

## Legislation Text

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**File #:** 22-1073, **Version:** 1

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### **Posting Language**

Approve a resolution authorizing the formation of AHFC Balcones Terrace Non-Profit Corporation, a Texas nonprofit corporation and instrumentality of the Austin Housing Finance Corporation, to develop low-income housing; approving the forms of its certificate of formation and by-laws; appointing its Board of Directors and President; and authorizing AHFC Balcones Terrace Non-Profit Corporation to acquire a former hotel located at 10024 North Capital of Texas Highway, Austin, Texas from an affiliate of Foundation Communities, Inc., and then lease it back to such affiliate which will develop, rehabilitate, manage and operate the development as a residential rental development and lease its units to qualified tenants who have experienced chronic homelessness.

### **Lead Department**

Housing and Planning Department.

### **Fiscal Note**

This item has no fiscal impact.

### **For More Information:**

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

### **Additional Backup Information:**

This item requests the Austin Housing Finance Corporation (AHFC) Board of Directors to adopt a resolution approving the formation of the AHFC Balcones Terrace Non-Profit Corporation (Non-Profit Corporation) which will develop low-income housing. The resolution also requests the Board of Directors to approve the form of the Non-Profit Corporation's Certificate of Formation and By-Laws; appoint the Board of Directors and President of the Non-Profit Corporation; and authorize the Non-Profit Corporation (1) to acquire the hotel formerly known as Townplace Suites, located at 10024 North Capital of Texas Highway North, Austin, Texas, from an affiliate of Foundation Communities, Inc.; and (2) to lease the hotel back to such affiliate, which will convert the hotel to a rental development with 123 fully-furnished, efficiency apartments. The affiliate of Foundation Communities, Inc. will operate the facility and provide onsite support services.

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**

The Non-Profit Corporation will purchase the development, a hotel conversion project to create new, permanent supportive housing in the City of Austin., from FC Balcones Terrace Housing Corporation and lease it to an affiliate of Foundation Communities, Inc., which will renovate, operate and sublease the facility to qualified tenants.

This development will include approximately 123, fully furnished, efficiency apartments. Each apartment will contain one bed. Half of the units will be set aside as permanent supportive housing; for these units, potential residents will be referred through our community's Coordinated Entry System. Eligible individuals for the PSH units will be single adults with a documented chronic homelessness history and a disabling condition. This is a permanent multifamily residential property, with tenancy governed by an annual lease agreement. To ensure that individuals have access to adequate services to maintain housing, Foundation Communities will provide onsite support services. Services provided by the team will include case management, service coordination, life skills training, housing stability support, connections to primary and behavioral health services assistance accessing basic needs, and community building activities.