

**STRATEGIC HOUSING FINANCE CORPORATION  
BOARD OF DIRECTORS  
SPECIAL MEETING  
502 E. Highland Mall Blvd., Suite 106-B  
Austin, Texas 78752  
April 7, 2022  
10:45 a.m.**

**MINUTES**

The Strategic Housing Finance Corporation of Travis County, Texas, held a Regular Board of Directors Meeting at 502 E. Highland Mall Blvd., 106-B Austin, Texas 78752 on the above date.

**I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM**

A quorum was established, and President Wilmer Roberts called the meeting to order at 11:07 a.m.

Roll Call of Directors: President Wilmer Roberts; Director AJ Bingham; Director Julio Gonzales; Director Kecia Prince; Director Lisa Rheams; Director Christina Rosales; Director Rosa Rios Valdez. Guest: Cliff Blount with Naman, Howell, Smith & Lee PLLC; Jeremy Bristol with Capstone Management. Staff in Attendance: CEO/Executive Vice President Patrick Howard; Executive Assistant Omar Nesbit; Director of Real Estate Development Robert Onion; Asset Manager Keith Hoffpauir; Sr. Administrative Assistant Debbie Honeycutt; Deputy Executive Director HR & Organizational Development Steve Peglar; Director of Finance Subra Narayanaier.

Executive Vice President Patrick Howard certified the quorum.

**II. PUBLIC FORUM / CITIZEN COMMUNICATION**

- *Anyone desiring to discuss or comment on items directly related to the SHFC is always welcome.*
- *If the item is deemed related to an Agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.*
- *Speakers must sign-in prior to the start of the Board Meeting by emailing Debbie Honeycutt at [Debbie.Honeycutt@traviscountytexas.gov](mailto:Debbie.Honeycutt@traviscountytexas.gov)*
- *Maximum three-minute limit per speaker.*

April Combs Rosemont at Oak Valley Resident – Issues at Rosemont at Oak Valley

- Car towed without proper notice
- Issues with receiving mail
- Not being able to park in front of unit due to temporary Rosemont office location
- Work orders to be completed in a timely manner
- Timely bug extermination

Diana Villanueva Rosemont at Oak Valley Resident

- Walls in unit have been down since June of last year
- Has been told unit will be complete by April 15, 2022

Keania Goff Rosemont at Oak Valley Resident

- Issues with the place temporarily relocated to
- Received one mold report and waiting on a follow-up report

Gabriela Garcia with BASTA

- Presented a timeline of events regarding Rosemont at Oak Valley February 2021 winter storm damage

Lisa Rheams Director of the Strategic Housing Finance Corporation

- Issues with unit at Rosemont and no longer a resistant

### III. CONSENT AGENDA

- A. Approval of the Minutes from the February 9, 2022 Regular Meeting
- B. Approval of the Minutes from the March 15, 2022 Regular Meeting
- C. Approval of the Minutes from the March 23, 2022 Special Meeting

Director Christina Rosales made a **motion** to approve Items III.A., III.B., and III.C. Director Rosa Rios Valdez seconded the motion, which **passed** unanimously.

### IV. ACTION ITEM

- A. Election of Officers (President and Vice-President)

Director Christina Rosales made a **motion** to nominate President Wilmer Roberts for President and Lisa Rheams for Vice President. Director Rosa Rios Valdez seconded the motion.

President Wilmer Roberts called for any other nominations. There being none, President Roberts closed the nominations.

A vote was taken, which **passed** unanimously

### V. REGULAR AGENDA

- A. Rosemont at Oak Valley Status Updates
  - V.A.1. Unit build back plan / schedule
  - V.A.2. Unit restoration / reconstruction funding plan / schedule
  - V.A.3. Tenant Bill of Rights draft

Elsa - Rosemont at Oak Valley Resident

- No walls in unit for about 7 months
- Has requested to be relocated to a different unit

**V.A.1.** Jeremy Bristol with Capstone gave an update on the build back plan / schedule for Rosemont at Oak Valley.

- 57 Families temporarily relocated offsite
- 26 families have been relocated back
- 30 families relocated permanently from Rosemont
- Capstone is still working with 1 family
- 75 units still in need of repairs with an estimated completion date of the end of July 2022 if there are no delays due to labor or material shortages
- 122 Vacant units currently at Rosemont

**V.A.2.** Director of Real Estate Development Robert Onion gave an update on the Unit restoration / reconstruction funding plan / schedule

- Several Board members expressed an interest in reviewing possible options for an exit strategy of the ownership of Rosemont
- Stop making debt service payments and allow the lender to foreclose or negotiate a deed in lieu of foreclosure.
- Seek to borrow additional funds from the original Bond holder. Precluded from borrowing any more money due to the liens against the property.
- Continue to make funds available to fund repairs, work with the Insurance company to obtain additional insurance proceeds, and re-lease the property to full occupancy.
- Continue to make application for Tax exempt bond allocation with the Bond Review Board each year in the hopes that a favorable lottery number will be assigned to this property. Last year's number was 184 which was not favorable.
- Continue to lease up the property, raise rents to maximum allowable under the 50% of area medium income and seek long term financing at the appropriate time.
- Market the property to either the City of Austin or Travis County and allow them to finance and operate it as the new owner chooses.

**V.A.3.** Executive Vice President Patrick Howard presented Tenant Bill of Rights draft

At a Special Meeting held on Wednesday, March 23, 2022, the Strategic Housing Finance Corporation (SHFC) Board of Directors approved Resolution No. SHFC 2022-02, expanding the composition of the Board from 5 to 7 members to include two (2) current or former tenants of an SHFC-owned property.

The issue regarding the adoption of language included in the City of Austin's Rental Housing Development Assistance (RHDA) program Lease Addendum, commonly referred to as *Tenant Bill of Rights*, remains outstanding.

Because of the myriad of stakeholders involved in the consummation of all of SHFC's multifamily rental development deals (*primarily via the utilization of TDHCA's Multifamily Housing Revenue Bond Program coupled with the Non-competitive (4%) Housing Tax Credit program*), and given the small degree of ownership interest assumed by the agency in such deal, staff with the direction of previous Board, enlisted the assistance of attorney Cynthia Bast with Locke Lord to help navigate us through this process.

After numerous discussions with both staff and SHFC Real Estate Committee members, the consensus was to use the findings/conclusions drawn from the analysis, to formulate an SHFC "Policy for Residents' Rights" for Board consideration. The basic methodology in developing this proposed policy was the SHFC would include all items contained within the City of Austin's current RHDA Lease Addendum related to tenants right and protections that fell squarely within the purview of SHFC and didn't require the input/concurrence/approval of other outside stakeholders for full adoption and subsequent implementation. Items contained within the Lease Addendum not addressed and/or included in such will be continuously discussed and evaluated as a staff continues to gather specific input from its outside investment partners regarding the implications of adoption of the Lease Addendum in whole or in part.

After meetings with the SHFC *Real Estate* and *Quality of Life* Committees, there was general agreement that a refined draft of the aforementioned "Policy" would be vetted via Committee and brought forward at the Board's May 2022 meeting, and subsequently formally or informally shared with the Travis County Commissioners Court during the month of June 2022

## VI. EXECUTIVE VICE PRESIDENT REPORTS

### A. Existing Affordable Multifamily Development Partnerships – *Robert Onion*

Director of Real Estate Development Robert Onion presented the Existing & Pending Development Report.

- Cambridge Villas Apartments repairs due to Ice Storm Uri have been completed and the property is at 95% Occupancy. Cash flows should return to a more historical stable environment.
- 10 Properties under construction, 3 that have converted to permanent loan and the 7 remaining are close to converting

### B. Potential Affordable Multifamily Development Partnerships – *Robert Onion*

There were no Potential Developments at that time because the bond 4% is not a viable program now.

### C. Finance – *Subra Narayananaiyer*

- Including in the Board reports are the SHFC Fiscal Year End December 2021 Financials, the current Financials, and the Cash Sheet
- SHFC has funded the relocation cost for the residents at Rosemont and is waiting to be reimbursed by Travis County

## VII. NEW / UNFINISHED BUSINESS

### A. Discussion and consideration regarding Board of Directors issues and concerns

Scheduling a Real Estate Committee meeting to discuss City View at the Park, lease up plan for Rosemont at Oak Valley and Tenant Bill of Rights.

## VIII. EXECUTIVE SESSION

There was no Executive Session at that time.

## IX. ADJOURNMENT

Director A.J. Bingham made a **motion** to adjourn the Board meeting. Director Lisa Rheams seconded the motion, which **passed** unanimously.

The Board meeting adjourned at 12:48 p.m.

Respectfully submitted,



Patrick Howard, Executive Vice President

### MISSION STATEMENT

*Preserving and developing affordable housing and vibrant communities  
to enhance the quality of life for all.*

➤ A copy of these minutes can be found on the web site ([www.hatctx.com](http://www.hatctx.com))