

2. **For non-profit applicants/developers only, include copies of the following:**
 - a. Articles of Incorporation
 - b. Certificate of Incorporation filed with the State of Texas
 - c. Federal IRS certification granting non-profit status
 - d. Names, addresses, and phone numbers of current board members
 - e. Certified financial audit for most recent year, which include the auditor's opinion and management letters.
 - f. Board resolution approving the proposed project and authorizing the request for funding
3. **Project Description** – Provide a brief project description that addresses items "A" through "G" below.
 - a. Indicate the location by providing an area map with the property highlighted.
 - b. Summarize the key financials of the project, clearly indicating total project cost, the amount and intended use of all AHFC funds requested, the amount(s) and provider(s) of other funding and the status of those commitments.
 - c. Indicate the type of structure(s) (i.e., single-family detached, etc.), the number of units, the number of bedrooms and bathrooms in each type or style of unit, and the size of the units in square feet.
 - d. Indicate the expected sales price for each type or style of unit.
 - e. List the income levels of proposed homebuyers expressed in terms of the percent of Median Family Income for the Austin-Round Rock MSA.
 - f. If there are existing structures, provide documentation from the taxing authority or other third-party source indicating the year the structure was built.
 - g. Demonstrate the development's compatibility with current Neighborhood Plan (if applicable).

Please attach the following to the description of the above items.

- h. Locate on the "Opportunity Map of Austin" the census tract in which the property lies. The map is attached to the Program Guidelines.

4. **Site Control and Demonstration of Value**

Include evidence of site control such as a warranty deed or a current, receipted earnest, and provide a real estate appraisal that is no older than six months and that uses 3 or more comparables, or current tax documentation that substantiates the value of the project.

5. **Zoning**

Include a letter from the City of Austin's Planning and Development Review Department (PDRD) verifying that the current zoning of the site for the proposed project is compatible with the anticipated use, or include documentation verifying that a request to change current zoning has been submitted to PDRD. If the project is approved for funding, appropriate zoning must be in place prior to execution of loan documents.

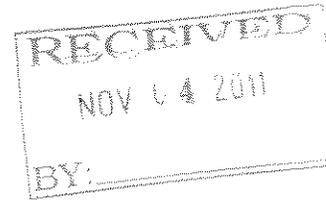
6. **S.M.A.R.T. Housing™**

Include a copy of the letter that indicates the project has been reviewed and meets S.M.A.R.T. Housing requirements.

Tab 2: Nonprofit Documentation

Please find the following items for CNRC:

- a. Articles of Incorporation
- b. Certificate of Incorporation filed with the State of Texas
- c. Federal IRS certification granting non-profit status
- d. Names, addresses, and phone numbers of current board members
- e. Certified financial audit for most recent year, which include the auditor's opinion and management letters.
- f. Board resolution approving the proposed project and authorizing the request for funding



LETTER OF INTEREST

Sarah Andre
Project Manager
Chestnut Neighborhood Revitalization Corporation
512/698-3369

Re: Chicon Corridor, a 33-unit for-sale development located on 13th and 14th Streets on Chicon Street in East Austin, Texas.

Ms. Andre:

MERCY LOAN FUND, a Colorado nonprofit corporation, ("MLF"), in response to your recent loan submission, has completed its preliminary review of your funding request. We are pleased to issue this Letter of Interest ("Letter") concerning this request.

This Letter is based solely on the representations made and information supplied by you. Any loan approval by MLF Loan Review Committee will be subject to verification of information during our standard underwriting process. Rates, fees, terms and other conditions of the loan are subject to final approval by the MLF Loan Review Committee. This Letter is not intended to convey or constitute a commitment, promise or offer to lend on the part of MLF. Rather, we wish to convey to you our willingness to further examine all aspects of the proposed transaction based upon the representations you have made and the information with which you have supplied us.

Below is our understanding of the proposed transaction:

BORROWER: Chestnut Neighborhood Revitalization Corporation (CNRC), a 501(c)3 nonprofit community Development corporation established in 1998 to address affordable housing and community development needs in the Chestnut Neighborhood and surrounding areas.

SPONSOR: Same as above.

PROPERTY DESCRIPTION: The Chicon Corridor project is located between 13th and 14th Streets on Chicon Street in East Austin. Six properties will be redeveloped into a mixed-use, mixed-income project with ground floor retail/office and two to three stories of affordable and market rate housing with a minimum of 33 units and approximately 3,000 to 6,000 square feet of commercial/retail space.

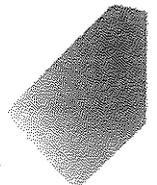
HOUSEHOLDS SERVED: At least half of the units must be sold to households earning at least 80% AMI.

Mercy Housing

1999 Broadway, Suite 1000, Denver, Colorado 80202 o | 303.830.3300 f | 303.830.3301 tty | 800.855.2880 mercyhousing.org

Mercy Housing is sponsored by communities of Catholic Sisters

LIVE IN HOPE



LOAN: \$1,763,657

PURPOSE OF LOAN: Construction

INTEREST RATE: 6.5%

TERM: 18 months

COLLATERAL: 1st Deed of Trust

LOAN TO VALUE: Maximum LTV of 80% as evidenced by a current appraisal that arrives at an "as complete" value with all city funds being expended prior to the MLF construction loan.

FEES: 1.5% origination fee, closing costs, and legal fees.

TAKE-OUT COMMITMENT: Must be considered. Project economics must support permanent financing.

If you have any questions, please feel free to give us a call at 303-830-3386.

Sincerely,
MERCY LOAN FUND

A handwritten signature in black ink, appearing to read "Jason Battista", written in a cursive style.

By: Jason Battista
Sr. Loan Officer

Tab 2a.

Articles of Incorporation

**ARTICLES OF INCORPORATION FOR
CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION,
A TEXAS NON-PROFIT CORPORATION**

FILED
In the Office of the
Secretary of State of Texas
NOV 18 1998

I, the undersigned, a natural person over the age of eighteen (18) years, a citizen of the State of Texas, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, hereby adopt the following Articles of Incorporation for Chestnut Neighborhood Revitalization Corporation:

**ARTICLE 1
NAME**

The name of the corporation is Chestnut Neighborhood Revitalization Corporation.

**ARTICLE 2
NONPROFIT CORPORATION**

The Corporation is a nonprofit corporation. When it dissolves, all of its assets will be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes exempt under the Texas franchise tax.

**ARTICLE 3
DURATION**

The period of duration is perpetual.

**ARTICLE 4
PURPOSES**

The purposes or purposes for which the corporation is organized is to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof for any legal purpose, including, but not limited to: (1) addressing the consistent level of criminal activity in the neighborhood while continuing to promote public safety; (2) improving the environmental aspects of the neighborhood both in terms of its quality and infrastructure; (3) promoting the rehabilitation of existing housing and provide affordable decent housing to low-and moderate-income persons; (4) improving the business climate of the neighborhood; (5) developing, promoting, and expanding efforts toward support for youth services while addressing conditions that impede these efforts; and (6) developing, promoting, and expanding health services to the neighborhood.

ARTICLE FIVE POWERS

Except as these Articles otherwise provide, the Corporation has all the powers provided in the Texas-Non-Profit Corporation Act. Moreover, the Corporation has all implied powers necessary and proper to carry out express powers. The Corporation may reasonably compensate members, directors, or officers for services rendered to or for the Corporation in furtherance of one or more of its purposes.

ARTICLE 6 RESTRICTIONS AND REQUIREMENTS

The Corporation may not pay dividends or other corporate income to its members, directors, or officers, or otherwise accrue distributable profits, or permit the realization of private gain. The Corporation may not take any action prohibited by the Texas Non-Profit Corporation Act. The Corporation may not engage in any activities, except to an unsubstantial degree, that do not further its purposes as set forth in these Articles.

The Corporation may not take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501(c)(3) and related regulations, rulings, and procedures. Nor may it take any action that would be inconsistent with the requirements for receiving tax-deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation may not:

1. Engage in activities or use its assets in manners that do not further one or more exempt purposes, as set forth in these Articles and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
2. Serve a private interest other than one clearly incidental to an overriding public interest.
3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propagandas or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include publishing or distributing statements and any other direct or indirect campaign activities.
5. Have objectives characterizing it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. Distribute its assets on dissolution other than for one or more exempt purposes. On dissolution, the Corporation's assets will be distributed to the state government for a public purpose.

or to an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) to be used to accomplish the general purposes for which the Corporation was organized.

7. Permit any part of the Corporation's net earnings to inure to the benefit of any private shareholder or member of the Corporation or any private individual.

8. Carry on any unrelated trade or business, except as a secondary purposes related to the Corporation's primary, exempt purposes.

ARTICLE 7 MEMBERSHIP

The Corporation will have one or more classes of members as provided in the bylaws.

ARTICLE 8 INITIAL REGISTERED OFFICE AND AGENT

The street address of the Corporation's initial registered office is 316 West 12th Street, Suite 101, Austin, Texas 78701. The name of the initial registered agent at this office is Joel B. Bennett.

ARTICLE 9 MANAGING BODY OF CORPORATION

The management of the corporation is vested in its Board of Directors and such committees of the Board that the Board may, from time-to-time, establish. The bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors.

The initial Board will consist of seven (7) persons. The initial Board will consist of the following persons at the following addresses:

NAME	ADDRESS
✓Arvella Slade	1307 Singleton, Austin, Texas 78702
✓Scottie Ivory	2110 East 12 th Street, Austin, Texas 78702
✓James Johnson	2111 East 17 th Street, Austin, Texas 78702
Ben Franklin	1801 Poquito, Austin, Texas 78702
✓Rev. Cedric Mitchell, III	12203 Cabana, Austin, Texas 78727
Dr. Paula Rogge	2102 East 17 th Street, Austin, Texas 78702
Teresia Lewis	1204 Coleto, Austin, Texas 78702

The number of directors may be increased or decreased by amending the bylaws. The number of directors may not be decreased to fewer than three.

**ARTICLE 10
LIMITATION ON LIABILITY**

A director is not liable to the Corporation or members for monetary damages for an act or omission in the director's capacity as director except as otherwise provided by a Texas statute.

**ARTICLE 11
INDEMNIFICATION**

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions of the Texas Non-Profit Corporation Act governing indemnification.

As the bylaws provide, the Board of Directors may define the requirements and limitations for the Corporation to indemnify directors, officers, members, or others related to the Corporation.

**ARTICLE 12
BYLAWS**

The internal affairs of the Corporation shall be regulated by the Bylaws and the activities and affairs of the Corporation shall be managed and conducted by the Directors in accordance with the Bylaws. The initial Bylaws shall be adopted by the initial Board of Directors herein named. The power to amend or repeal the Bylaws shall be vested in the Directors.

**ARTICLE 13
CONSTRUCTION**

All references in these Articles to statutes, regulations, or other sources of legal authority refer to the authorities cited, or their successors, as they may be amended from time to time.

**ARTICLE 14
INCORPORATORS**

The name and street address of the incorporator is Joel B. Bennett, 316 West 12th Street, Suite 101, Austin, Texas 78701

I execute these Articles of Incorporation on 18 November, 1998.



Joel B. Bennett



The State of Texas

SECRETARY OF STATE

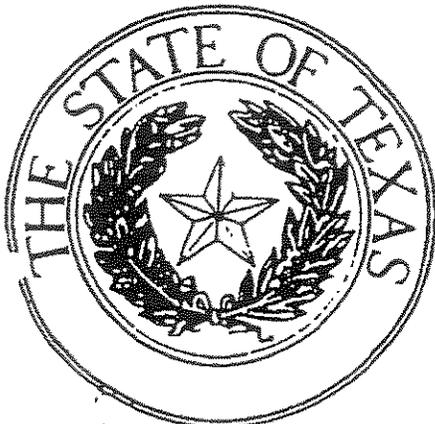
CERTIFICATE OF AMENDMENT
OF

CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Amendment to the Articles of Incorporation of the above corporation duly executed pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Amendment to the Articles of Incorporation and attaches hereto a copy of the Articles of Amendment.

Dated: January 7, 1999



Alberto R. Gonzales

YD

Alberto R. Gonzales
Secretary of State

ARTICLES OF AMENDMENT FOR
CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION,
A TEXAS NON-PROFIT CORPORATION

FILED
In the Office of the
Secretary of State of Texas

ARTICLE ONE

JAN 07 1999

The name of the corporation is Chestnut Neighborhood Revitalization Corporation.

ARTICLE TWO

The contents of Article 9 entitled "Managing Body of Corporation" of the Articles of Incorporation signed on November 18, 1998, is hereby revoked and the following is adopted in its place:

"The management of the corporation is vested in its Board of Directors and such committees of the Board that the Board may, from time-to-time, establish. The Bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors.

The Board will consist of five persons. The Board will consist of the following persons at the following addresses:

NAME	ADDRESS
Arvella Slade	1307 Singleton, Austin, Texas 78702
Scottie Ivory	2110 East 12 th Street, Austin, Texas 78702
James Johnson	2111 East 17 th Street, Austin, Texas 78702
Rev. Cedric Mitchell, III	12203 Cabana, Austin, Texas 78727
Jolene S. Hall	2211 East MLK Boulevard, Austin, Texas 78702

The number of directors may be increased or decreased by amending the bylaws. The number of directors may not be decreased to fewer than three."

ARTICLE THREE

This amendment to the Articles of Incorporation was adopted at a meeting of the board of directors held on January 5, 1999, and said amendment received the vote of a majority of the directors in office, there being no members having voting rights in respect thereof.

I execute these Articles of Amendment on Jan 7, 1999.

Arvella Slade
Arvella Slade, Vice President



The State of Texas

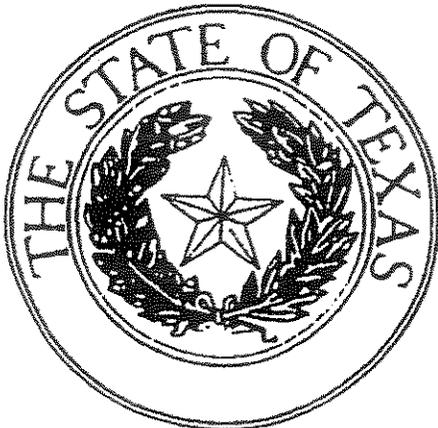
SECRETARY OF STATE
CERTIFICATE OF AMENDMENT
OF

CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION
FILE NO: 1512887-01

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Amendment to the Articles of Incorporation of the above corporation duly executed pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Amendment to the Articles of Incorporation and attaches hereto a copy of the Articles of Amendment.

Dated: September 15, 1999



Elton Bomer
Secretary of State

SECOND ARTICLES OF AMENDMENT FOR
CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION
A TEXAS NON-PROFIT CORPORATION

FILED
In the Office of the
Secretary of State of Texas

SEP 15 1999

ARTICLE ONE

The name of the corporation is Chestnut Neighborhood Revitalization Corporation. Corporations Section

ARTICLE TWO

The contents of Article 4 entitled "Purposes" for which the corporation was signed on November 18, 1998, is hereby deleted and the following is adopted in its place:

"Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code."

ARTICLE THREE

This amendment to the Articles of Incorporation was adopted at a meeting of the board of directors held on September 14th, 1999, and said amendment received the vote of a majority of the directors in office, there being no members having voting rights in respect thereof.

I execute these Second Articles of Amendment on Sept. 14, 1999.

Arvella Slade
Arvella Slade, Vice President

Tab 2b.

Certificate of Incorporation filed with the State of Texas



The State of Texas

SECRETARY OF STATE

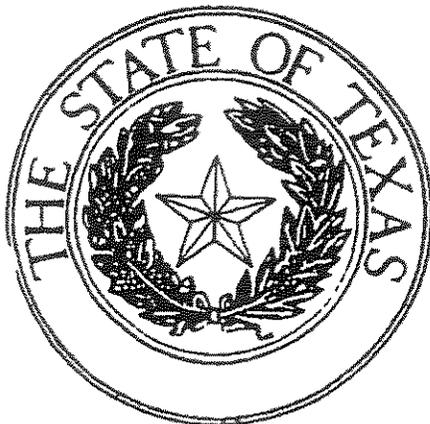
IT IS HEREBY CERTIFIED that
Articles of Incorporation of

CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION

File No. 1512887-01

FILED: NOVEMBER 18, 1998;

were filed in this office and a certificate of incorporation was issued to this corporation,
and no certificate of dissolution is in effect and the corporation is currently in existence.



*IN TESTIMONY WHEREOF, I have hereunto
signed my name officially and caused to be
impressed hereon the Seal of State at my office in
the City of Austin, on November 24, 1998.*

Alberto R. Gonzales
Secretary of State

PH

A-CH



The State of Texas

Secretary of State

NOV. 23, 1998

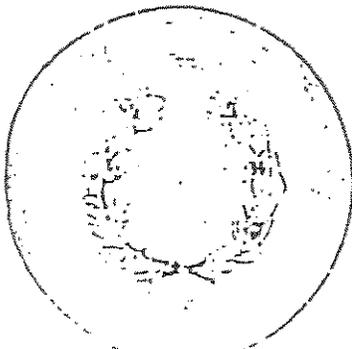
NATALIE J REED
316 W 12TH ST STE 101
AUSTIN TX 78701

RE:
CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION
CHARTER NUMBER 01512887-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



RECEIVED
NOV 23 1998
BY:

VERY TRULY YOURS,

Alberto R. Gonzales
Alberto R. Gonzales, Secretary of State



The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

OF

CHESTNUT NEIGHBOURHOOD REVITALIZATION CORPORATION
CHARTER NUMBER 01512887

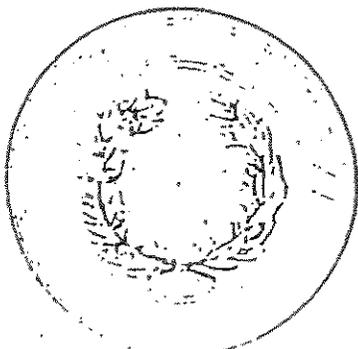
THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED NOV. 18, 1998

EFFECTIVE NOV. 18, 1998



A handwritten signature in cursive script, appearing to read "Alberto R. Gonzales".

Alberto R. Gonzales, Secretary of State

Tab 2c.

Federal IRS certification granting non-profit status

Internal Revenue Service

Date: November 18, 2003

Chestnut Neighborhood Revitalization Corporation
% Joel Bennett
P.O. Box 6069
Austin, TX 78762-6069

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Mrs. Swana Smith - 31-07418
Customer Service Specialist

Toll Free Telephone Number:

8:00 a.m. to 6:30 p.m. EST

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

[REDACTED]

Dear Sir or Madam:

This is in response to your request of November 18, 2003 regarding your organization's tax-exempt status.

In November 1999 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Based on information subsequently submitted, we classified your organization as a private foundation within the meaning of section 509(a) of the Code. In that letter we did not determine whether the organization was an operating foundation as defined in section 4942(j)(3) of the code.

If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exemption and foundation status.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to the organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Your organization is required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as a Private Foundation. Form 990-PF must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is a reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of the organization's gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure the return is complete before filing it.

Your organization is liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA). However, since your organization is a private foundation, it is subject to excise tax under Chapter 42 of the Code. Your organization may also be subject to other federal excise taxes.

Chestnut Neighborhood Revitalization Corporation
[REDACTED]

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If subject to this tax, the organization must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

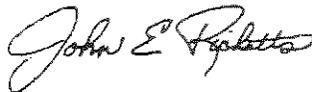
Section 6104 of the Internal Revenue Code requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. The law also requires organizations that received recognition of exemption on July 15, 1987, or later, to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. Organizations that received recognition of exemption before July 15, 1987, and had a copy of their exemption application on July 15, 1987, are also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. For additional information on disclosure requirements, please refer to Internal Revenue Bulletin 1999 - 17.

As this letter could help resolve any questions about your organization's exemption and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

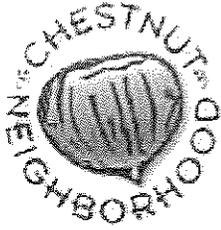
Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

Tab 2 d.

Names, addresses, and phone numbers of current board members



Chestnut Neighborhood Revitalization Corporation
 2211 East Martin Luther King Jr. Blvd.
 Austin, Texas 78702

Chestnut Neighborhood Revitalization Corporation Board of Directors

Name	Principal Place of Residence	Meets Low-Income Requirements?
Edna Rhambo	1810 Miriam Avenue Austin, TX 78702 [REDACTED]	Yes, Section 2306.004
James Johnson, Treasurer	2111 East 17 th Street Austin, TX 78702 [REDACTED]	Yes, Section 2306.004
Arvella Slade, Vice President	1307 Singleton Austin, TX 78702 [REDACTED]	Yes, Section 2306.004
Jolene Hall, Secretary	14309 Levering Austin, TX 78725	No
Scott Way	4509 Avenue C Austin, TX 78751 [REDACTED]	No
Reverend Joseph Parker	5918 Lookout Mountain Drive Austin, TX 78731 [REDACTED]	No
Sean Garretson, President	1601 Miriam Avenue, #301 Austin, TX 78702 [REDACTED]	Yes, Section 783.009(b)
Raye Franklin	4407 Scottsdale Road Austin, TX 78721 [REDACTED]	Unknown
Susan Thomas	3232 E. Martin Luther King, Jr. Blvd Austin, TX 78721	Yes, Section 783.009(b)
Michael Wilt	1601 Miriam Avenue, #312 Austin, TX 78702	Yes, Section 783.009(b)

STAFF

Sarah Andre, Project Manager

Derek Villemez, Intern

Colin D. Swanson, Bookkeeper

All staff are paid as contract workers, on an hourly basis. None are employees of the organization.

Tab 2 f.

Board resolution approving the proposed project and authorizing the request for funding.

RESOLUTION

A RESOLUTION OF CHESTNUT NEIGHBORHOOD REVITALIZATION CORPORATION AUTHORISING THE PURCHASE OF INFILL LOTS IN EAST AUSTIN AND APPLICATIONS FOR FUNDING FOR THE PROJECT KNOWN AS "CHICON CORRIDOR".

WHEREAS Chestnut Neighborhood Revitalization Corporation, a Texas non-profit CHDO organization, has as its primary purpose the provision of affordable housing to low- and moderate-income households;

WHEREAS three properties located near the corners of Chicon and East 12th Street (known as 1301, 1301.5, 1305, 1309, and 1212 Chicon and 1807 East 13th Streets) are available for purchase and redevelopment;

WHEREAS Chestnut Neighborhood Revitalization Corporation has conducted due diligence for these properties and has proposed that these properties be developed together in a mixed-use project to be known as "Chicon Corridor";

WHEREAS, the City of Austin and other organizations have funds available for Acquisition Financing and Construction Financing for projects that serve low- and moderate-income households; now therefore,

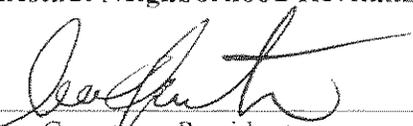
BE IT RESOLVED that the Board of Directors of Chestnut Neighborhood Revitalization Corporation hereby authorizes the submission of an application for funding to the Austin Housing Finance Corporation and any other appropriate entity such as, but not limited to, Mercy Loan Fund, Texas State Affordable Housing Corporation, the Texas Department of Housing and Community Affairs and private lenders for the purpose of acquisition and/or construction financing for the proposed project; and

BE IT RESOLVED that if this and other applications for funding are successful, then the Board of Directors of Chestnut Neighborhood Revitalization Corporation authorize the purchase of the aforementioned properties for the Chicon Corridor project.

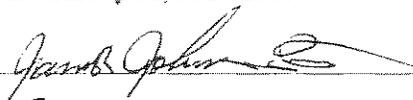
The Board of Directors of **Chestnut Neighborhood Revitalization Corporation** designates Sarah Andre and Sean Garretson as signees for any and all documents required by the City of Austin/Austin Housing Finance Corporation or other funding entities in the funding process.

Adopted and approved by the Board of Directors on the 20th day of Sept, 2011.

Chestnut Neighborhood Revitalization Corp.



Sean Garretson, President



JAMES R. JOHNSON

Tab 3

Project Description

TAB 3: Project Description

Overview

Chestnut Neighborhood Revitalization Corporation (CNRC) is a 501(c)3 non profit community Development corporation established in 1998 to address affordable housing and community development needs in the Chestnut Neighborhood and surrounding areas. CNRC has built single-family homes for affordable homeownership and a 22-unit senior affordable rental housing community, the award-winning Franklin Gardens.

The Chicon Corridor project is located between 13th and 14th Streets on Chicon Street in East Austin. Six properties will be redeveloped into a mixed-use, mixed-income project with ground floor retail/office and two to three stories of affordable and market rate housing with a minimum of 33 units and approximately 3,000 square feet of commercial/retail space.

The following table shows the properties identified for redevelopment and a map is included in Tab 3.

Address	Existing Structure (per TCAD)	Lot Size
1301 Chicon Street	1152 SF built in 1930 (office/retail)	3,901
1301 ½ Chicon Street	1234 SF built in 1920 (office)	3,901
1305 Chicon Street	2870 SF built in 1964 (night club/bar)	7,801
1309 Chicon Street	Vacant Lot	15,602
1212 Chicon Street	2296 SF built in 1930 and 1948 (retail)	7,679
1807 E. 13th Street	Vacant Lot	7,797

1301, 1301.5 and 1212 Chicon Street have vacant, dilapidated structures on them. According to the Travis Central Appraisal District (TCAD) Website these structures were all built in 1930, and an addition was added to 1212 Chicon in 1948. The TCAD documents are attached in Tab 3. None of the buildings are historically significant and we anticipate razing them to make way for new buildings. All of the remaining lots are vacant.

CNRC is has obtained site control through three purchase contracts to acquire all of the lots listed above. Each contract is with one owner and contains two of the six lots. Copies of the sales contracts and addenda are attached, as are appraisals. The total value of the sales contracts is \$1,030,500 and the total value of the appraisals is \$1,135,000.

Type and Style of Units

Units will be attached, for-sale dwellings with retail and/or commercial uses on the ground floor. Our feasibility analysis indicates that we can fit at least 33 units of housing on the three sites, depending on the size and type of the units (number of bedrooms). Our architect, Hatch Ulland-Owen, is in the process of developing building plans and configuring each floor with one,

two and three bedroom units. The main limiting factor is the number of parking spaces we can fit on the ground level and the number of parking spaces required. Therefore, we MAY ask for a parking variance at one or more of the locations in order to accommodate more units. If we can fit more than 33 units, the additional units will be market rate units not funded by the City of Austin. This would provide the income mix sought after by the affected neighborhoods. Our current proposal for the unit mix is as follows. It is however, subject to adjustment based on findings from Hatch-Ulland Owen.

	Unit A	Unit B	Unit C
Square Feet	650	850	1200
Number of Bedrooms	1	2	3
Number of Baths	1	1	2
Number of Units by Type	10	15	8
Total Square Feet	6,500	12,750	9,600

The Chicon Corridor project will comply with the City of Austin’s design standards for accessibility and GREEN ratings as established by the City’s S.M.A.R.T. Housing™ Initiative. At least ten percent (10%) of all new units constructed will be accessible to persons with mobility disabilities, and all other ground floor units constructed will be adaptable to accommodate the needs of persons with mobility impairments. In addition, at least 1 unit or 2% of all new units constructed will be accessible to accommodate the needs of persons with hearing and/or visual disabilities.

To the greatest extent possible, accessible dwelling units will be distributed on ground-floor units throughout the project and will be available in a sufficient range of sizes and amenities so that an individual with disabilities’ choice of dwelling units is comparable to that of other prospective tenants.

The exact GREEN features for the project are to be determined, but will comply with SMART housing guidelines and will reach a minimum of three stars under Austin Energy’s green building program. Our last project, Franklin Gardens had a four star rating and was featured in Austin Energy’s 2010 annual report on energy efficient building.

Expected Sales Prices and Income Levels Targeted

The Chicon Corridor project will develop and sell 33 units to households earning 80% or less of Austin’s Area Median Family Income (MFI). While we commit to 100% of the units being for households earning 80% or less of AMFI, we will also target those earning 65% of the median income and believe that some of our units will be affordable to this population.

These percentages will be distributed across the unit types, currently proposed as 10 one bedroom, 15 two Bedroom, and 8 three bedroom units. For a total of approximately 28,850 square feet of living space (not counting hallways, stairwells and other common areas) and approximately 3,000 square feet of retail/commercial space. **Sales prices are projected to**

average \$175 per square foot range from \$113,750 to \$210,000. The estimated sales prices for each unit type are projected below. Families at 65% to 80% of AMFI will need varying levels of assistance to afford the units. This has been taken into account in our request, and although funds are being used to purchase the land and pay for construction costs, in effect, the City of Austin funds are providing a subsidy that will be passed on directly to the consumer. The total subsidy required if all units below were sold to families requiring the maximum amount of subsidy would be \$1,375,268.

	Unit A	Unit B	Unit C
Expected Sales Price	\$113,750	\$148,750	\$210,000
Expected Monthly Payment - PITI	\$914	\$1,098	\$1,420
Income Level of Proposed Buyers	65-80% AMFI for a family of 1 or 80% for a family of 2	80% AMFI for a family of 2 or 3	80% AMFI for a Family of 3 or 4
Projected Subsidy Required	\$13,175- \$37,064	\$16,675-39,660	\$26,576-\$51,216

CNRC will put the land into a land trust and guaranty affordability for 99 years. All affordable buyers will enter into a shared equity agreement. CNRC has partnered with People Trust and to provide these services for the project. A formal MOU is attached in Tab 14.

If we find that it is feasible to add additional units to the project, they will be developed and sold for market rate homebuyers (those earning more than 80% of the median income), and will not be financed with AHFC funds. Because CNRC is a non profit developer, any profits from market-rate sales will be used to support the programs and purposes of CNRC and will not benefit private individuals or members of the Board of Directors.

Key Financials

Total project costs are estimated at \$5,048,235. \$1,375,268 will come from the City of Austin in the form of a grant to be used for acquisition and soft costs, and \$3,673,482 from private mortgages. Construction financing in the amount of \$3,028,657 is also required. \$1,763,657 million will come from the Mercy Loan Fund and \$1,265,000 from the City of Austin in the form of a construction loan.

City of Austin funds are anticipated to be as follows:

\$1,375,268 will come from the City of Austin for Land Purchase and to buy down mortgages for homebuyers. \$1,265,000 from the City of Austin for a Construction Loan.

Sources of Funding

Type of Funding	Construction	Terms	Permanent	Terms	Source
Grant	\$1,375,268	99 year affordability period	\$1,375,268	99 year affordability period for land and shared appreciation	City of Austin
Public Loan	\$1,265,000-	2% for 30 months			City of Austin
Construction Loan	\$3,201,821	6.5% for 30 months			Mercy Loan Fund
Private Mortgages	\$0	N/A	\$3,672,967	5.5% 360 months	Various Lenders
TOTAL			\$5,048,235		

Uses of Funding

Item	Amount
Property Acquisition	\$1,051,110
Unit Construction	\$2,509,950
Other Construction	\$413,344
Infrastructure	\$278,000
Professional Fees	\$68,885
Finance	\$240,546
Soft Costs	\$82,500
Developer Fees	\$403,900
TOTAL	\$5,048,235

Zoning

Some of the properties are correctly zoned for the proposed development. Other properties require a conditional overlay (though not a change in the base zoning) to be compatible with CNRC's proposed development. Although the proposed uses are compatible with neighborhood desires, in some cases the proposed change requires a Neighborhood Plan Amendment (NPA) as well. The chart below outlines each lot and its current zoning as well as those lots that require a change in zoning.

Address	Current Zoning	Proposed Zoning	NPA Required?
1301 Chicon Street	LR-NP	LR-NP-MU	Yes
1301 ½ Chicon Street	LR-NP	LR-NP-MU	No
1305 Chicon Street	NP-CO-MU	No changes	No
1309 Chicon Street	NP-CO-MU	No changes	No
1212 Chicon Street	CS-NP	CS-NP-MU	Yes
1807 E. 13th Street	CS-NP	CS-NP-MU	Yes

1301 + 1301.5 Chicon - The existing zoning designation on the property is Neighborhood Commercial Neighborhood Plan (LR-NP). The LR zoning district is intended for neighborhood shopping facilities that provide limited business services and office facilities predominately for the convenience of residents of the neighborhood. NP designation means that the development must follow the adopted neighborhood plan's requirements. The neighborhood plan for the Property's area is the Chestnut Neighborhood Plan. A LR zoning designation does not allow residential uses on the Property. In order for CNRC to develop the property as a mixed used commercial/residential development, a Mixed Use Combining District (MU) designation must be combined with the existing base LR designation.

1212 Chicon + 1807 E. 13th - The existing zoning designation on the Property is General Commercial Services – Neighborhood Plan (CS-NP). The CS zoning designation allows for a high-density commercial only development and the NP designation means that the development must follow the adopted neighborhood plan's requirements. The neighborhood plan for the Property's area is Central East Austin. A CS zoning designation does not allow residential uses on the Property. In order for CNRC to develop the property as a mixed used commercial/residential development, a Mixed Use Combining District (MU)-designation must be combined with the existing base CS designation.

Compatibility with Current Neighborhood Plan

The Chicon Corridor project is located in the both the Chestnut Neighborhood and the Central East Austin Neighborhood Planning Areas. Four of the identified properties fall to the east of Chicon Street and are in the Chestnut Neighborhood, however there are two properties that fall to the west of Chicon and lie in the Central East Austin Neighborhood Planning Area. The project complies with the uses set forth on the Chestnut Neighborhood Proposed Future Land Use Map. The Map indicates that the properties between 14th and 12th Street along Chicon should be mixed use and commercial; that is CNRC's plan as well. One parcel, 1301 Chicon will require a neighborhood plan amendment to allow mixed use at the site. A Neighborhood Plan Amendment Application as well as a zoning application has been filed. Moreover, CNRC has the support of the Chestnut Neighborhood as evidenced by the enclosed letter of support. Planning Maps are also included in Tab 14.

The two properties to the west of Chicon between 13th and 12th Streets fall under the Central East Austin Neighborhood Planning Area. The Future Land Use Map indicates that the two properties are single family and are adjacent to commercial properties, even though the zoning for one of the properties is Commercial. In order to allow residential use as part of a mixed-use plan, these parcels must be rezoned and require a plan amendment. It is CNRC's intent to work with the neighborhood to develop the Chicon Corridor project to be compatible with the Neighborhood Plan and/or current desires. Our President, Sean Garretson has already spoken with leaders from OCEAN, Kealing, Davis-Thompson, Rosewood and Swede Hill and we have invited representatives from these and other nearby neighborhoods to a community Charette about the project on November 2.

The following items are attached following this page:

1. Opportunity Map

Map 2: Comprehensive Opportunity Map, City of Austin



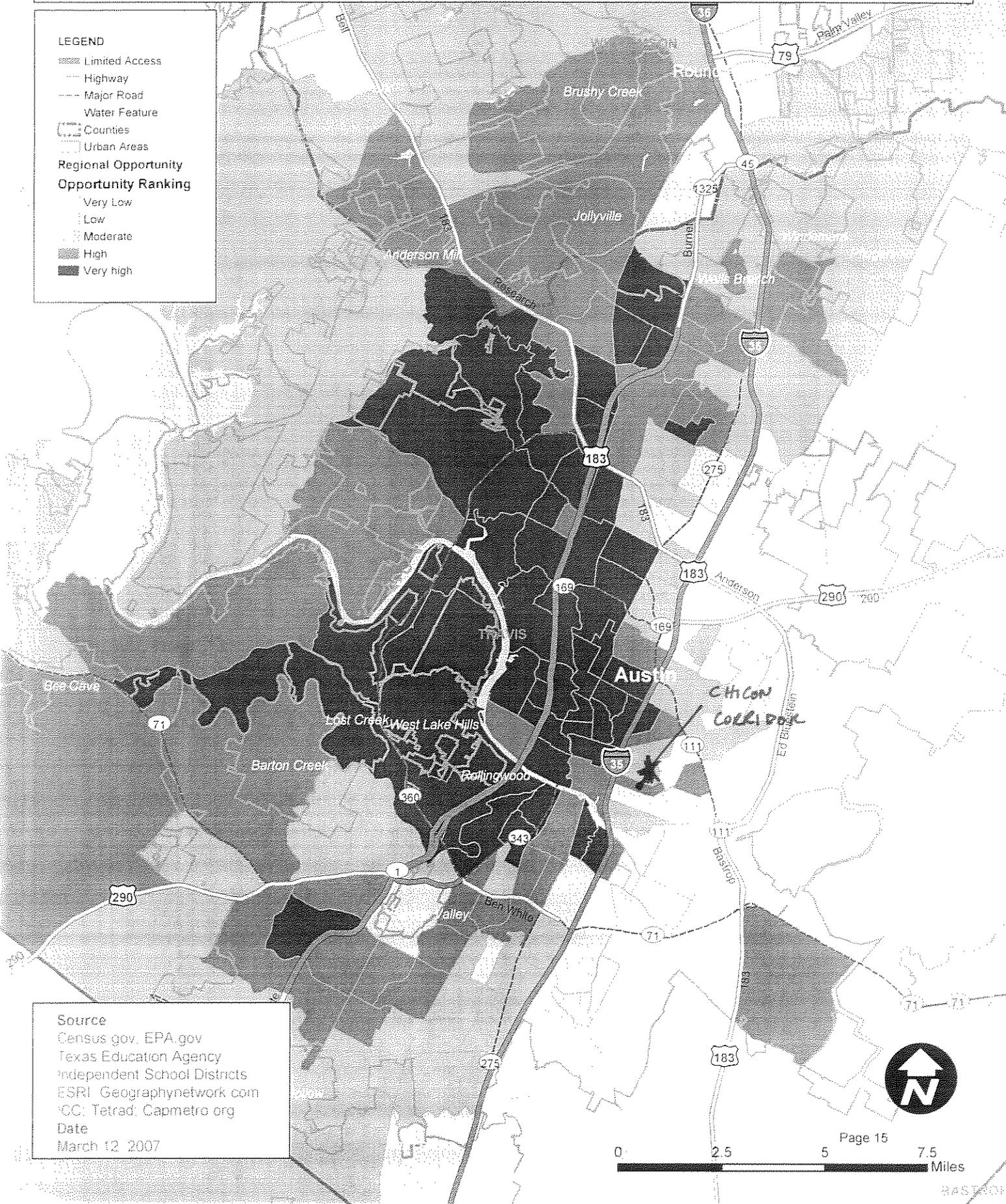
This map displays the spatial pattern of distribution of opportunity in City of Austin based on Economic, Mobility, Education, Public Health and Neighborhood Indicators.

LEGEND

- Limited Access
- Highway
- Major Road
- Water Feature
- Counties
- Urban Areas

Regional Opportunity Ranking

- Very Low
- Low
- Moderate
- High
- Very high



Source
 Census.gov, EPA.gov
 Texas Education Agency
 Independent School Districts
 ESRI, GeographyNetwork.com
©CC: Tetrad, Capmetro.org
Date
 March 12, 2007

0 2.5 5 7.5 Miles

Page 15

Tab 4. Site Control/Value

Site control on all six parcels is in the form of sales contracts between CNRC and three property owners. All three sales contracts cover two addresses and are attached. Contract A covers 1301 and 1301 ½ Chicon, Contract B covers 1305 and 1309 Chicon and Contract C Covers 1212 Chicon and 1807 East 13th.

Appraisals for each set of properties are also attached. An overview of sales prices and appraised prices is in the following chart:

Address	Contract A B or C	Contract Value	Appraised Value
1301 Chicon Street	A	\$225,000	\$220,000
1301 ½ Chicon Street			
1305 Chicon Street	B	\$480,000	\$545,000
1309 Chicon Street			
1212 Chicon Street	C	\$325,500	\$370,000
1807 E. 13th Street			
	TOTAL	\$1,030,500	\$1,135,000

Tab 5

Zoning

Tab 5. Zoning

Zoning letters from the City of Austin verifying the zoning of each property are attached. Zoning applications for parcels that require a change in zoning are also attached.

Some of the properties are correctly zoned for the proposed development. Other properties require a conditional overlay (though not a change in the base zoning) to be compatible with CNRC’s proposed development. Although the proposed uses are compatible with neighborhood desires, in some cases the proposed change requires a Neighborhood Plan Amendment (NPA) as well. The chart below outlines each lot and its current zoning as well as those lots that require a change in zoning.

Address	Current Zoning	Proposed Zoning	NPA Required?
1301 Chicon Street	LR-NP	LR-NP-MU	Yes
1301 ½ Chicon Street	LR-NP	LR-NP-MU	No
1305 Chicon Street	NP-CO-MU	No changes	No
1309 Chicon Street	NP-CO-MU	No changes	No
1212 Chicon Street	CS-NP	CS-NP-MU	Yes
1807 E. 13th Street	CS-NP	CS-NP-MU	Yes

1301 + 1301.5 Chicon - The existing zoning designation on the property is Neighborhood Commercial Neighborhood Plan (LR-NP). The LR zoning district is intended for neighborhood shopping facilities that provide limited business services and office facilities predominately for the convenience of residents of the neighborhood. NP designation means that the development must follow the adopted neighborhood plan’s requirements. The neighborhood plan for the Property’s area is the Chestnut Neighborhood Plan. A LR zoning designation does not allow residential uses on the Property. In order for CNRC to develop the property as a mixed used commercial/residential development, a Mixed Use Combining District (MU) designation must be combined with the existing base LR designation.

1212 Chicon + 1807 E. 13th - The existing zoning designation on the Property is General Commercial Services – Neighborhood Plan (CS-NP). The CS zoning designation allows for a high-density commercial only development and the NP designation means that the development must follow the adopted neighborhood plan’s requirements. The neighborhood plan for the Property’s area is Central East Austin. A CS zoning designation does not allow residential uses on the Property. In order for CNRC to develop the property as a mixed used commercial/residential development, a Mixed Use Combining District (MU)-designation must be combined with the existing base CS designation.



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 4, 2011

Party Requesting

Sarah Andre
S2A Development Consulting LLC
1305 E. 8th St., #12
Austin, Tx. 78702

Property Owner

Gibbs Willis Douglas
8918 N. Fitzgerald Way
Missouri City, Tx.
77459

Address of Property

1301 Chicon St.
Austin, Tx.
78702

Legal Description

S 36.25Ft. of Lot 1 & 2, Block 8, Outlot 34,
Division B

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0909-2309

Current Zoning

LR-NP: Neighborhood Commercial-
Neighborhood Plan

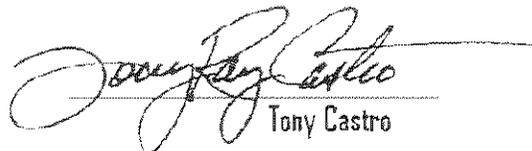
*Zoning Case Number & Ordinance

C14-00-2011 & Ord. No.001207-47

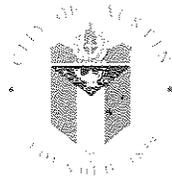
For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/>

I, Tony Castro, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.



Tony Castro



City of Austin

Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0909-2309 (1301 Chicon St.)

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

Neighborhood Plans

Chestnut-Neighborhood Planning Area

Referenced in City of Austin Ordinance Number 001207-47

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

505 Barton Springs Rd.
Austin, Texas
78704



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 4, 2011

Party Requesting

Sarah Andre
S2A Development Consulting LLC
1305 E. 8th St., #12
Austin, Tx. 78702

Property Owner

Gibbs Willis Douglas
8918 N. Fitzgerald Way
Missouri City, Tx.
77459

Address of Property

1301 1/2 Chicon St.
Austin, Tx.
78702

Legal Description

S Cen 36.25Ft. of Lot 1 & 2, Block 8, Outlot 34,
Division B

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0909-2310

Current Zoning

LR-NP: Neighborhood Commercial-
Neighborhood Plan

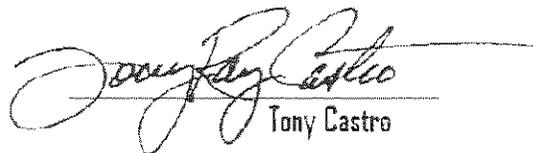
*Zoning Case Number & Ordinance

C14-00-2011 & Ord. No.001207-47

For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/>

I, Tony Castro, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.



Tony Castro



City of Austin

Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0909-2310 **(1301 1/2 Chicon St.)**

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

Neighborhood Plans

Chestnut-Neighborhood Planning Area

Referenced in City of Austin Ordinance Number 001207-47

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

505 Barton Springs Rd.
Austin, Texas
78704



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 4, 2011

Party Requesting

Sarah Andre
S2A Development Consulting LLC
1305 E. 8th St., #12
Austin, Tx. 78702

Property Owner

Dwell Worx LLC
Johnathan Jensen
145 Niagara St.
Denver, Co. 80220

Address of Property

~~1305 Chicon St.~~
Austin, Tx.
78702

Legal Description

N 72.5Ft. of Lot 1 & 2, Block 8. Outlot 34
Division B

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0909-2311

Current Zoning

CS-MU-V-CO-NP: General Commercial Services-
Mixed Use-Vertical Mixed Use Building-Conditional
Overlay combining district-Neighborhood Plan

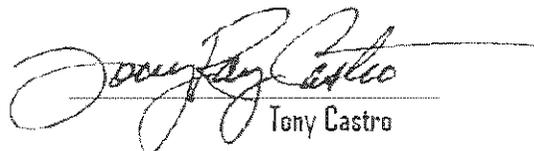
*Zoning Case Number & Ordinance

CS-MU-CO-NP: C14-00-2011 & Ord. No.001207-47
V: C14-2009-0054 & Ord. No.20090723-124

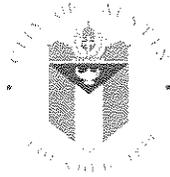
For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/>

I, Tony Castro, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.



Tony Castro



City of Austin

Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0909-2311 (1305 Chicon St.)

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

Neighborhood Plans

Chestnut-Neighborhood Planning Area

Referenced in City of Austin Ordinance Number 001207-47

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

505 Barton Springs Rd.
Austin, Texas
78704



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 4, 2011

Party Requesting

Sarah Andre
S2A Development Consulting LLC
1305 E. 8th St., #12
Austin, Tx. 78702

Property Owner

Johnathan Jensen
145 Niagara St.
Denver, Co.
80220

Address of Property

~~1309~~ Chicon St.
Austin, Tx.
78702

Legal Description

Lot 9 & 10, Block 8, Outlot 34, Division B

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0909-2301

Current Zoning

GR-MU-V-CO-NP: Community Commercial-Mixed Use-Vertical Mixed Use Building-Conditional Overlay combining district-Neighborhood Plan

*Zoning Case Number & Ordinance

GR-MU-CO-NP: C14-2007-0136 & Ord. No.20080214-083
V: C14-2009-0054 & Ord. No.20090723-124

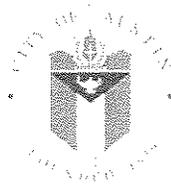
For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/>

I, Tony Castro, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.



Tony Castro



City of Austin

Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0909-2301 (1309 Chicon St.)

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

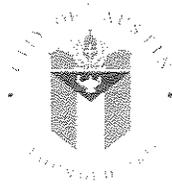
Neighborhood Plans

Chestnut-Neighborhood Planning Area

Referenced in City of Austin Ordinance Number 001207-47

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

505 Barton Springs Rd.
Austin, Texas
78704



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 2, 2011

Party Requesting

S2A Consulting LLC
Sarah Andre
1305 E 6th St. #12
Austin, TX 78702

Property Owner

Calvin Family Partnership
911 E. 13th St.
Austin, TX 78702

Address of Property

~~1807 E. 13th St.~~
Austin, TX 78702

Legal Description

W 13FT OF LOT 5 & E 39.8FT OF LOT 6 BLK 4
OLT 36 DIV B JOHNS C R SUBD

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0809-0304

Current Zoning

CS-NP: Commercial Services-
Neighborhood Plan

*Zoning Case Number & Ordinance

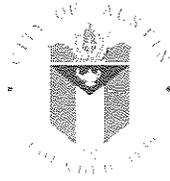
C14-01-0148 & Ord. No. 011213-42

For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/edims/search.cfm>

I, Richard Sigmon, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.

Richard Sigmon



City of Austin

Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0809-0304 (1807 E 13th St.)

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

Neighborhood Plans

Central East Austin-Neighborhood Planning Area

Referenced in the City of Austin Ordinance Number: 011213-42

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

505 Barton Springs Rd.
Austin, Texas
78704



City of Austin

One Texas Center, 505 Barton Springs Rd., Austin, Texas 78704

ZONING VERIFICATION LETTER

August 2, 2011

Party Requesting

S2A Consulting LLC
Sarah Andre
1305 E 6th St. #12
Austin, TX 78702

Property Owner

Calvin Family Partnership
911 E. 13th St.
Austin, TX 78702

Address of Property

1212 Chicon St.
Austin, TX 78702

Legal Description

E 52FT OF LOT 5 BLK 4
OLT 36 DIV B JOHNS C R SUBD

Zoning Grid Number

K23

Tax Parcel Identification Number

02-0809-0305

Current Zoning

CS-NP: Commercial Services-
Neighborhood Plan

*Zoning Case Number & Ordinance

C14-01-0148 & Ord. No. 011213-42

For questions concerning Zoning Compliance or any Development criteria, Parking, Permitted Uses, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, etc. contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner correspondence session.

*To access the ordinance documentation, visit the following web page: <http://www.cityofaustin.org/edims/search.cfm>

I, Richard Sigmon, Communications and Technology Management office, City of Austin, Texas, do hereby certify that the information above is true and correct to the best of my ability, according to the documents filed with this office.

Richard Sigmon



City of Austin
Communications and Technology Management

Overlays & Neighborhood Plans relative to parcel number 02-0809-0305
(1212 Chicon St.)

Overlays

Residential Design Standards

Referenced in the Land Development Code of the City of Austin Chapter 25-2-Subchapter F

Neighborhood Plans

Central East Austin-Neighborhood Planning Area

Referenced in the City of Austin Ordinance Number: 011213-42

Attached is information regarding the City of Austin Neighborhood Plans and their status to date. For information concerning these Neighborhood Plans and their current status and relativity to development, please contact the necessary personnel on the form attached with the City of Austin Neighborhood Planning Areas map.

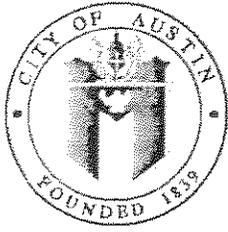
505 Barton Springs Rd.
Austin, Texas
78704

Tab 6

SMART Housing

Tab 6. S.M.A.R.T. Housing

Please see the attached SMART Housing Letter issued by Javier Delgado.



City of Austin

P.O. Box 1088, Austin, TX 78767
www.cityofaustin.org/housing

Neighborhood Housing and Community Development Department

Gina Copic, S.M.A.R.T. Housing Program Manager
(512) 974-3180, Fax: (512) 974-3112, regina.copic@ci.austintx.us

September 26, 2011

S.M.A.R.T. Housing Certification CNRC- Chicon Corridor (id# _____)

TO WHOM IT MAY CONCERN:

The Chestnut Neighborhood Revitalization Corporation (CNRC) (development contact Sarah Andre, 698-3369 (a); 233-2269 (fax); sarah@s2adelvelopment.com) is planning to develop a **33 unit multi-family** development at the intersection of Chicon Street and E. 11th Street.

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since **100%** of the residential units will serve households at or below **60%** Median Family Income (MFI), the development will be eligible for **100%** waiver of the fees listed in Exhibit A of the S.M.A.R.T. Housing Resolution adopted by the City Council. The expected fee waivers include, but are not limited to, the following fees:

Capital Recovery Fees	Concrete Permit	Mechanical Permit
Building Permit	Electrical Permit	Plumbing Permit
Site Plan Review	Subdivision Plan Review	Zoning Verification
Construction Inspection	Parkland Dedication Fee (by separate ordinance)	Land Status Determination
Demolition Permit Fee	Regular Zoning Fee	Building Plan Review

Prior to issuance of building permits and starting construction, the developer must:

- ◆ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Austin Energy: Katherine Murray, 482-5351 for multi-family; Bryan Bomer, 482-5449 for single-family).
- ◆ Submit plans demonstrating compliance with accessibility and transit-oriented standards.

Before a Certificate of Occupancy will be granted, the development must:

- ◆ Pass a final inspection and obtain a signed Final Approval from the Green Building Program. (Separate from any other inspections required by the City of Austin or Austin Energy).
- ◆ Pass a final inspection to certify accessibility and transit-oriented standards were met.

The applicant must demonstrate compliance with the reasonably-priced standard after the completion of the units, or repay the City of Austin in full the fees waived for this S.M.A.R.T. Housing certification.

Please contact me at 974-3154 if you need additional information.

Javier V. Delgado
Neighborhood Housing and Community Development

Cc:	Laure Shaw, Cap Metro	Maureen Meredith, PDRI	Kath Murray, Austin Energy
	Chris Yancz, PARC	Danny McNabb, PDRI	Michael Simmons-Smith, PDRI
	George Zapala, PDRI	J.B. Meier, PDRI	Hilary Holey, PDRI
	Robby McArthur, WWW Taps	Bryan Bomer, Austin Energy	Deborah Fonseca, PDRI
	Stephen Coschever, PDRI	John McDonald, PDRI	Nolanda Parada, PDRI

Tab 7: Development Team

7. Development Team

Identify the persons or entities anticipated to be involved in implementing the project including lenders, attorneys, accountants, architects, engineers, general contractor, sub-contractors, and consultants. Also, indicate if any person or entity is certified by the City of Austin as a minority or women-owned business enterprise (**MBE/WBE**), or if any of the entities are also non-profit organizations.

	Development Team Name(s) & Any Comments on Role	MBE? (Mark X if Yes)	WBE? (Mark X if Yes)	Non-profit? (Mark X if Yes)
Owner	People Trust/Individual Buyers			x
Developer	Chestnut Neighborhood Revitalization Corporation			x
Architect	Hatch Ulland Owen			
Engineer	Big Red Dog			
Construction Lender	Mercy Loan Fund			X
Other Lenders	TBD by Borrowers			
Attorney	TBD			
Accountant	Montemayor Hill and Co. for CNRC NAME for People Trust/Habitat for Humanity	x		
General Contractor	TBD – possibly Saldana or other MBE			
Consultant (if Applicable)	Becca Bruce Dobberfuhl / Vacri Development		X	
Marketing:	TBD – considering two MBEs for this work People Trust			X
Retail Consultant:	Donna Taylor		X	

Tab 8: Development Schedule

8. **Development Schedule.** Complete the grid below. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development. If the development schedule differs across several properties to be involved in the project, provide a development schedule for each property. Please be as precise as possible, narrowing dates by 15 day intervals.

	DATE(S)
Site Control	Obtained
Environmental and/or historic review (AHFC)	Completed
Surveys	Completed
Appraisals	Completed
Feasibility Analysis - Physical	Completed
Feasibility Analysis - Financial	Completed
Submit SMART Application	Completed
Submit Zoning Application	Completed
Submit NPA Application	Completed
Preliminary Architectural Plans	November 30, 2011
Construction Specifications	December 15, 2011
Securing and packaging project financing	December 31, 2011
Construction Cost estimates	December 31, 2011
Construction Bids	January 30, 2012
Permit Submittal	February 15, 2012
Construction Loan Closing	March 30, 2012
Construction Start	April 15, 2012
Anticipated Draws (list all)	21 st of each month May 2012 through May 2013
Completion of Construction	May 2013
Marketing and Sales	May 2012 - August 2013
Project Completion (i.e., all homes conveyed to low to moderate income buyers)	November 2013

Tab 9d

Experience and qualifications of development team

9. Experience and Qualifications – Homeownership Development

- a. Is this the developer’s first housing project? Yes No
- b. Is this the developer’s first *affordable* housing project? Yes No
- c. Completed projects (complete table below):

COMPLETED PROJECTS				
Address	Number of Units	New or Rehab	Type of Property (apartments, SF units, etc.)	Year Completed
1807 Maple Street, Austin	1	New	SF	2006
1903 East 18 th Street, Austin	1	New	SF	2007
Franklin Gardens, MLK & EM Franklin, Austin	22	New	Apartment	2010
Totals	24			

d. Describe the **experience and qualifications** and the developer’s ability and capacity to implement the proposed project. If the proposed project will involve any of the following three aspects which sometimes pertain to federally-funded projects, it is of particular importance that the developer or a member of the Development Team have experience with successful completion of: a) projects subject to Davis-Bacon and other Federal Labor Standards; b) projects involving temporary or permanent relocation of residents; or c) projects involving the testing and appropriate treatment of lead-based paint and/or asbestos. If this is the applicant’s first project of this type, please provide a detailed description of the experience of the other members of the development team with similar projects.

Tab 9: Experience/Qualifications

CNRC's development experience ranges from developing single-family homes sold to moderate-income families to multifamily apartments for low-income seniors. As the table illustrates, CNRC has completed three projects for a total of 24 affordable housing units in the last 5 years. The proposed project will be a similar scope and size to what CNRC has developed to date.

CNRC has been involved with all levels of development from conception to construction completion. Since the organization focuses on developing property in the Chestnut Neighborhood where many of the properties available for redevelopment have development obstacles such as clouded titles, overdue taxes, and abandoned structures, CNRC's experience includes developing some of the most challenging properties. The organization is well versed in the development process including land acquisition, demolition, lead-based paint and asbestos issues, hiring architects and engineers, developing plans and specifications, selecting a contractor/builder, the City of Austin permitting process, obtaining development, construction and permanent financing, overseeing the construction process, and finally compliance and reporting to federal, state and local funders.

Individuals on the board of directors (Sean Garretson, Scott Way, Willis Hunt) and project manager Sarah Andre all have extensive real estate, market analysis, economic development, and development experience. Resumes for Ms. Andre and Mr. Garretson are attached.

CNRC has also helped their clients obtain down payment and closing costs assistance from the City of Austin and conventional mortgages with a home-buyer education component. People Trust will be providing those services for this project. Information about People Trust is available upon request.

SARAH H. ANDRÉ, MA, MSCRP

1305 East 6th Street, Suite 12; Austin, TX 78702 / (512) 698-3369

PROFESSIONAL EXPERIENCE

S2A DEVELOPMENT CONSULTING

Principal, 2005-Present

Development consulting for multi-family and single-family residential projects. Specializing in financial analysis, deal structuring and project management. Experienced in use of public subsidies for affordable housing, including Section 202, Low Income Housing Tax Credits, Historic Tax Credits, HOME and CDBG funds. Tasks include:

- Developing pro formas, completing financing applications, completing due diligence and negotiating with lenders and investors;
- Completing all aspects of pre development work including variances, zoning, permitting, and re-platting;
- Coordination of the development team, including architect, engineers, other consultants and contractors;
- Bidding and hiring contractors; and
- Completing draw requests, monitoring loan funds, completing grant reports and compliance.

Recent projects include:

- CityWalk@Akard, a 200-unit, rehabilitation project. CityWalk is a mixed use, mixed-income development in Dallas, TX and includes Low Income Housing Tax Credits, New Market Tax Credits, Historic Tax Credits and conventional financing.
- Chestnut Corner, an award-winning 22-unit new construction project for seniors in Austin, TX. Sponsored by a non profit developer and funded with Section 202 funds.
- Leona Apartments, Heritage Square and Park Place Apartments. 150 units in three Mark-to-Market projects in Uvalde, Cleveland and Texas City, TX. Rehabilitation financing includes Low Income Housing Tax Credits.
- Assessment of opportunities for affordable housing in Austin's Transit Oriented Design Districts, as a subcontractor to Diana McIver and Associates. Work includes analysis and presentation of affordable housing options and costs to Austin Housing Finance Agency and the Austin City Council.

ADVOCATES FOR HUMAN POTENTIAL, INC., SUDBURY, MA

Program Associate, 2005-2008

Responsibilities included research, data collection and analysis, technical assistance and training, and preparing written reports. Specific projects include:

- Author and trainer for Independent Living Research Utilization – *Get, Choose, Keep* – A guide for transition coordinators helping people with disabilities move into the community;
- Program Evaluator for CMHS Projects for Assistance in Transition from Homelessness (PATH); Program Site Visits; and
- Technical assistance and training on housing issues for “Money Follows the Person” grantees under contact with Ascillon Corporation.

AUSTIN REVITALIZATION AUTHORITY, AUSTIN, TX

Senior Project Manager, 2003-2005

Oversight and coordination of an 18-unit single-family affordable redevelopment project that included re-subdivision, historic rehabilitation, variances, Green building and multiple federal and local funding sources. Specific tasks included:

- Worked with architects, lender, builders and other members of the development team to ensure project complied with all guidelines. Created pro formas, monitored budget and completed draws;
- Wrote grants for a variety of projects including streetscape beautification and historic rehabilitation;
- Worked with Board of Directors to develop housing policy.

THE ENTERPRISE FOUNDATION, AUSTIN, TX

Assistant Director/Program Director, Housing, 1997-2002

Planned, developed and implemented programs for the Austin office. Tracked and responded to public policy changes related to office priorities. Developed budgets, tracked expenditures and coordinated with Director to complete quarterly reporting and monthly reimbursement submissions to funding sources. Managed contracts with consultants and grantees. Principal investigator and author for a wide variety of publications. Specific projects included:

- Affordable Housing Program - operated two grant programs benefiting community development corporations (CDCs). Worked with CDCs to conceptualize, develop and fund affordable housing projects for persons with disabilities and other low-income target populations.
- Developed and delivered training statewide on a variety of topics related to affordable housing and community development with an emphasis on housing for persons with disabilities.
- Developed and managed consumer-based housing coalitions that in seven Texas communities from 1997-1999. The goal of each coalition was to increase community-based, integrated affordable housing options for persons with disabilities.

DIANA MCIVER AND ASSOCIATES, INC., AUSTIN, TX

Manager, Special Projects, 1994-1996

Responsible for a variety of special projects, including the development of purchaser qualification packages under the Title VI Preservation program and an Analysis of Impediments to Fair Housing Choice for the City of Austin, Texas. Duties for the preservation program included coordinating and obtaining documentation from sponsors and developing submissions according to HUD guidelines. The Fair Housing study included research, statistical data analysis, conducting interviews and writing reports.

Technical Assistance Specialist

Responsible for outreach and technical assistance to nonprofit organizations across the state of Texas. Researched federal, state and private funding sources for affordable housing development. Marketed resources to eligible organizations and assisted throughout the application process. Technical assistance included grant writing, strategic planning, program planning, and data gathering and analysis. Also provided education and training to individuals and organizations on a variety of topics related to housing, including financial resources, the ownership process and legal rights.

Research Assistant

Researched a variety of issues related to housing for persons with disabilities. Identified local opportunities through the use of on-site and telephone interviews. Identified "best practices" across the nation and assessed their ability to be replicated in the State of Texas. Researched funding streams and drafted training modules for a series of six workshops across Texas. Wrote and published *Housing Choices in Texas: Creating Opportunities for People with Disabilities*.

EDUCATION

MS Community and Regional Planning; MA Latin American Studies.
The University of Texas at Austin. 1995

B.A. Anthropology and Sociology. Rhodes College. 1990

PEGASUS PLANNING

futuring from the ground up

EDUCATION

Master of Arts, Community and Regional Planning, University of Texas-Austin, 1998

Bachelor of Arts, Anthropology, George Washington University, 1989

AFFILIATIONS

American Institute of Certified Planners (AICP) No. 016091
(Member)

Texas Chapter of the American Planning Association (Member)

Urban Renewal Agency of Austin (Board Member)

Chestnut Area Revitalization Corporation (Board President)

Austin Revitalization Authority (past Board Member)

Urban Land Institute (Member)

SIGNIFICANT PROJECTS

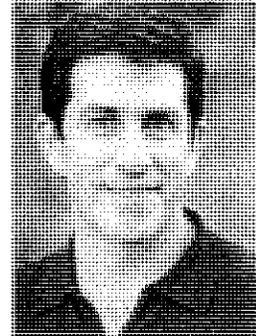
- Downtown Revitalization Plan (Jarrell, TX)
- Economic Development Perception Survey (Louisiana Economic Development Agency)
- Downtown Master Plan (San Marcos, TX - Central TX "Plan of the Year Award", 2008)
- Downtown Master Plan/Feasibility Analysis (Helena, Arkansas)
- Regional Economic Development Plan (Ft Smith, Arkansas)
- Master Plan 1,100 acres (Destin, FL)
- Market Analysis for 4,000 acres (Columbus Properties, Biloxi MS)
- Opportunity Analysis and Land Development Code (Jarrell, TX)
- Economic Development Diversification Plan (Pensacola, FL)
- Economic Impact of Unified Development Code (Kerrville, Texas)
- Southern Tallahassee Neighborhood Redevelopment Strategy (Tallahassee, FL)

EXPERIENCE

Sean Garretson is the President of Pegasus Planning. He has overseen economic development projects in Texas, Oregon, California, North Carolina, Florida, Oklahoma, Mississippi, Washington, and Arkansas. Mr. Garretson was a principal at TIP Strategies and a senior manager with Angelou Economics (AE) – two of the premier economic development consulting firms in the US. He has managed planning departments at a large civil engineering company and one of Texas' largest utility companies. Mr. Garretson managed community and economic development programs for TX largest utility company and a Council of Government. Mr. Garretson serves on the Urban Renewal Board of Austin, is board president of the Chestnut Neighborhood Revitalization Corporation (a non-profit affordable housing development corporation in East Austin), and is involved in the development of mixed use projects in Central Austin.

Sean Garretson, AICP

PROJECT DIRECTOR



- West Sacramento Economic Development Strategy (West Sacramento California)
- Fiscal Analysis of Comprehensive Plan (Midlothian, TX)
- Corridor Study and Land Plan (Jonestown, Texas)
- Convention Center Feasibility Study (Lufkin, Texas)
- West Sacramento Economic Development Strategy (West Sacramento, CA)
- Business Park Feasibility Study (Pearland, Texas)
- Northwest North Carolina Regional Economic Development Strategy (Winston-Salem, North Carolina) 2003 NADO Innovation Award
- Charlotte Regional Economic Development Strategy (Charlotte, North Carolina)
- Comprehensive Plan and UDC (Buda, Texas)
- Comprehensive Plan and UDC (Liberty Hill, Texas)
- Economic Development Strategy (Burnet, Texas)
- Wimberley Bypass (RR12) (Wimberley, Texas)
- Houston Toad Habitat Conservation Plan (Bastrop, Texas)

Tab 10. Detailed Project Budget

10. Detailed Project Budget - Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary to detail the specific funding being requested. Delineate all prior and currently requested A&D funding by individual line item.

DETAILED PROJECT BUDGET				
	Total Project Cost	Prior A&D Funds Used in Project	A&D Funds	Description
Appraisal	\$10,000		\$10,000	
Environmental Review	\$3,500		\$3,500	
Engineering	\$9,443		\$9,443	
Survey	\$8,250		\$8,250	
Architectural	\$34,443		\$9,443	
Consultant	\$750		\$750	
Market Study	\$7,500		\$7,500	
TOTAL PREDEVELOPMENT	\$40,636		\$40,636	
ACQUISITION				
Site and/or Land	\$1,030,500		\$1,030,500	
Structures				
Other (specify)				
Closing Costs	\$20,610		\$20,610	
TOTAL ACQUISITION	\$1,051,110		\$1,051,110	
CONSTRUCTION				
Infrastructure	\$278,000		\$37,320	
Site work	\$33,000		\$33,000	
Demolition	\$22,000		\$22,000	
Utility Connections & Tap fees	\$33,000		\$33,000	
Unit Construction	\$2,509,950			
Construction Contingency	\$325,344			
TOTAL CONSTRUCTION	\$3,201,294		\$1,265,000	
SOFT & CARRYING COSTS				
Legal	\$5,000		\$5,000	
Audit/Accounting				
Title/Recording				
Construction Origination	\$22,000		\$22,000	
Construction Interest	\$159,845			
Construction Period Insurance	\$25,000		\$25,000	
Construction Period Taxes	\$23,702		\$23,702	
Relocation				
Marketing	\$82,500		\$82,500	
Davis-Bacon Monitoring				
Other: (Specify)				
Developer Fee	\$403,900			
TOTAL PROJECT BUDGET	\$5,048,235		\$2,640,268	

Tab 11 Funds Proposal

11. Funds Proposal - Provide the following information to facilitate financial review of the proposed project:

- a. **Sources and Uses of Funds** - Complete Tables A & B below, identifying all sources and uses of funds to implement project and include evidence of funds anticipated (financial statements, commitment letters, etc.).

TABLE A: SOURCES OF FUNDS SUMMARY					Intended Use of Funds (Predevelopment, Acquisition, Construction, Soft Costs)
	Amount	Term	Interest Rate	Evidence (Deed, Sales Contract)	
<i>Owner Equity</i>					
Various Lenders	\$3,672,967	30 yr	5.5%	n/a	Private Mortgages
<i>Private Financing (List Below)</i>					
Mercy Loan Fund	\$1,763,657	30 mo	6.5%	LOI	Construction
<i>Other Sources (List Below)</i>					
C of A Grant - PROPOSED	\$1,375,268				Acquisition
C of A Loan - PROPOSED	\$1,265,000	30 mo	2%		Construction

TABLE B: USES OF FUNDS SUMMARY		
	Total Cost	Cost/Unit
Predevelopment	\$40,635	\$1,231
Acquisition	\$1,051,110	\$31,852
Hard Costs	\$3,201,294	\$97,009
Soft & Carrying Costs	\$755,196	\$22,885
Other Costs		
Total Project Costs	\$5,048,235	\$152,976¹

- b. **Leveraging** - Complete Table C below. Include evidence of other funds leveraged by AHFC funds to implement the project such as owner equity and commitments from private and/or other public resources.

TABLE C: LEVERAGE SUMMARY	
TOTAL AHFC FUNDS Perm Source	\$1,375,268
TOTAL OTHER FUNDS	\$3,672,967
LEVERAGE % - AHFC FUNDS	27%

¹ Cost per unit numbers are slightly off due to rounding

TABLE D: AFFORDABILITY DATA

	House Model One	House Model Two	House Model Three	House Model Four
Number of Bedrooms	1	2	3	N/A
Square Footage	650	850	1200	
Anticipated Sale Price	\$113,750	\$148,750	\$210,000	
Borrower Contribution				
Homebuyer Subsidy (List all sources separately)	\$13,175 -\$37,064	\$16,675 -\$39,660	\$26,576- \$51,216	
Total Principal Amount of Mortgage	\$113,750	\$148,750	\$210,000	
Anticipated Interest Rate	5.5%	5.5%	5.5%	
Monthly Principal & Interest	\$597.33	\$781.33	\$1,103.33	
Estimated Monthly Taxes	\$250.00	\$250.00	\$250.00	
Estimated Monthly Insurance	\$66.67	\$66.67	\$66.67	
TOTAL Estimated PITI	\$914	\$1,098	\$1,420	

Tab 12: Does not exist on the application

Tab 13: Partnership with Non-profit entities
Please see the attached MOU with People Trust.

13. **Partnership with Non-profit entities.** Include commitments from other non-profit organizations or a City of Austin-certified Community Housing Development Organization (CHDO) to partner on the project in some way.

Tab 13

Partnership with other Non Profit Entities



LONG-TERM HOMEOWNERSHIP PROGRAM SERVICES

This Memorandum of Understanding is to outline the relationship of both parties: PeopleTrust, a Texas non-profit corporation and Chestnut Neighborhood Revitalization Corp, a Texas non-profit corporation. This MOU shall be in effect from October 28, 2011, until both parties agree in writing to its termination.

PROJECT DESCRIPTION:

The Chestnut Neighborhood Revitalization Corporation (CNRC) Chicon Corridor Project, located at Chicon between 13th and 14th Streets will be comprised of an estimated 45,000 SF with 3,000 SF of retail/office and approximately 33 for-sale residential units.

CNRC will secure all required financing, manage, administer, and lead all project acquisition, pre-development, development & construction of the project defined below, or an alternative project description as otherwise agreed to in writing by both parties. PeopleTrust shall have no obligation or liability to any party for development and/or completion of the project.

CNRC will provide affordable housing units for the long-term affordability homes program to be administered by PeopleTrust.

PEOPLETRUST SERVICES:

THE PEOPLETRUST ORGANIZATION

PeopleTrust provides working families with affordable homeownership and asset building opportunities through our shared equity housing models. Our organization is committed to balancing the goals of preserving housing affordability for future generations and offering today's homeowners a dependable opportunity to build wealth and remain in their neighborhood. PeopleTrust achieves this balance by selling homes at below-market prices to income eligible buyers and limiting the resale price that these homeowners can charge when they later decide to sell.

SCOPE OF WORK

PROGRAM DESIGN & DEVELOPMENT

PeopleTrust provides the following consulting services for shared equity housing program design and development, including deed-restricted housing, shared appreciation, cooperative and community land trust models:

- Incorporate public (federal, state, and local funds) and private funding sources to create shared equity homeownership



- CDBG, HOME, NSP/NSP2, Tax Increment Financing, New Markets Tax Credits, general obligation and private activity bonds, and other sources
- Design a financially and administratively sustainable, program model to leverage public-private funding and maintain long-term affordability
 - develop initial home sale pricing, resale formula, refinance/home equity loan underwriting criteria policy
 - develop legal documents and disclosures to support the program (deed restrictions, restrictive covenants, ground lease terms, second lien financing, etc)
- Develop a long-term property tax strategy in conjunction with taxing authorities, such as taxing jurisdictions and tax assessors-collectors, to allow for a fair valuation of homestead property under the State Property Tax Code
- Establish a pool of mortgage lenders to secure mortgage financing for shared equity homeownership units
- Provide training and technical assistance to residential real estate appraisers concerning mortgage lending appraisal requirements for shared equity homeownership

PROGRAM IMPLEMENTATION, MANAGEMENT, AND ADMINISTRATION

PeopleTrust provides the following on-going program implementation, management, and administrative services, including loan servicing functions, for shared equity housing programs:

PEOPLETRUST LONG TERM AFFORDABILITY HOMEOWNERSHIP PROGRAM IMPLEMENTATION, MANAGEMENT & ADMINISTRATION	
FUNCTION	DESCRIPTION
HOMEOWNERSHIP DEVELOPMENT & PRESERVATION	1. Coordinate with non-profit and private housing builders and developers to create long-term, affordable homeownership opportunities 2. Coordinate with homeowners to preserve their ownership
PRICING & RESALE FORMULA	1. Determine initial pricing of units to ensure initial housing affordability and coordinate market value appraisals 2. Analyze resale formula models and calculate resale pricing of units to ensure a fair return to seller and to preserve housing affordability
MARKETING & OUTREACH	1. Develop marketing and outreach materials 2. Perform general outreach to potential participants, on an on-going basis 3. Managing a "wait list" or interest list of eligible applicants 4. Marketing new units both to existing wait/interest list and general public 5. Marketing individual units at time of resale 6. Educating developers, lenders, and the community about the nature of the program and available units
HOMEBUYER &	1. Provide general homebuyer education and credit counseling to prepare



POST-OWNER EDUCATION	<ul style="list-style-type: none"> potential buyers for homeownership 2. Conduct Orientation Sessions for small groups to ensure the homebuyer/owner fully understands the program requirements and restrictions 3. Conduct individual (1-1) meetings, as needed, to fully disclose program requirements and to answer any questions 4. Facilitate legal services to ensure participant has access to legal representation 5. Develop post-ownership education and training, including foreclosure prevention programs 6. Establish a Wills & Estate Planning Program for homeowners
SCREENING & SELECTION	<ul style="list-style-type: none"> 1. Screen homebuyers/homeowners for income/asset limits and ability to qualify for a mortgage. 2. Coordinate a fair and transparent process to select qualified participants
FINANCING & REFINANCING	<ul style="list-style-type: none"> 1. Secure mortgage lender approval for the program to develop a mortgage lender pool 2. Review and approve initial mortgage products to ensure homeowner success and housing affordability 3. Review and approve refinancing, home equity loans, etc., to ensure that the owner does not borrow more than the maximum resale price
INITIAL HOME SALES	<ul style="list-style-type: none"> 1. Facilitate home sales processes, by coordinating realtors, lenders, appraisers, title companies, and affordable/qualified buyers. 2. Ensure efficient closing of affordable home units to income qualified buyers.
COMPLIANCE & MONITORING	<ul style="list-style-type: none"> 3. Ensure compliance with applicable residential mortgage lending laws such as RESPA and Fair Housing Laws 4. Coordinate and track primary resident status of homeowners on an annual basis 5. Regularly review land records to monitor ownership and lien status of property 6. Regularly review capital improvements by homeowners, as required 7. Regular reporting as required
RESALE MANAGEMENT	<ul style="list-style-type: none"> 1. Respond to homeowner's notices 2. Coordinate with title companies 3. Coordinate and review home inspections and appraisals 4. Work with out-going homeowners on sales transaction 5. Coordinate subsequent purchase with eligible homebuyer
ENFORCEMENT	<ul style="list-style-type: none"> 1. Ensure properly executed, strong legal documents 2. Coordinate foreclosure prevention measures, in event of homeowner default 3. Enforce requirements, in case of non-compliance 4. Provide workout solutions, in case of foreclosure



MOU OF PROGRAM/FINANCING COSTS:

- PeopleTrust will receive \$2,500 for each affordable unit that is sold, in accordance with the City of Austin affordability requirements or other applicable regulations.
- Any second lien or ownership interest used to implement the long-term affordability mechanism shall be the property of PeopleTrust.

PeopleTrust

[Handwritten Signature]
Signature

Kelly Weiss
Printed Name

Executive Director
Title

10/28/2011
Date

Chestnut Neighborhood Revitalization Corp (CNRC)

[Handwritten Signature]
Signature

SEAN GARRETSON
Printed Name

PRESIDENT
Title

10/28/2011
Date

14. Community Engagement Strategy or Efforts. Please provide a description of your organization's efforts or plans to engage neighborhood associations and other stakeholders in the area surrounding the proposed development. If no neighborhood association exists, provide an alternative plan to engage area residents, businesses and faith-based organization, for example.

Tab 14: Community Engagement Strategy or Efforts

CNRC was created out of a neighborhood planning process and always works closely with the neighborhoods in which it proposes new development. Many of our Board members are neighborhood residents and attend neighborhood association meetings or serve as officers for the Chestnut Additional Neighborhood Association (CANA). CANA supports the Chicon Corridor project, as evidenced by the enclosed letter.

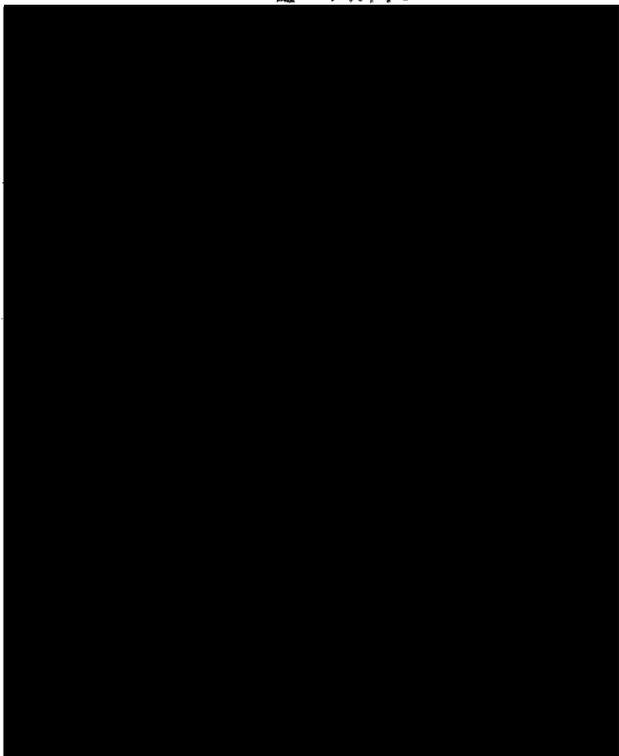
The two properties to the west of Chicon between 13th and 12th Streets fall under the Central East Austin Neighborhood Planning Area. It is CNRC's intent to work with the neighborhood to develop the Chicon Corridor project to be compatible with the Neighborhood Plan for this area. CNRC Board President, Sean Garretson, has spoken and met with leaders from OCEAN, Kealing, Davis-Thompson, Rosewood and Swede Hill about the project prior to filing zoning applications. One-on-one meetings with leaders have been held or proposed and we invited representatives from these and other nearby neighborhoods to a community charette about the project on November 2 that was held at the People Fund office. A sign in sheet from the meeting is attached.

In addition to extensive outreach, on going conversations and design charettes, CNRC anticipates working on an ongoing basis with the neighborhood associations in which the Chicon Corridor project lies. While we may not agree on every issue, we believe that the current residents are one of our biggest allies in any project.

Tab 14

Community Engagement Strategy or Efforts

Sign In from Nov 2, 2011 Charlotte

<u>NAME</u>	<u>ASSOCIATION</u>	<u>E-MAIL</u>
Jane Rivera	RNCT	
Gilberto Rivera	ROSEWOOD NA	
Donna Taylor		
Sarah Andre'U	CNRC	
James Medina	SHPA	
DOROTHY SPEARMAN	htuo	
TOM WATSON	htuo	
LINDA HUTCHINS	ROSEWOOD NCI / Foster #1A	
Greg Goeken	Chestnut NPCT	
SAM COVEY	CHESTNUT NPCT	
TRINITY WHITE	CHESTNUT NPCT	
Tobias Ford	Davis Thompson	
WILLIS HUNT	BOARD MEMBER	
Jennifer Reese	davis thompson	
Lee Sherman	Keating NA	
Tracy witte	Swedehill / ocean	

Tab 15: Self Evaluation Scoring Form
Please see the attached self-evaluation.



**Scoring Criteria
Acquisition & Development Program**

Applications received will be reviewed and evaluated according to the following criteria:

REQUIRED INFORMATION:

- | | |
|----------------------------------|------------------------------------|
| 1. Applicant Information | 9. Experience/Qualifications |
| 2. Nonprofit List of Items | 10. Project Budget |
| 3. Project Description | 11. Funds Proposal: |
| 4. Site Control/Value | a. Sources |
| 5. Zoning | b. Uses |
| 6. S.M.A.R.T. Housing | c. Leveraging |
| 7. Development Team | 12. Community Engagement |
| 8. Development Schedule | Strategy or Efforts |

EVALUATION CRITERIA:

Proposed projects will be reviewed and scored on a competitive basis relative to the evaluation criteria below. A maximum possible score is **160** points. Proposed projects must receive a minimum score of **100** points. A score above the minimum score does not guarantee funding.

1. **EXPERIENCE AND QUALIFICATIONS** (maximum 15 points) 10
 - 15 points:** Developer has successfully completed a development similar in size and scope with affordable units.
 - 10 points:** Developer has successfully completed a development smaller in size and scope with affordable units.
 - 8 points:** Consultant directly involved who has successfully completed a development similar in size and scope with affordable units.
 - 3 points:** Developer has completed and sold at least 5 ownership units in the preceding 3 years.

2. **SOURCES & USES OF FUNDS** (maximum 10 points) 5
 - 10 points:** All sources and uses of funds are clearly indicated and sufficient evidences of funding availability and/or commitments are included.
 - 5 points:** All sources and uses of fund are clearly indicated, but evidence of funding availability or commitments are incomplete.

3. **LEVERAGE** (maximum 10 points) 8
 - AHFC funding relative to Total Project Costs equals:
 - 10 points:** 25% or less
 - 8 points:** 26% - 30%
 - 6 points:** 31% - 35%
 - 4 points:** 36% - 50%
 - 0 points:** 51% or greater

4. **AFFORDABLE UNITS** (maximum 25 points) 25

If the development has a mix of units at different income levels, add the results for the percentage of units in each income category up to the maximum of 25 points. If the project has a percentage of units in a given income category that is not an exact multiple of ten as shown in the chart, please round up to the next multiple of 10 and use that point value.

% of AHFC Assisted Units in Total Development										
% of MFI	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
80%	0	5	7	10	12	15	17	20	22	25
65%	5	7	10	12	15	17	20	22	25	
60%	7	10	12	15	17	20	22	25		
50%	10	12	15	17	20	22	25			
30%	12	15	17	20	22	25				

5. AVERAGE INVESTMENT PER UNIT (maximum 20 points) 5

	<u>CHDO or Non-Profit</u>	<u>For-Profit</u>
20 Points:	\$10,001 - \$25,000	\$10,001 - \$25,000
15 Points:	\$25,001 - \$35,000	\$25,001 - \$35,000
10 Points:	\$35,001 - \$45,000	\$35,001 - \$45,000
5 Points:	\$45,001 - \$80,000	\$45,001 - \$60,000

6. AFFORDABILITY PERIOD (maximum 25 points) 25

25 Points: Affordability of project is for 99-years or project is in a Community Land Trust.
15 Points: Affordability period of less than 99 years but enforced through "re-sale" provisions, i.e., home must be re-sold to low- to moderate-income buyer during the affordability period.

7. PRIORITY LOCATION (10 points) 10

10 points: Project is located in a Vertical Mixed-Use (VMU) Corridor, or is a Planned-Unit Development (PUD) or Transit Oriented Development (TOD).

8. GEOGRAPHIC DISPERSION (maximum 25 points) 15

Project is located in an area identified according to the Kirwan institute's opportunity map of Austin (Map #2) as having greater opportunity for affordable housing for low-income households.

- 25 points:** Very High
- 20 points:** High
- 15 points:** Moderate
- 10 points:** Low
- 5 points:** Very Low

9. PROJECT READINESS (maximum 10 points) 4

New construction

2 points each; maximum 10 points

- The project meets the normal eligibility requirements under the existing program guidelines.
- The property is already owned by the developer.
- The project has completed all necessary design work and received site plan approval.
- All environmental reviews have been completed.
- The project has firm commitments from **all** financing sources.

Acquisition and Rehab

2 points each; maximum 10 points

- The project meets the normal eligibility requirements under the existing program guidelines.
- All environmental reviews have been completed.
- The project has firm commitments from all financing sources.
- A General Contractor has been selected.
- Closing on the acquisition of the property can be achieved in less than 30 days.

Acquisition of Completed Units

2.5 points each (round up to nearest whole number); maximum 10 points

- The project meets the normal eligibility requirements under the existing program guidelines
- All environmental reviews have been completed.
- The project has firm commitments from all financing sources.
- Closing on the acquisition of the property can be achieved in less than 30 days.

11. **MBE/WBE PROJECT PARTICIPATION** (5 points) 5

5 points: Development team includes registered City of Austin minority or women-owned business enterprises (M/WBE).

12. **PARTNERSHIP WITH NON-PROFIT ENTITIES** (5 points) 5

5 points: Applicant provides evidence of commitment from another certified non-profit organization to partner on the project in some way.

TOTAL SCORE **117**