.

7 MR. WILLIAMS: Second by Mr. Lewis. Any  
8 discussion? Any conversation?

9 (No response.)

10 MR. WILLIAMS: Okay. Before we move into a  
11 vote, any public comment?

12 (No response.)

13 MR. WILLIAMS: All right, moving on to the  
14 vote. All in favor, say aye.

15 (A chorus of ayes.)

16 MR. WILLIAMS: All opposed?

17 (No response.)

18 MR. WILLIAMS: Any abstentions?

19 (No response.)

20 MR. WILLIAMS: The ayes have it on Tab Item 4.  
21 Okay.

22 Moving on to Tab Item 5, presentation,  
23 discussion and possible approval of the Texas State  
24 Affordable Housing Corporation's 2026 Annual Action Plan.

1 MS. ORENDAIN-CHAVEZ: Good morning, Mr.  
2 Chairman and Board members. My name is Anna  
3 Orendain-Chavez. I am the External Relations Specialist  
4 here at TSAHC.

5 I am here to discuss TSAHC's 2026 Annual Action  
6 Plan, and to ask your approval of the proposed final  
7 version. The Annual Action Plan is a document that we  
8 prepare on an annual basis in accordance with Texas  
9 Government Code Section 2306.566, which requires TSAHC to  
10 develop a plan to address the state's housing needs.

11 The Annual Action Plan is part of the Texas  
12 Department of Housing and Community Affairs State Low  
13 Income Housing Plan. And that will be submitted to the  
14 Governor, the Lieutenant Governor, and the Speaker of the  
15 Texas House. The plan looks back at what TSAHC has  
16 accomplished in the past, while also looking ahead at what  
17 we plan to accomplish this calendar year.

18 This past December, we brought the draft of our  
19 2026 Annual Action Plan to you for approval to post for  
20 public comment. The draft you approved in December  
21 contained data from the beginning of January 2025 through  
22 the end of September 2025. After your approval, the plan  
23 was posted to our website for a public access.

24 We also posted notifications on our social

1 media accounts, and the *Texas Register*. In addition, we  
2 participated in a public hearing earlier this month, in  
3 conjunction with the Texas Department of Housing and  
4 Community Affairs.

5 I do want to let you know that we did not  
6 receive any public comment about the plan, through email,  
7 communication, or at the public hearing. The changes you  
8 see redlined in the plan reflect completed program  
9 information through the end of December 2025.

10 If adopted by the Board today, this final  
11 version of our 2026 Annual Action Plan will be sent to the  
12 Texas Department of Housing and Community Affairs to be  
13 included in the 2026 State of Texas Low Income Housing  
14 Plan and Annual Report. With that, I will take any  
15 questions you might have.

16 MR. WILLIAMS: A quick question. I guess, when  
17 we approved the draft and then it went to social media,  
18 public comment, was it out there for 30 days? Or how long  
19 was it out there for?

20 MS. ORENDAIN-CHAVEZ: It was out there for a  
21 bit longer than 30 days.

22 MR. WILLIAMS: Okay. Because I know the  
23 majority of the time when we post stuff for commentary, we  
24 try to at least -- we try to get some comments. So, that

1 is why I was asking since you got zero, how long it was  
2 out there for.

3 MS. ORENDAIN-CHAVEZ: Yes. I don't know the  
4 exact number off the top of my head. However, I can tell  
5 you that originally, we had a 30-day public comment  
6 period. And then the public hearing with TDHCA was pushed  
7 back --

8 MR. WILLIAMS: Okay.

9 MS. ORENDAIN-CHAVEZ: -- so we extended the  
10 public comment period, and still did not receive any  
11 public comments.

12 MR. WILLIAMS: Okay. Fair enough.

13 MR. RICHARDS: I just have a question. So, who  
14 would be the ideal audience for this kind of subject.

15 MS. ORENDAIN-CHAVEZ: Excuse me. Can you  
16 repeat the question?

17 MR. RICHARDS: Who would be the ideal audience  
18 if you post it on the computer. Who would be --

19 MS. ORENDAIN-CHAVEZ: That is a good question.

20 MR. LONG: Just anybody in the general public,  
21 as well as anybody who utilizes our programs, to show  
22 where we might -- you know, we are telling them what we  
23 have done and what we want to utilize our program  
24 resources for going forward. So, it is posted so that

1 anybody can give public comment.

2 MS. CARDENAS: So, I think you said a lot of it  
3 is just updating data, right. Nothing of content has  
4 changed?

5 MS. ORENDAIN-CHAVEZ: Mostly data. I think the  
6 biggest program update that we included was that permanent  
7 buy downs were announced in December. And so, we updated  
8 the plan to reflect that.

9 MS. CARDENAS: So, on page 84, and I know one  
10 portion covers -- and I don't know if you know the answer.  
11 Because I know this is a lot of data collected: 2003 to  
12 2024, showing loans approved, 69. And then in 2025, six.  
13 What was like -- do you know the big disparity there, as  
14 far as -- because one seems to cover several years. And  
15 then, this one is just 2025.

16 MR. RASSIN: Do we have the report before of  
17 the [inaudible]?

18 MR. LONG: Right here. I would suggest that  
19 really, it is just -- one is a cumulative of the years  
20 prior, showing historical. And then, just to show 2025 as  
21 the number of loans in 2025.

22 MS. CARDENAS: Okay.

23 MR. LONG: One is more of a historical range,  
24 showing what the program had done to date. And then, in

1 2025, we just wanted to show what we had accomplished in  
2 2025, as an annual action plan's look back for that year.

3 MR. WILLIAMS: So I guess, to Vice Chair's  
4 comment, if we kind of follow a theme here. So, we should  
5 see '27, 2025 and 2026. Right?

6 MR. LONG: Correct.

7 MR. WILLIAMS: Okay.

8 MS. CARDENAS: Makes sense.

9 MR. LONG: And this is something we are  
10 required to do every year. So, you would see this again,  
11 historically, every year.

12 MR. WILLIAMS: Okay. All right. I would have  
13 asked the same question, too. Because I am like -- you  
14 are almost talking about an 80 percent drop. So, that is,  
15 okay.

16 But you answered the question. Okay.

17 MR. LEWIS: So, Chair Williams?

18 MR. WILLIAMS: Yes. Go for it.

19 MR. LEWIS: Kind of on the flip side, if you  
20 look at page 80, this one just kind of stood out to me.  
21 But through the redline, you have the numbers that went  
22 from 6,859 to 9,557 for the number of households helped.  
23 That is a 40 percent increase.

24 MR. LONG: Uh-huh.

1 MR. LEWIS: That is a huge jump. You should be  
2 commended for that. That is fantastic.

3 MR. LONG: I appreciate you saying so. And  
4 that is Joniel LeVecque and her team just doing a  
5 phenomenal job. Especially, I mention at every meeting  
6 the marketing that we do to make sure lenders and realtors  
7 are aware of our program.

8 And the demand for housing in Texas is not  
9 slow. And the demand for affordable housing in Texas has  
10 been extensively, you know, growing as population grows.  
11 As well as the cost of housing, it just increases  
12 significantly.

13 MR. LEWIS: Exactly. That is all I had.

14 MR. WILLIAMS: Okay. Board members, any  
15 additional questions for Anna? Okay.

16 (No response.)

17 MR. WILLIAMS: Can I get --

18 MR. RASSIN: I move that Tab 5 be approved as  
19 presented.

20 MR. WILLIAMS: Motion has been made by Mr.  
21 Rassin. Can I get a second.

22 MR. RICHARDS: Second.

23 MR. WILLIAMS: Second by Mr. Richards. Any  
24 questions? Any comments?

1 (No response.)

2 MR. WILLIAMS: Any public comment before we  
3 move into a vote?

4 (No response.)

5 MR. WILLIAMS: Okay. Moving to a vote for Tab  
6 Item 5. All in favor, say aye.

7 (A chorus of ayes.)

8 MR. WILLIAMS: All opposed?

9 (No response.)

10 MR. WILLIAMS: Any abstentions?

11 (No response.)

12 MR. WILLIAMS: The ayes have it on Tab Item 5.

13 MS. ORENDAIN-CHAVEZ: Thank you.

14 MR. WILLIAMS: Okay. Moving on to Tab Item 6,  
15 presentation, discussion and possible approval of a  
16 resolution for a Limited Guaranty to Habitat for Humanity  
17 Texas, HabTex Mortgage Services, in an amount not to  
18 exceed \$1 million.

19 MR. LONG: Thank you, Mr. Chairman.

20 As the Board may recall -- Mr. Lewis, this is  
21 going to be new for you. But in October, at the October  
22 Board meeting, the Board authorized the Corporation to  
23 provide a limited guarantee of up to \$1 million in support  
24 of Habitat's program, where they would basically be

1 looking to sell their mortgage loans in a portfolio status  
2 to a participating bank, who would then provide them  
3 liquidity to go ahead and make more mortgage loans and  
4 revolve that program out.

5           The program includes the opportunity for the  
6 Corporation to basically have the risk, if you will, that  
7 we are supporting Habitat's effort to provide affordable  
8 housing to its borrowers. And they serve borrowers at 30  
9 percent to 80 percent AMI only. So, they are serving the  
10 very low income population in trying to meet their  
11 opportunity to become homeowners.

12           In the process of doing that, at the October  
13 21st Board meeting, the Board approved that, a limited  
14 guarantee of up to \$1 million. Since that time, Habitat  
15 has coordinated with Citizens State Bank. Citizens State  
16 Bank has agreed to partner with them on this program. In  
17 my meetings with Citizens State Bank and Habitat, Citizens  
18 State Bank had asked for a resolution.

19           We did not do this in the form of a resolution,  
20 whether that be because I was uncertain as to what  
21 direction this was going to go, or because I just erred.  
22 This is to memorialize that Board's formal approval in the  
23 form of a resolution that I can give to the bank, which  
24 they requested.

1           It doesn't change any of the guidelines, any of  
2 the discussions, any of the parameters of the program. It  
3 just basically gives the bank, Citizens State Bank, the  
4 opportunity to have something in hand that shows that we  
5 are participating as a limited guarantor up to \$1 million  
6 with that program.

7           MR. WILLIAMS: So, ceremonial.

8           MR. LONG: At this point, yes, sir.

9           MR. WILLIAMS: Okay.

10          MS. CARDENAS: Chair, I move that Tab Item 6 be  
11 approved as presented.

12          MR. WILLIAMS: Motion has been made by Vice  
13 Chair Cardenas for Tab Item 6. Can I get a second.

14          MR. LEWIS: I'll second.

15          MR. WILLIAMS: Second by Mr. Lewis. Any  
16 discussion? Any comments?

17          (No response.)

18          MR. WILLIAMS: Is there any public comment?

19          (No response.)

20          MR. WILLIAMS: Okay. Moving on to a vote. All  
21 in favor, say aye.

22          (A chorus of ayes.)

23          MR. WILLIAMS: All opposed?

24          (No response.)

1 MR. WILLIAMS: Any abstentions.

2 (No response.)

3 MR. WILLIAMS: The ayes have it for Tab Item 6.

4 Moving on to Tab Item 7, we will be moving into  
5 a closed Executive Session, discussion regarding  
6 evaluation and annual performance review of the President  
7 of the Corporation, Mr. David Long. Personnel matters,  
8 under Texas Government Code 551.074.

9 MR. LONG: I think you might want to state the  
10 time if we go into closed session.

11 MR. WILLIAMS: Oh, yes. And the time of moving  
12 into the closed session is 11:17.

13 (Whereupon, at 11:17 a.m., the meeting was  
14 recessed, to reconvene this same day, Tuesday, February  
15 17, 2026, following conclusion of the executive session.)

16 MR. WILLIAMS: Okay. The time is 12:23.

17 Moving on to Tab Item 8, review, discussion and  
18 possible approval of the annual performance review of the  
19 President of the Corporation, and related actions.

20 We as a Board have -- we have discussed with  
21 the President, David Long, of his performance. Actions  
22 have been taken, and there have been areas that will be  
23 remedied, whether it be good, bad, or indifferent. But  
24 those are those actions.

1           And with that being said, from the Board, are  
2 there any questions or comments?

3           MR. RASSIN: Yes. Remember to mention in terms  
4 of the timing of performance reviews --

5           MR. WILLIAMS: Yes.

6           MR. RASSIN: Not Mr. Long's performance.

7           MR. WILLIAMS: That is correct. Yes, the  
8 timing of the performance review.

9           MS. CARDENAS: Chair, I motion to approve Tab  
10 Item 8, as discussed in Closed Executive Session, with all  
11 recommendations accordingly.

12           MR. WILLIAMS: Motion has been made by Vice  
13 Chair Cardenas. Is there a second?

14           MR. RICHARDS: Second.

15           MR. WILLIAMS: Second by Mr. Ernest. Any  
16 discussions. Any conversation?

17           (No response.)

18           MR. WILLIAMS: Any public comment?

19           (No response.)

20           MR. WILLIAMS: Okay. Moving on to a vote. All  
21 in favor, say aye.

22           (A chorus of ayes.)

23           MR. WILLIAMS: All opposed?

24           (No response.)

1 MR. WILLIAMS: Any abstentions?

2 (No response.)

3 MR. WILLIAMS: The ayes have it. Thank you.

4 And that concludes our general meeting of the  
5 Texas State Affordable Housing Corporation on Tuesday,  
6 February 17th. The time is 12:24.

7 May I get an adjournment?

8 MS. CARDENAS: Motion to adjourn.

9 MR. WILLIAMS: Motion has been moved. Thank  
10 you.

11 MR. LONG: Thank you very much.

12 (Whereupon, at 12:24 p.m., the meeting was  
13 adjourned.)

C E R T I F I C A T E

1  
2  
3 MEETING OF: Texas State Affordable Housing Corporation  
4 Board of Directors  
5 LOCATION: Austin, Texas  
6 DATE: February 17, 2026

7 I do hereby certify that the foregoing pages,  
8 numbers 1 through 46, inclusive, are the true, accurate,  
9 and complete transcript prepared from the verbal recording  
10 made by electronic recording by Nancy King before the  
11 Texas State Affordable Housing Corporation Board of  
12 Directors.

13 DATE: February 23, 2026  
14  
15  
16  
17  
18

19 /s/ Carol Bourgeois  
20 (Transcriber)  
21

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