



**SHFC Action Item IV.A.  
March 25, 2021**

**Resolution No. SHFC-2021-02:** To Adopt Policy Statements on Affordable Housing Development, as drafted

**WHEREAS**, The mission of the Strategic Housing Finance Corporation to “*preserve and develop affordable housing and vibrant communities to enhance the quality of life for all*”; and

**WHEREAS**, Goal One of SHFC's Five-Year Strategic Plan states that the agency will make efforts to “strategically preserve and expand the affordable housing portfolio to ensure for a fair share of resources for the poorest and most vulnerable of Travis County citizens; and

**WHEREAS**, Recent actions of the Board further demonstrate its commitment to providing housing for extremely low-income persons.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of hereby:

1. Approves Resolution No. SHFC-2021-02,
2. Authorizes the Executive Vice President to execute all necessary documents and extensions.

**Passed and approved the 25<sup>th</sup> day of March 2021**

DocuSigned by:  
  
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Wilmer Roberts, President, Board of Directors

**Attested and approved as to form:**

  
\_\_\_\_\_  
Patrick B. Howard, Executive Vice President



**SHFC Discussion Item IV.A.  
March 25, 2021**

**Resolution No. SHFC-2021-02: To Adopt Policy Statements on Affordable Housing Development, as drafted**

**Background Information:**

On Thursday, July 7, 2016, The Board of Commissioners adopted a 5-Year HATC / SHFC Strategic Plan via *Resolution No. HATC-2016-16* to serve as a roadmap for HATC and its affiliates, and SHFC in pursuit of its joint mission to “preserve and develop affordable housing and vibrant communities which enhance the quality of life for all.” The Strategic Plan contains 7 primary strategic goals, 3 of which specifically speak to the affordable housing production and/or expansion and associated revenue generation:

- Goal 1: Strategically preserve and expand the affordable housing portfolio to ensure for a fair share of resources for the poorest and most vulnerable of Travis County citizens.
- Goal 2: Create healthy, inclusive communities that are diverse, safe, and accessible.
- Goal 4: Create a fiscally strong and viable organization.

Prior to and subsequent the adoption the Strategic Plan, staff has been feverishly working to implement the agency’s mission and vision. Since Fall 2016,

- Eleven (11) 4% bond partnership deals have closed involving totaling **2,650** affordable units;
- Two (2) real estate deals have closed totaling **478** affordable units involving the issuance of 4% bonds only;
- One (1) property was acquired totaling **280** affordable units; and
- One (1) real estate deal has closed utilizing TCFC and the Public Facilities Corporation structure totaling 311 units, of which 51% (**159**) of the units are designated for eligible residents whose incomes do not exceed 80% of the Area Median income.

It should be noted that great strides have been made by this agency and others to tackle the overwhelming need for affordable housing in this region. Of the developments noted above, less than 2% of these units are affordable to extremely low-income households.

The Board has taken action to increase our efforts for the poorest and most vulnerable of our citizens. On July 2, 2020, the TCFC Board passed **Resolution No. TCFC-2020-04** on July 2, 2020, to “set-aside of a minimum of 50% of all proceeds generated via “Apartments at Tech Ridge” to be specifically utilized for the development of extremely low-income, deeply affordable housing units.”

Similarly, on November 6, 2020, the SHFC Board passed **Resolution No. SHFC-2020-11**, authorizing the set-aside of a minimum of 50% of all proceeds generated via the issuance of Multifamily Housing Revenue Bonds only, and whereby a Partnership Agreement is not contemplated, to be specifically utilized for the development of extremely low income, deeply affordable housing units. This would include the *Limestone Canyon* and *Parkside Crossing* developments, and future projects meeting the tenets of this Resolution.



The Policy Statement for consideration here resulted from a Joint meeting of HATC, SHFC and TCFC on Tuesday, March 9, 2021. After a very engaged and thoughtful discussion involving Board members, staff and a seasoned facilitator, Policy Statements on Affordable Housing Development were drafted for Board consideration and formal adoption.

**Recommended Action:**

Consideration and appropriate action regarding **Resolution No. SHFC-2021-02: To Adopt Policy Statements on Affordable Housing Development, as drafted.**

**Alternate Option:**

The Board of Directors could elect to Not adopt Policy Statements.

**Fiscal Impact:**

N/A

**Attachment:**

A. Policy Statements on Affordable Housing Development (DRAFT)

**Prepared and Approved by:**

*Patrick B. Howard*

Patrick B. Howard, *Executive Vice President*

# Policy Statements on Affordable Housing Development

OBJECTIVE: Drafted by the respective Boards of Strategic Housing Finance Corporation (SHFC) and of the Housing Authority of Travis County (HATC) and its affiliate, Travis County Facilities Corporation (TCFC), the purpose of these Policy Statements is to serve as a guide and provide a framework when considering future real estate development projects. The *Policy Statements on Affordable Housing Development* included in this document are consistent with the agencies' 5-Year Strategic Plan and aims to advance the mission of "preserving and developing affordable housing and vibrant communities to enhance the quality of life for all."

## Policy Statement One:

The TCFC and SHFC shall set-aside a minimum of 50% of all proceeds generated via the issuance of Multifamily Housing Revenue Bonds only, including Public Facilities Corporation developments, and excluding 4% bond transactions that include a Partnership Agreement, to be specifically utilized for the benefit of extremely low income households, including the development of deeply affordable housing units. This would include the *Apartments at Tech Ridge, Limestone Canyon and Parkside Crossing* developments, and future projects meeting the tenets of this Policy.

## Policy Statement Two:

The SHFC shall set-aside a minimum of 10% of all proceeds generated via all real estate transactions, to include development fees, the issuance of all future 4% Multifamily Housing Revenue Bonds, and all other real estate transactions, to be specifically utilized for the benefit of extremely low-income households, including the development of deeply affordable housing units. ***[Emphasis shall be placed on acquiring or developing units to be owned by HATC or SHFC to achieve the Policy mission.]***

## Policy Statement Three:

The TCFC and SHFC shall encourage the inclusion of housing units for extremely low-income persons via the use of tools such as average income test and other programs to serve extremely low-income households.