

City of Austin



Recommendation for Action

File #: 24-4976, **Agenda Item #:** 5.

7/18/2024

Posting Language

Approve a resolution authorizing the formation of AHFC Drowsy Willow Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation; approving its certificate of formation and bylaws; appointing its board of directors and president; authorizing a ground lease; and authorizing AHFC Drowsy Willow Non-Profit Corporation to construct, finance, manage, and sell approximately 42 affordable, ownership units as part of a new Community Land Trust located at or near 5901 Drowsy Willow Trail, Austin, Texas 78744.

Lead Department

Austin Housing Finance Corporation

Fiscal Note

There is no Fiscal Impact.

For More Information:

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091

Council Committee, Boards and Commission Action:

November 30, 2023: Austin Housing Finance Corporation (AHFC) authorized negotiation and execution of all necessary agreements and instruments with Industry ATX, or other qualified applicant, to develop affordable housing on approximately 2.7 acres located at or near 5901 Drowsy Willow Trail, Austin, Texas 78744. District(s) Affected: District 2.

August 26, 2021: AHFC authorized the negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 2.7 acres for affordable housing purposes located at or near 5901 Drowsy Willow Trail, in an amount not to exceed \$2,050,000, including closing costs. District(s) Affected: District 2.

Additional Backup Information:

This item requests AHFC to adopt a resolution authorizing the formation of the AHFC Drowsy Willow Non-Profit Corporation (Nonprofit Corporation); approve the forms of its Certificate of Formation and Bylaws; appoint the Board of Directors and President of the Nonprofit Corporation; authorize the Nonprofit Corporation to construct a Community Land Trust (CLT) development (Development); and authorize a ground lease. AHFC owns the land upon which the Development will be located and will initially ground lease it to the Nonprofit Corporation. The CLT will be governed by a condominium association. Once the condominium association has been created, the Nonprofit Corporation will assign the ground lease to the condominium association.

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

Director: Veronica Briseño

Director: Mandy DeMayo
Director: James May

The requested appointment for President of the Nonprofit Corporation is Veronica Briseño. The President serves for the term stated in the Bylaws.

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

Proposal, Ownership and Financing Structures

The Development will be newly constructed, affordable housing in Council District 2 that will provide approximately 42 ownership units.

The land will be within a CLT and the Development is anticipated to consist of townhomes and condominium units - ranging from 1-3 bedrooms- with a priority to maximize the number of affordable units sold to households earning at or below 80 percent of Austin's median family income.

Financing for the Development is proposed to come from AHFC, as well as the Federal Home Loan Bank of Dallas, and Austin Community Foundation.