



## Recommendation for Action

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**File #: 22-3519, Agenda Item #: 5.**

12/1/2022

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### **Posting Language**

Approve a resolution authorizing the formation of AHFC Soco 121 Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation; approving the form of its certificate of formation and by-laws; appointing its Board of Directors and President; and authorizing AHFC Soco 121 Non-Profit Corporation to acquire and operate the 52-unit multifamily rental development Soco 121 Apartments located at 121 Woodward Street, Austin, Texas 78704.

### **Lead Department**

Austin Housing Finance Corporation.

### **Fiscal Note**

This item has no fiscal impact.

### **For More Information:**

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; and Mandy DeMayo, Deputy Director, Housing and Planning Department, 512-974-1091.

### **Additional Backup Information:**

This item requests Austin Housing Finance Corporation (AHFC) to adopt a resolution authorizing the formation of the AHFC Soco 121 Non-Profit Corporation (Non-Profit Corporation); approve the form of its Certificate of Formation and By-Laws; appoint the Board of Directors and President of the Non-Profit Corporation; and authorize the Non-Profit Corporation to acquire Soco 121 Apartments, located at 121 Woodward Street Austin, Texas 78704. The Non-Profit Corporation will own, operate, manage, and redevelop the property.

The proposed form of the Certificate of Formation and the By-Laws for the Non-Profit Corporation are attached as Exhibits A and B to the resolution. The Board of Directors of the Non-Profit Corporation will serve for terms stated in the By-Laws. The requested Director appointments are:

Director: J. Rodney Gonzales

Director: Rosie Truelove

Director: Mandy DeMayo

The requested appointment for President of the Corporation is J. Rodney Gonzales. The President serves for the term stated in the By-Laws.

The remaining officers of the Non-Profit Corporation will be appointed by the Non-Profit Corporation's Board of Directors at its first organizational meeting or by unanimous consent.

### **Proposal, Ownership and Financing Structures**

Soco 121 Apartments is an existing 52-unit multifamily apartment development built in 1985 and located at 121 Woodward Street, Austin, Texas 78704.

The apartment development is currently encumbered by two land use restrictive agreements with affordability requirements. One agreement restricts 100 percent of the units to 60 percent area median family income (AMFI) and expires in December 2022. The other agreement restricts eight units to 80 percent AMFI and 10 units to 50percent AMFI and expires in 2032.

AHFC Soco 121 Non-Profit Corporation will acquire the development in order to preserve its affordability and ensure it is maintained and operated in a safe and sanitary condition.