

# AGENDA



## Recommendation for Board Action

### AUSTIN HOUSING FINANCE CORPORATION (AHFC)

Regular Meeting: December 14, 2017

Item Number: **AHFC003**

#### Consent

Approve a resolution authorizing the formation of Austin Housing Finance Corporation NIGHTINGALE NON-PROFIT CORPORATION, a Texas non-profit corporation and instrumentality of the Austin Housing Finance Corporation, approving its Certificate of Formation, Articles of Incorporation, By-laws, and appointing its board of directors and president.

**District(s) Affected:** District 2

<b>Lead Department</b>	Neighborhood Housing and Community Development Department.
<b>Fiscal Note</b>	There is no fiscal impact.
<b>For More Information</b>	Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; David Potter, Program Manager, Neighborhood Housing and Community Development, 512-974-3192.

#### Additional Backup Information:

The Austin Housing Finance Corporation (AHFC) requests its Board of Directors approve the Certificate of Formation, Articles of Incorporation, and By-laws, as well as appoint the Board of Directors and President of the AHFC Nightingale Non-profit Corporation. This corporation will serve as Managing Member of the to-be-formed DMA Housing III, LLC that will own the Nightingale Apartments. These apartments will be constructed in the Goodnight Ranch Planned Unit Development (PUD) at 5900 Charles Merle Drive. The property is located in District 2. The draft By-laws, draft Articles of Incorporation, and a Certificate of Formation to be filed with

the Texas Secretary of State are attached to the resolution as Exhibits A, B and C, respectively. The Board of Directors to be appointed shall serve terms as stated in the By-laws. The requested appointments are:

Director: Joe Pantalione

Director: Rosie Truelove

Director: Rebecca Giello

The president of the corporation to be appointed shall serve as stated in the By-laws. The requested appointment for President is Joe Pantalione. The remaining officers of the corporation will be appointed by its board of directors at its first organizational meeting.

#### Proposal, Ownership and Financing Structures

The Nightingale is proposed as a newly constructed apartment community in the Goodnight Ranch PUD. The Nightingale will be a multi-family development for seniors and provide approximately 174 units comprised of one- and two-bedroom units.

The Nightingale will be a three-story elevator-served building, and seven, single-story cottage-style units. The units will be a mix of primarily one and two-bedroom units.

Approximately 80% of the units will be affordable to households earning less than 60% of the median income for the Austin metropolitan statistical area.

The Limited Liability Company structure proposed for this development is similar to previous Limited Partnership and Limited Liability Company structures in which AHFC-related entities have participated. These include developments such as Aldrich 51, The Timbers, Villas on Sixth, Primrose at Shadow Creek, Heritage Heights at Blackshear, also known as SCIP I, and Village on Little Texas (now known as Retreat at North Bluff).

Financing for the development is proposed to come from non-competitive 4% Low Income Housing Tax Credits, Private Activity Bonds issued by AHFC, and Rental Housing Development Assistance (RHDA) funding from AHFC.