



ICC AUSTIN
COOPERATIVE HOUSING FOR STUDENTS · NOT FOR PROFIT

January 25, 2019

To: City of Austin, Neighborhood Housing & Community Development

From: Ashleigh R. Lassiter, Executive Director

Re: RHDA Application for UNO Affordable Housing Trust Fund

Enclosed please find ICC Austin's completed RHDA application. We are requesting additional funding for our development project at 915 W 22nd Street (Ruth Schulze Student Housing Cooperative).

If any additional documentation is needed in support of this application, please let me know.

Thank you,

Ashleigh R. Lassiter

Executive Director

512-476-1957

ashleigh@iccaustin.coop

City of Austin

JAN 30 2019

NHCD / AHFC



HOUSING DEVELOPMENT ASSISTANCE (RHDA/OHDA)

Application for Housing Development Financing

PLEASE NOTE: AHFC Reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the [Austin Strategic Housing Blueprint](#) and policy direction from the Austin City Council.

Applicant Information

(If the developer involves multiple entities, is a partnership or joint venture, please provide the requisite information for each and identify the entity that will serve as the "lead" organization.)

Developer Name	Owner Name
University of Texas Inter-Cooperative Council, Inc.	University of Texas Inter-Cooperative Council, Inc.

Street Address

2305 Nueces St

City	State	Zip
Austin	TX	78705

Contact Name	Contact Telephone
Ashleigh Lassiter - Executive Director	512-476-1957

Contact Email

ashleigh@iccaustin.coop

Federal Tax ID Number	D-U-N-S Number (visit www.dnb.com for free DUNS#.)
23-7062-502	10541688

The applicant/developer certifies that the data included in this application and the exhibits attached hereto are true and correct. *Unsigned/undated submissions will not be considered.*

Legal Name of Developer/Entity	Title of Authorized Officer
University of Texas Inter-Cooperative Council, Inc.	Ashleigh Lassiter - Executive Director



 Signature of Authorized Officer

Jan 29, 2019

 Date

INSTRUCTIONS: Applications will be reviewed on a quarterly basis. All applications submitted in the review period that achieve the minimum threshold score will be reviewed by an internal panel of NHCD staff. All awards will be made by the AHFC Board of Directors. To be considered for an award, please complete this application electronically, print, sign, and deliver to:

Department of Neighborhood
 Housing and Community
 1000 East 11th Street
 Austin, Texas 78702
 Attn: James May
 Community Development Manager

Project Summary Form

1) Project Name Ruth Schulze Cooperative	2) Project Type Mixed-Income	3) New Construction or Rehabilitation? New Construction
4) Location Description (Acreage, side of street, distance from intersection) 915 West 22nd Street, 78705; corner of San Gabriel and 22nd; 0.16 ac.		5) Mobility Bond Corridor Guadalupe St
6) Census Tract 6.04	7) Council District District 9	8) Elementary School LEE EL
10) Type of Structure Multi-family		9) Affordability Period 40 years
11) Occupied? No		12) How will funds be used? Pre-development and Construction

13) Summary of Rental Units by MFI Level

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (+) Bedroom	Total
Up to 20% MFI						0
Up to 30% MFI						0
Up to 40% MFI						0
Up to 50% MFI		9				9
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions		17				17
Total Units	0	26	0	0	0	26

14) Summary of Units for Sale at MFI Level

Income Level	Efficiency	One	Two	Three	Four (+)	Total
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
Total Units	0	0	0	0	0	0

15) Initiatives and Priorities

Initiative	# of Units	Initiative	# of Units
Accessible Units for Mobility Impairments	3	Continuum of Care Units	
Accessible Units for Sensory Impairments	3		

Use the City of Austin GIS Map to Answer the questions below

- 16) Is the property within 1/2 mile of an Imagine Austin Center or Corridor? Yes
- 17) Is the property within 1/4 mile of a High-Frequency Transit Stop? Yes
- 18) Is the property within 3/4 mile of Transit Service? Yes
- 19) The property has Healthy Food Access? Yes
- 20) Estimated Sources and Uses of funds

Sources	
Debt	1875711
Third Party Equity	0
Grant	0
Deferred Developer Fee	0
Other	606404
City of Austin	1380089

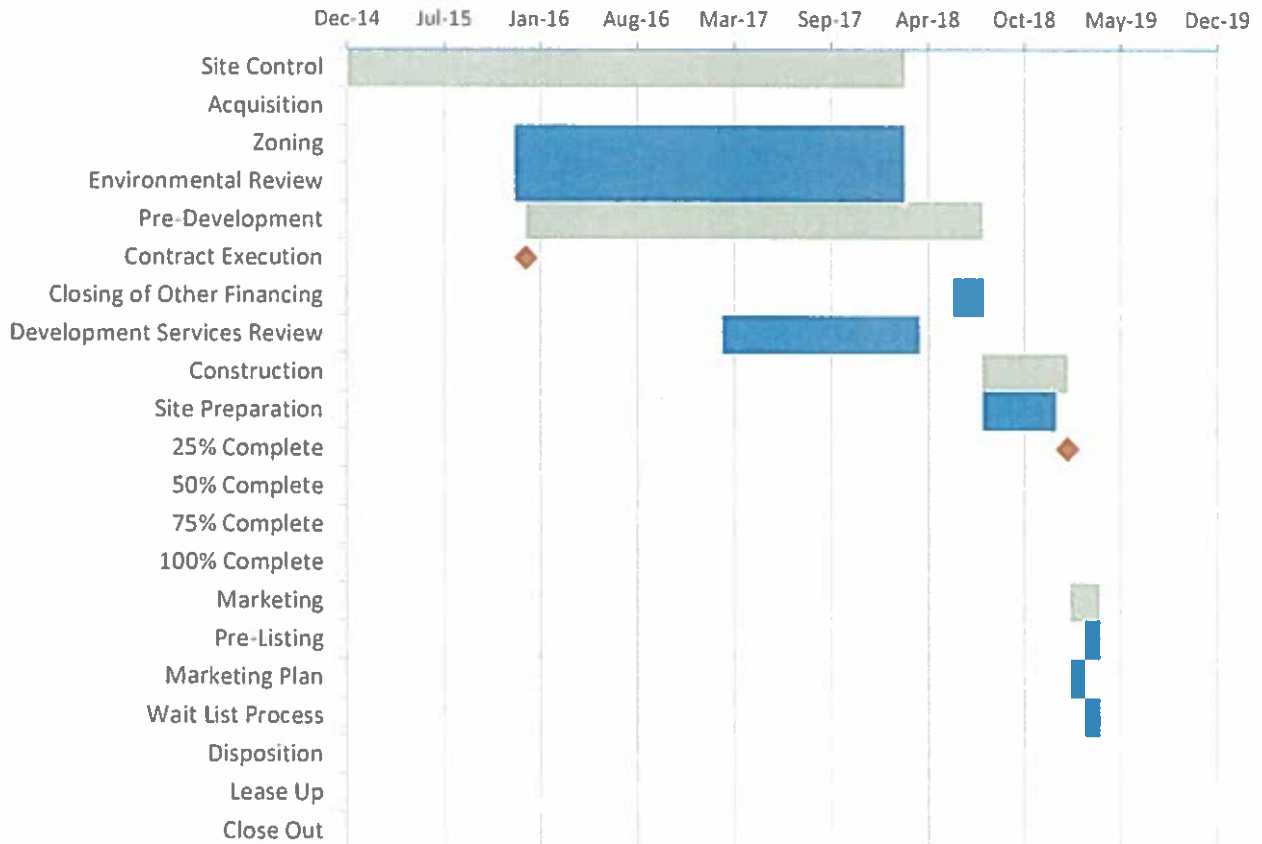
Uses	
Acquisition	504800
Off-Site	656113
Site Work	176866
Sit Amenities	0
Building Costs	1793730
Contractor Fees	347265
Soft Costs	253571
Financing	129859
Developer Fees	0

Total \$ 3,862,204

Total \$ 3,862,204

Development Schedule

	Start Date	End Date
Site Control	Aug-13	Feb-18
Acquisition	Aug-13	
Zoning	Dec-15	Feb-18
Environmental Review	Dec-15	Feb-18
Pre-Development	Jan-16	Jul-18
Contract Execution	Jan-16	
Closing of Other Financing	Jun-18	Jul-18
Development Services Review	Feb-17	Mar-18
Construction	Aug-18	Jan-19
Site Preparation	Aug-18	Dec-18
25% Complete	Jan-19	
50% Complete		
75% Complete		
100% Complete		
Marketing	Feb-19	Mar-19
Pre-Listing	Mar-19	Mar-19
Marketing Plan	Feb-19	Feb-19
Wait List Process	Mar-19	Mar-19
Disposition	Jan-00	Jan-00
Lease Up		
Close Out		



Development Budget

	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal			
Environmental Review			
Engineering	101,000		
Survey	17,000		
Architectural	65,000		
Subtotal Pre-Development Cost	\$183,000	\$0	
Acquisition			
Site and/or Land	484,000		land acquisition
Structures			
Other (specify)	20,800		interest on pre-dev land loan
Subtotal Acquisition Cost	\$504,800	\$0	
Construction			
Infrastructure	656,113		
Site Work	176,866		
Demolition	0		
Concrete	201,451	201,451	
Masonry	108,563	108,563	
Rough Carpentry	193,779	193,779	
Finish Carpentry	199,787	199,787	
Waterproofing and Insulation	62,761	62,761	thermal and moisture protection
Roofing and Sheet Metal	39,032	32,032	
Plumbing/Hot Water	75,000	75,000	
HVAC/Mechanical	65,000	65,000	
Electrical	99,613	99,613	
Doors/Windows/Glass	51,513	51,513	
Lath and Plaster/Drywall and Acoustical	296,062	288,590	
Tiel Work	26,850		woods, plastics, composites
Soft and Hard Floor	63,550		
Paint/Decorating/Blinds/Shades	0		
Specialties/Special Equipment	47,200		
Cabinetry/Appliances	9,795		communications
Carpet	0		
Other (specify)	540,850		347,385 contractor fixed fee; 97,735 elevator; 95850 fire suppr
Construction Contingency	60,189		balance remaining for project-under-construction
Subtotal Construction Cost	\$2,973,974	\$1,378,089	628,089 previous + 300,000 previous +450,000 new
Soft & Carrying Costs			
Legal			
Audit/Accounting			
Title/Recordin			
Architectural (Inspections)	10,000		
Construction Interest	50,571		
Construction Period Insurance	39,094		coa required coverages
Construction Period Taxes			
Relocation			
Marketing			
Davis-Bacon Monitoring			
Other (specify)	90,765		non profit bond issuance costs
Subtotal Soft & Carrying Costs	\$190,430	\$0	
TOTAL PROJECT BUDGET	\$3,852,204	\$1,378,089	

15 Year Rental Housing Operating Pro Forma (RHDA)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
INCOME							
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$264,841	\$270,138	\$275,541	\$281,051	\$286,672	\$323,106	\$357,535
Secondary Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POTENTIAL GROSS ANNUAL INCOME	\$264,841	\$270,138	\$275,541	\$281,051	\$286,672	\$323,106	\$357,535
Provision for Vacancy & Collection Loss	-\$15,890	-\$16,208	-\$16,532	-\$16,863	-\$17,200	-\$19,386	-\$21,452
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$248,951	\$253,930	\$259,008	\$264,188	\$269,472	\$303,720	\$336,083
EXPENSES							
General & Administrative Expenses	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020	\$54,000	\$62,800
Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll, Payroll Tax & Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance	\$15,918	\$16,396	\$16,887	\$17,394	\$17,916	\$21,489	\$24,991
Electric & Gas Utilities	\$15,908	\$16,385	\$16,877	\$17,383	\$17,905	\$21,476	\$24,976
Water, Sewer & Trash Utilities	\$13,016	\$13,406	\$13,808	\$14,223	\$14,649	\$17,571	\$20,435
Annual Property Insurance Premiums	\$10,820	\$11,145	\$11,479	\$11,823	\$12,178	\$14,607	\$16,987
Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$6,621	\$6,753	\$6,889	\$7,026	\$7,167	\$8,078	\$8,938
Other Expenses	\$47,940	\$49,378	\$50,860	\$52,385	\$53,957	\$64,719	\$75,266
TOTAL ANNUAL EXPENSES	\$150,223	\$154,663	\$159,236	\$163,944	\$168,792	\$201,940	\$234,393
NET OPERATING INCOME	\$98,728	\$99,266	\$99,772	\$100,244	\$100,680	\$101,780	\$101,690
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$70,000	\$74,795	\$74,845	\$74,863	\$74,865	\$77,000	\$77,000
Second Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$28,728	\$24,471	\$24,927	\$25,381	\$25,815	\$24,780	\$24,690
CUMULATIVE NET CASH FLOW	\$28,728	\$53,199	\$78,126	\$103,508	\$129,323	\$255,810	\$379,484
Debt Coverage Ratio	1.41	1.33	1.33	1.34	1.34	1.32	1.32

Project Name	Arth Schultze Cooperative	
Project Type	Mixed-income	
Council District	District 9	
Census Tract	6.04	
AHFC Funding Request Amount	\$1,380,089	
Estimated Total Project Cost	\$3,862,204	
High Opportunity	No	
High Displacement Risk	no	
High Frequency Transit	Yes	
Imagine Austin	Yes	
Mobility Bond Corridor	Guadalupe St	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	0	# of rental units at < 30% MFI
District Goal	0.00%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	0.00%	% of annual goal reached with units
Imagine Austin	0.00%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	0	% of Goals * 20
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	9	# of rental units at < 50% MFI
District Goal	2.48%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	8.53%	% of annual goal reached with units
Imagine Austin	8.53%	% of annual goal reached with units
Geographic Dispersion	7.63%	% of annual goal reached with units
Mobility Bond Corridor	18.58%	% of annual goal reached with units
SCORE	7	% of Goals * 15
< 60% MFI	0	# of units for purchase at < 60% MFI
< 80% MFI	0	# of units for purchase at < 80% MFI
District Goal	0.00%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	0.00%	% of annual goal reached with units
Imagine Austin	0.00%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	0	% of Goals * 15
Unit Score	7	MAXIMUM SCORE = 350
INITIATIVES AND PRIORITIES		
Continuum of Care	0	Total # of units provided up to 100 per year
Continuum of Care Score	0	(total CoC Units/100 + HF Units/50)*20
Access to Healthy Food	Yes	Within 1 Mile of Healthy Food (City GIS)
Continuum of Care Weighted Score	0	Mobility, Access to Jobs, Community Institutions, Social Cohesion
2 Bedroom Units	0	Total Affordable 2 Bedroom units
3 Bedroom Units	0	Total Affordable 3 Bedroom units
4 Bedroom Units	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	0	Multi-bedroom Unit/Total Units * 20
TEA Grade	BB	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	0	Educational Attainment, Environment, Community Institutions, Social Cohesion, Ec
Accessible Units	6	mobility and sensory units
Non-PSH, Non Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	13	Accessible Unit/Total Units * 20
Metro Access Service	Yes	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	7	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	21	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	103%	% of total project cost funded through AHFC request
Leverage Score	-1	25 - (% leverage * 25)
AHFC Per Unit Subsidy	\$153,343.22	Amount of assistance per unit
Subsidy per unit score	6	(\$200,000 - per unit subsidy) * 25 / \$200,000
AHFC Per Bedroom Subsidy	\$153,343.22	Amount of assistance per bedroom
Subsidy per Bedroom Score	6	(\$200,000 - per bedroom subsidy) * 25 / \$200,000
Debt Coverage Ratio (Year 5)	1.34	Measured at the 5 Year mark
Debt Coverage Ratio Score	15.51770611	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	26	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	54	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		



RHDA Application

1. APPLICANT ENTITY

a. Introduction

ICC Austin is a 501c-3, non-profit organization with a mission to provide quality, affordable, and healthy cooperative housing for students with financial need. The organization has been successfully developing and operating affordable, group residential student housing since 1970. ICC Austin maintains a full-time professional staff of four with experience in development, finance, community building, maintenance, and property management.

b. Certificate of Status

See 'additional application support' attachment

c. Applicant Capacity

ICC Austin has been successfully developing and operating affordable student housing since 1970. Prior to the current development project, ICC Austin reconstructed and expanded a 20-bed facility at 2212 Pearl Street (2003) and acquired a 15-bed facility at 1910 Rio Grande (2004).

Both previous projects involved navigating the city development process, internal and external fund sources, and construction and permanent financing. These projects helped to establish working relationships with architects, engineers, consultants, banks, and general contractors.

In preparation for the current project, ICC Austin conducted market analysis, selected architecture and engineering teams, and worked with legal counsel to secure bond financing. ICC Austin has applied forty years of successful business experience in preparing for this affordable housing project.

d. Statement of Confidence

Not applicable.

e. Financial Capacity

Funding for the current development project is secured from multiple sources: Wells Fargo (\$1.875m), UNO trust fund (\$928k) and internal savings (\$595k). ICC Austin has worked successfully with AHFC over the past four years to secure UNO trust funding, as well as the completing all processes required for approximately \$500,000 in UNO trust fund disbursements to-date.

i. Non-profit Attachments

1. IRS Certification - See 'additional application support' attachment
2. Certified financial audit - See 'audited financials' attachment
3. Board resolution - See 'additional application support' attachment

2. DEVELOPMENT TEAM

a-c. Development Team & Contact Information

The project development team has not changed since our initial application for funding. The team includes well-known technical professionals and firms with proven track records to provide project management, planning and construction, design, architecture and engineering, and legal services.

	Name and Contact Information	MBE or WBE	Non-profit? (X = Yes)
Owner	ICC Austin Billy Thogersen & Ashleigh Lassiter, Exec. Dir 512-476-1957		x
Developer	ICC Austin Billy Thogersen & Ashleigh Lassiter, Exec. Dir. 512-476-1957		x
Architect	Mark Hart Architecture Sara Diamond 512-535-1299		
Engineer	Wuest Group Joan Ternus Angil 512-789-5018		
Construction Lender	Wells Fargo Monica Medina 512-344-3178		
Attorney	Medina Law Xavier Medina 512-977-0881	MBE	
Accountant	Nick Hill Financial Consulting Nick Hill 512-909-7350		
General Contractor	Paradisa Construction Billy Doerr 512-762-4142	WBE/MBE	
Consultant (if Applicable)	Mike McHone 512-544-8440		
Property Management Provider	ICC Austin Billy Thogersen & Ashleigh Lassiter, Exec. Dir. 512-476-1957		x

3. PROPERTY MANAGEMENT TEAM

a. Property Management Team

ICC Austin serves as its own property management team and has been doing so successfully for over 40 years. We currently manage nine, group-residential houses. While we have not had past experience with income qualification, our understanding from the NHCD department is that a need-based financial aid letter provides sufficient support for the mandatory affordable housing requirement. Because our tenant population is well in excess of the 30% required under the UNO trust fund, we do not anticipate any noncompliance issues. We have and will continue to participate extensively in the stakeholder discussions related to UNO affordability rules.

b. NHCD Compliance Reports

Not applicable.

a. Developments outside of the City of Austin

Not applicable.

4. PROJECT PROPOSAL

a. Project Description

i. Proposed tenant population

ICC Austin will provide low cost, cooperatively managed housing to post-secondary students, primarily those attending the University of Texas at Austin. The tenant population will contain a broad mix of income levels, ethnicities, and backgrounds. Services in the new facility will include room, board, utilities, cooperative education, and other student housing amenities in a single affordable monthly payment.

ii. Housing Choice Vouchers

No units will be reserved for Housing Choice Voucher holders.

iii. Accessibility

Three bedrooms will be fully accessible, and all bedrooms will be adaptable for persons with sight, hearing, or mobility disabilities.

iv. Compatibility with current Neighborhood Plan

The project will comply with the University Neighborhood Overlay and plan to make west campus a dense, pedestrian-oriented area.

v. Key Financials

ICC Austin expects the total project cost including property acquisition, hard and soft costs to be \$3,862,000. ICC Austin has already invested ~\$596,000 in internal funds on the project. We have received \$928,000 in UNO affordable housing trust funds and have completed non-profit bond-financing for the remaining \$1,875,000 with Wells Fargo. We are applying for \$450,00 in additional funds to cover new utility infrastructure costs from Austin Energy and Austin Water Utility plan changes that occurred after we received our city-approved site plan. We will need additional UNO affordable housing trust funds to move forward with completion of this project.

vi. Current Occupancy

The property is not currently occupied.

vii. Project requirements for density

The project will not meet the requirements of the VMU, PUD, or TOD ordinances. However, the project will comply with the University Neighborhood Overlay development requirements.

viii. SMART Housing requirements

The project will meet SMART Housing requirements by reserving 30% of the bedrooms for tenants at or below 50% MFI.

b. Market Assessment

i. (1-3) Evaluate general demographic, economic, and housing conditions

The Ruth Schulze Student Housing Cooperative is located in the UNO/West Campus neighborhood which predominantly includes undergraduate students attending the University of Texas at Austin. University students are ICC Austin's target demographic.

West campus primarily caters to students with access to financial resources - with many bedrooms leasing upwards of \$1000 per month. Steep rental prices, destruction of old, often more affordable units, and continued "luxury" development has left many students without access to affordable housing in close proximity to the university.

Completion of this development project will ensure 26 more bedrooms are available to students with limited financial resources as ICC Austin prioritizes housing for students receiving need-based financial aid.

ii. Identify the geographic area

The Ruth Schulze Student Housing Cooperative is located in the UNO/West Campus neighborhood of Austin. ICC Austin tenants are students attending the University of Texas.

iii. Quantify the pool of eligible tenants

Roughly thirty percent (30%), or approximately 12,000, undergraduate students from UT Austin receive need-based financial aid. This is ICC Austin pool of eligible tenants.

iv. Competition Analysis

The UNO/West Campus area houses an increasing number of students. The Central Austin Combined Neighborhood Plan, along with the planning from the University of Texas, calls for the majority of off-campus student housing to be in the West Campus area in the future. Thus, our direct competition for student housing is providers in West Campus

Our direct competition comes primarily from the approximately 720 recently constructed, or under-construction, designated UNO affordable housing units. The majority of these units will serve some of the approximately 12,000 University of Texas need-based financial aid recipients. The number of need-based financial aid recipients will vastly outnumber the supply of affordable bedrooms for the foreseeable future.

The majority of the currently-built UNO affordable units use a maximum rent significantly higher than current UNO development regulations stipulate, giving ICC Austin significant market advantage. Further, in two years the 15-year affordability periods for the projects build from 2005-2014 will begin phasing out, thereby removing affordable units altogether over the next 10 years.

In short, the Ruth Schulze Student Housing Cooperative development will offer a more affordable and physically comparable housing option for a large underserved population.

v. Assess the market demand

The development will primarily serve the approximately 12,000 need-based financial aid recipient students at the University of Texas. Currently there are about 720 units to meet these needs of that population. We anticipate ongoing demand by the target population for the bedrooms at the development for at least 20 years.

vii. Estimate the absorption period

Full occupancy is expected on the anticipated August 15, 2019 opening date. Our target for bedrooms housing need-based financial aid recipients on August 15, 2019 is approximately 60%, 30% in excess of the required 30%.

c. City of Austin Good Neighbor Policy

i and ii:

ICC Austin has fully engaged with the community stakeholders on this project over the past five years, beginning with actively participating the UNO revisions from 2012-14 to make sure the UNO Trust Fund would be usable by affordable housing developers. Neighboring community members have been notified on multiple occasions through our two site plan process, one historic review/demolition process, and variance request. In addition, our project was presented to CANPAC members. Positive response from the community has been almost universally enthusiastic, with project approval from Council twice, and nearly unanimous approval by the Board of Adjustment for our variance requests.

d. SMART Housing

See 'SMART housing' attachment.

e. Memorandum of Understanding w/ ECHO

Not applicable.

f. General Services

i. Description of services

ICC Austin provides limited support services such as new-member orientation, health and safety trainings to maintain healthy group-residential living environments on a semesterly basis.

ii. Expected service annually

All 34 residents of the facility will be served, including need-based financial aid recipients residing in a minimum of 30% of the bedrooms.

iii. Developer experience

ICC Austin has successfully provided these support services since 1970.

iv. Descriptions of organization providing services

(See developer introduction)

v. Resumes of key personnel

ICC Austin has four professional full-time staff members charged both with providing resident services and running day-to-day property management and business administration. All staff have at least 10 years of related professional work experience.

vi. Financial capacity of the Services provider

1. ICC Austin provides limited support services for the student-residents to maintain healthy living environments at its eight existing facilities. This is a fixed-cost for the organization. The services provided at the development-under-construction are not expected to change the existing fixed cost. So, we do not expect any net change in either income or expenses to provide support services to the new development.
2. The audited financial statements for ICC Austin for information on the organizational support budget, and our status a going concern, and long operational history, demonstrate the ability to provide services for the foreseeable future.

5. PROPERTY

a. Map of the property

See 'map of property' attachment

b. Real Estate Appraisal

N/A. Land has already been acquired. No AHFC funds for acquisition are requested.

c. Zoning Verification Letter

The project has been reviewed and approved by PZD. See approved site plan 2016-141090SP in AMANDA.

d. Proof of Site Control

See 'Warranty Deed' attachment. The site has no existing structures aside from the building-under-construction.

e. Phase I Environmental Assessment

Phase I and II environmental studies were conducted for the site, resulting in the need for lead abatement. The City of Austin Brownfields Department coordinated and paid for the necessary remediation, and the site was certified suitable for construction. (see 'Environmental' attachments)

f. State Historical Preservation Officer Consultation

N/A. Building is already under construction. However, the site did go through the city historical review process, and all city requirements were met at the time.

Section 2 - certificate of status

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



John Steen
Secretary of State

Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Incorporation for UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC. (file number 27115901), a Domestic Nonprofit Corporation, was filed in this office on January 22, 1970.

It is further certified that the entity status in Texas is 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 Austin, Texas on June 19, 2013.



A handwritten signature in black ink, appearing to read "John Steen".

John Steen
Secretary of State

Section 2 - IRS determination letter

Address any reply to: 300 E. 8th St., Austin, Tex. 78701

Department of the Treasury



District Director
Internal Revenue Service

Date: January 29, 1971 | In reply refer to: A:FA:EO:GMP

AUS:EO:71-111

University of Texas Inter-Cooperative
Council, Inc.
1903 Rio Grande
Austin, Texas 78705

Form 990 Required: Yes No

Accounting Period: December 31

Gentlemen:

Based on information supplied, and assuming your operations will be as stated in your exemption application, we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Any change in your purposes, character, or method of operation must be reported to us so we may consider the effect of the change on your exempt status. You must also report any change in your name and address.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization described in section 170(b)(1)(A)(vi). *Org. publicly supported by charitable contributions*
If filing is required, you must file an annual information return, Form 990, by the fifteenth day of the fifth month after the end of your annual accounting period.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities is unrelated trade or business as defined in section 513 of the Code.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for Federal Unemployment Taxes. You are liable for social security taxes only if you have filed waiver of exemption certificates as provided in the Federal Insurance Contributions Act.

Sincerely yours,

R.L. Phinney
District Director



**UNIVERSITY OF TEXAS
INTER-COOPERATIVE COUNCIL, INC.**

FINANCIAL STATEMENTS

May 31, 2018 and 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
University of Texas Inter-Cooperative Council, Inc.
Austin, Texas

We have audited the accompanying financial statements of University of Texas Inter-Cooperative Council, Inc., which comprise the statements of financial position as of May 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University of Texas Inter-Cooperative Council, Inc. as of May 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
September 26, 2018

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UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
STATEMENTS OF FINANCIAL POSITION
 May 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 506,483	\$ 436,502
Prepaid expenses	51,223	49,260
Accounts receivable - net	5,170	10,967
Deposits	<u>2,500</u>	<u>2,500</u>
Total current assets	565,376	499,229
Property and equipment - net	2,847,095	2,945,885
OTHER ASSETS		
Designated cash	267,910	260,419
Investments in other cooperatives	<u>15,000</u>	<u>15,000</u>
Total other assets	<u>282,910</u>	<u>275,419</u>
Total assets	<u><u>\$ 3,695,381</u></u>	<u><u>\$ 3,720,533</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 15,473	\$ 3,646
Accrued expenses	25,816	25,997
Member deposits	136,500	135,000
Deferred revenue	25,739	28,595
Current portion of notes payable	<u>246,474</u>	<u>239,498</u>
Total current liabilities	450,002	432,736
LONG TERM LIABILITIES		
Notes payable less current portion	<u>340,953</u>	<u>583,878</u>
Total liabilities	790,955	1,016,614
NET ASSETS		
Unrestricted		
Undesignated	2,636,516	2,443,500
Designated	<u>267,910</u>	<u>260,419</u>
Total net assets	<u>2,904,426</u>	<u>2,703,919</u>
Total liabilities and net assets	<u><u>\$ 3,695,381</u></u>	<u><u>\$ 3,720,533</u></u>

See accompanying notes.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
STATEMENTS OF ACTIVITIES
Years ended May 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
REVENUE		
Rental income	\$ 1,431,058	\$ 1,384,533
Penalty fees	32,335	29,789
Membership fees	24,627	19,914
Credit card convenience fees	6,851	11,762
Interest income	2,933	2,299
	<u>1,497,804</u>	<u>1,448,297</u>
EXPENSES		
Personnel	298,366	305,141
Meals and house	243,127	240,193
Depreciation	172,782	177,698
Utilities	166,616	165,461
Maintenance	77,229	101,823
Operating lease	71,004	69,984
Insurance	60,470	57,280
Professional services	54,312	16,909
Office	34,831	28,111
Interest	32,445	43,441
Member engagement	23,343	23,922
Business planning	22,513	-
Board and governance	17,819	23,494
Bad debts	7,601	430
Credit card processing fees	7,306	11,272
Community engagement	6,436	6,266
	<u>1,296,200</u>	<u>1,271,425</u>
Loss on disposal of equipment	<u>(1,097)</u>	<u>-</u>
Change in net assets	200,507	176,872
Net assets - beginning of year	<u>2,703,919</u>	<u>2,527,047</u>
Net assets - end of year	<u>\$ 2,904,426</u>	<u>\$ 2,703,919</u>

See accompanying notes.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
STATEMENTS OF CASH FLOWS
Years ended May 31, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 200,507	\$ 176,872
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	172,782	177,698
Amortization of loan fees	3,896	6,184
Bad debts	7,601	430
Loss on disposal of equipment	1,097	-
(Increase) decrease in assets		
Prepaid expenses	(1,963)	7,460
Accounts receivable	(1,804)	(5,730)
Increase (decrease) in liabilities		
Accounts payable	11,827	(59,684)
Accrued expenses	(181)	(4,000)
Member deposits	1,500	500
Deferred revenue	(2,856)	9,594
Net cash provided by operating activities	392,406	309,324
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(75,089)	(202,335)
Change in designated cash	(7,491)	18,088
Net cash used in investing activities	(82,580)	(184,247)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	-	120,000
Principal payments on notes payable	(239,845)	(230,308)
Net cash used in financing activities	(239,845)	(110,308)
Net change in cash	69,981	14,769
Cash - beginning of year	436,502	421,733
Cash - end of year	\$ 506,483	\$ 436,502
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest net of \$10,954 and \$11,186 capitalized	\$ 29,671	\$ 37,589

See accompanying notes.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS
May 31, 2018 and 2017

University of Texas Inter-Cooperative Council, Inc. (Cooperative) was incorporated in the state of Texas on January 22, 1970 as a nonprofit, tax-exempt cooperative. Its mission is to provide low-cost housing and meals to member students as well as coordinate policies, programs, and activities to expand both the formal and informal education of its members while they attend the University of Texas at Austin and other local, accredited, non-profit colleges and universities. To achieve its mission, the Cooperative operates nine houses managed by the members in a cooperative living environment. The Cooperative's revenue primarily stems from rental income assessed to its members.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Cooperative reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets result from operating revenue less expenses incurred in operations and for administrative functions.

Receivables

The Cooperative uses the allowance method to account for uncollectible receivable balances. The allowance is based on management's estimate of potential uncollectible receivable amounts. When accounts become uncollectible they are charged to the allowance reserve. At May 31, 2018 the allowance for doubtful accounts was \$2,643.

Property and Equipment

Acquisitions of property and equipment in excess of \$2,000 are capitalized. Purchases of property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives.

Loan Fees

Loan fees of \$38,712 at May 31, 2018 and 2017 are being amortized over the lives of their loans on a straight-line basis. Amortization of loan fees is recorded as interest expense in the statements of activities and was \$3,896 and \$6,184 for the years ended May 31, 2018 and 2017. At May 31, 2018 and 2017, accumulated amortization was \$33,843 and \$29,947.

Income Tax Status

The Cooperative is public charity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS
 May 31, 2018 and 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Date of Management’s Review

Management has evaluated subsequent events through September 26, 2018, the date which the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment at May 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 925,287	\$ 925,287
Buildings and improvements	4,519,614	4,516,093
Furniture and equipment	150,498	162,937
Construction in progress	<u>348,202</u>	<u>284,269</u>
Property and equipment	5,943,601	5,888,586
Less accumulated depreciation	<u>(3,096,506)</u>	<u>(2,942,701)</u>
Property and equipment - net	<u>\$ 2,847,095</u>	<u>\$ 2,945,885</u>

NOTE 3 – INVESTMENTS IN OTHER COOPERATIVES

Investments in other cooperatives consist of equity deposits in other cooperatives, which are not readily marketable and are therefore recorded at cost. The investments consist of investor shares in a local retail natural foods grocery cooperative which may be redeemed at any time by the Cooperative's board of directors and investor shares in a local cooperative brewery which may be redeemed at the discretion of the investee's board of directors.

NOTE 4 – REVENUE

Revenue is primarily generated through the collection of monthly student member fees to cover rent, meals, and utilities. The Cooperative rents rooms to its student members through lease contracts that range from one to twelve months and generally follow the academic year. Other revenue is sourced from penalty fees, credit card processing convenience fees, and one-time new membership fees. The Cooperative also collects a deposit from each member, which may be retained to cover damages to the premises that exceed normal wear and tear and nonpayment of assessed charges. These member deposits are not recorded as revenue, but rather as a liability in the statements of financial position.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS
May 31, 2018 and 2017

NOTE 5 – OPERATING LEASE ARRANGEMENT

The Cooperative leases one of its nine buildings used for cooperative housing. The lease runs for twelve months through May 31, 2019. The lease automatically renews unless terminated by either party within 60 days prior to December 31. Monthly lease payments at renewal are determined by the prior payment amount plus consumer price index increase. Monthly lease payments for the year ended May 31, 2018 were \$5,917. Lease expense for the years ended May 31, 2018 and 2017 was \$71,004 and \$69,984.

NOTE 6 – BONDS AND NOTES PAYABLE

Notes payable at May 31, 2018 and 2017 consisted of the following:

	<u>Interest Rate</u>	<u>2018</u>	<u>2017</u>
Mortgage Notes:			
Mortgage note - consolidated loan	5.25%	\$ 262,123	\$ 459,653
Mortgage note - land loan	5.225%	201,778	210,116
Guidance Lines:			
Guidance Line 1	6.34%	38,247	49,468
Guidance Line 2	5.84%	-	1,378
Guidance Line 3	7.02%	45,074	55,763
Guidance Line 4	7.02%	<u>45,074</u>	<u>55,763</u>
Notes payable		592,296	832,141
Less current portion of notes payable		246,474	239,498
Less unamortized loan fees		<u>4,869</u>	<u>8,765</u>
Notes payable less current portion		<u>\$ 340,953</u>	<u>\$ 583,878</u>

Interest incurred during the year ended May 31, 2018 was \$39,503 of which \$10,954 was capitalized and \$28,549 was expensed. Interest incurred during the year ended May 31, 2017 was \$48,443, of which \$11,186 was capitalized and \$37,257 was expensed. These amounts do not include amortization of the loan fees.

On July 27, 2018, the Cooperative obtained \$2,500,000 in total financing through Series A and Series B revenue bonds for the construction of a student housing property and the refinancing of existing debt. The bonds are administered by the Capital Area Cultural Education Facilities Finance Corporation.

The Series A revenue bond was issued for \$2,050,000 and requires monthly interest only payments until construction is complete and then monthly interest and principal payments through October 2043. The Series B revenue bond was issued for \$450,000 and requires monthly principal and interest payments from September 2018 through August 2025.

UNIVERSITY OF TEXAS INTER-COOPERATIVE COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS
 May 31, 2018 and 2017

NOTE 6 – BONDS AND NOTES PAYABLE (continued)

On August 1, 2018, the Cooperative entered into a deferred-payment forgivable loan agreement with the City of Austin University Neighborhood Overlay Trust Fund for \$928,089 to finance costs associated with the pre-development and construction of a student cooperative housing project located at 915 West 22nd Street. The 40 year forgivable loan requires certain affordability requirements be attached to the property.

The following schedule of future maturities of bonds and notes payable for the next five years reflects the current and long-term portions under the refinancing arrangements and additional debt incurred as described previously.

Future minimum principal payments on notes payable at May 31, 2018 are as follows:

2019	\$ 105,497
2020	102,032
2021	112,087
2022	116,544
2023	121,178
Thereafter	<u>2,870,751</u>
Total principal payments	<u>\$ 3,428,089</u>

NOTE 7 – DESIGNATED NET ASSETS

The Board of Directors has designated unrestricted net assets for the following purposes as of May 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Emergency reserves	\$ 262,652	\$ 242,858
Expansion reserves	<u>5,258</u>	<u>17,561</u>
Total designated net assets	<u>\$ 267,910</u>	<u>\$ 260,419</u>

NOTE 8 – FUNCTIONAL CLASSIFICATION OF EXPENSES

Functional classifications of expenses for the years ended May 31, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>
Program services	\$ 1,053,371	\$ 1,086,019
Management and general	<u>242,829</u>	<u>185,406</u>
Total expenses	<u>\$ 1,296,200</u>	<u>\$ 1,271,425</u>

Section 2 - Board authorization of project

ICC Board Meeting Minutes --- September 18th, 2013 -- 6:00-9:00pm

Helios Co-op -- 1909 Nueces St.

Members Present:

Board Representatives:

- Luca Masters: Seneca
- Andrew Messamore: Arrakis
- Taylor Foody: Royal
- Austin Feldman: Avalon
- Allen Ross: Helios
- Isabel Glass: New Guild
- Sanyam Sharma: HOC
- Matt Krebs: French (substitute for Kaitlin Bahr)

Executive Coordinators:

- Anna Fuentes: Executive Coordinator
- Madeline Detelich: Operations Coordinator
- Casandra Silva: Outreach Coordinator
- Andrew Browne: Planning and Development

Community Trustees:

- Mike Gorse
- Lindsay Porter

ICC Staff:

- William (Billy) Thogersen: Facilities Administrator & Interim General Administrator
- Valerie Newcomer: Leasing Specialist (arrived late at 7:14)

Consultant:

- Rose Marie Klee (arrived late at 6:17)

General Membership:

- Evan Higgins: Avalon

6:01 Anna calls meeting to order

Open Time

6:01

Time Allotted: 10 min

- No information presented to the board

House Updates

6:01

Time Allotted: 10 min

Presenter: All

- Board Reps discussed how each of their houses communicated amongst themselves. Some of the successful methods used were through Facebook groups, email, and on white boards placed in common areas.

Policy Governance in Practice

6:10

Time Allotted: 5 min

Presenter: Madeline

- Madeline described the contents of the Board packets and how the materials help the representatives.

Agenda Review

6:12

Time Allotted: 5 min

Presenter: Anna

? motioned to pull minutes from consent agenda and add 5 minutes to the discussion
 Mike seconded
 14-0-0 PASSES

- Billy recommended his name be changed to William Thogersen in the minutes for corporate purposes (in reference to last meeting's decision to give Billy GA authority)
- Billy also recommended action be taken to determine who has permanent GA authority before the December Board Meeting in order to prevent gaps in coverage

Luca motioned to add Billy's full name, William Thogersen, to August's meeting minutes
 Sanyam seconded
 13-0-0 PASSES (Austin was not present)

Sanyam motioned to approve August's minutes as amended
 Luca seconded
 13-0-0 PASSES (Austin was not present)

Rose Marie entered at 6:17.

Anna motioned to pass items on consent agenda after discussing August's meeting minutes
 Casandra seconded
 14-0-0 PASSES

Committee Work

6:25

Scholarship Committee

6:25

Time Allotted: 10 min

Presenter: Casandra

- The scholarship committee had their first meeting and meeting notes were sent out via email to ICC. The committee is in the investigation phase and has another meeting scheduled where they will discuss the research results and draft a scholarship program, which will be presented along with a timeline at the October meeting.

Audit Committee

6:27

Time Allotted: 5 min

Presenter: Andrew B.

- Andrew B. discussed progress in working with Wegner CPA towards acquiring a financial audit by October 31st
- Rose Marie asked if and when Board representatives will meet with associates from Wegner CPA
- A few members expressed interest to Andrew B. about meeting with the auditors

Board Briefing 1

6:35

915 W 22nd St Expansion Project (Ruth Schultze House)

6:35

Time Allotted: 30 min

Presenter: Billy

- Rose Marie recommended the Board formulate questions about the expansion in order to become reasonably informed about the benefits and risks
- Madeline asked why there is such a large ratio of square foot per member
 - Billy explained that the house has no yard
- Anna asked whether future house members will have a say in the design of the house
 - Billy explained that members can only influence the design of the house after architects have finished a preliminary design
- Sanyam asked if ICC has enough demand in order to fill a new house
 - Billy explained that Valerie has better information (not present)
- Matt asked whether only 3-4 parking spaces would drive down demand for the new house
 - Billy explained that ICC would either have to lease the parking or let occupants pay the full parking fee
- Luca asked whether a delay in opening incurs would significant risk to ICC
 - Billy explained adequate information isn't available yet
- Luca asked how long can we expect the house to last before major repairs
 - Billy explained that the question can only be answered after architects have finished a design
- Allen asked what will happen to the debt repayment loan after ten years
 - Billy explained that ICC will take out a loan as if it would be a 25 year loan, but that the bank will ask for a return after ten years. After ten years, ICC must either pay or refinance 1.3 million dollars.
- Rose Marie directed the Board's focus towards what the major milestones of the expansion project are, and when those decisions will have to be made
- Sanyam stated that he wants to see a wait-list for ICC in order to gauge the likelihood of filling the new house
- Andrew M. asked how the loans that subsidized the super-coop worked

915 W 22nd St. Property Existing Structure Disposition

7:03

Time Allotted: 15 min

Presenter: Billy

- Billy recommended that immediate action be taken to secure the property in order to protect it from intrusion
- Billy presented three options: build a big fence, tear it down, or preserve the structure and move it elsewhere. Billy explained that preserving the structure is time sensitive, necessitating quick action.
- Anna asked how long it would take for the building to be moved if it was preserved

- o Billy answered about three months
- Madeline asked what the cost of tearing down vs. preserving and moving would be
 - o Billy answered that tear down costs are approximately \$15,000, while preserving and moving could earn some money for ICC

Valerie entered at 7:14.

- Sanyam asked how the risk of someone hurting themselves on the property could be minimized
 - o Billy answered building a fence, but also mentions that others will be attracted to a fenced-off property

Luca motioned to authorize staff to remove the structures from the property at 915 W. 22nd St without demolishing them
 Allen seconded
 14-0-0 PASSES

Break **7:16**

Time Allotted: 10 min

Evan Higgins left at 7:16.

Board Briefing 2 **7:27**

UNO Affordable House Trust Fund Use Report **7:27**
Time Allotted: 25 min *Presenter: Billy*

- Billy stated staff recommends a vote at this meeting
- Billy stated there is currently 650K in the trust fund and without this trust fund, ICC would have to save up the money for decades, effectively making it necessary for expansion to take place
- Billy subsequently explained that accepting the trust fund money requires that 30% of the bedrooms in the house be reserved for people that make 50% less than the median family income (this means that there would be a ceiling on the rent that could be charged for people meeting the income requirement, which conflicts with ICC's past practice of charging flat, affordable rates for all rooms)
- Luca argued that accepting the trust fund money doesn't compromise ICC's philosophical stance towards flat, affordable room rates for all students
- Casandra asked if there is an estimate for when the city council will pass this requirement for trust funds that will affect ICC's expansion project
- Allen asked if there is a comparison between need-based financial aid ICC members and those who are impacted by the requirements of the trust fund
 - o Valerie and Billy stated that they think that about 50% of current ICCers would meet the income requirement
- Rose Marie posits that one of the major questions of the Board involves what the final language of the city council's decision will be and whether the board should come to a decision tonight
 - o Billy answered that if the Board determines that they don't have the information to make a decision, they can delay the decision, thereby reducing the urgency of

the situation. Billy added that submitted paperwork for the expansion project can always be retracted.

- Matt highlighted that the stipulation for the trust fund carries a term of 40 years
- Sanyam asked if there is an alternate budget that doesn't include the trust fund money
 - o Billy answered no

Luca motioned to accept the UNO trust fund money for development at 915 W 22nd St
Austin seconded
14-0-0 PASSES

Governance **8:00**

Policy B Monitoring Report **8:00**
Time Allotted: 15 min *Presenter: Billy*

- Rose Marie explained the purpose of the report is to follow up on the mandates the Board has set out, to see whether their motions were executed, and that staff has complied with their decisions
- Questions to consider when reviewing all monitoring reports are:
 - o Do we accept or not accept?
 - o Is the interpretation reasonable?
 - o Is the data sufficient?
 - o Is this the policy we want?
- Rose Marie asked whether the Board would consider a list of compliance issues sorted by priority
- Board answered in the affirmative

Sanyam motioned to accept the monitoring report with the finding that staff is in compliance
Andrew M. seconded
14-0-0 PASSES

Policy C Self Evaluation **8:24**
Time Allotted: 15 min *Presenter: Rose Marie*

- Rose Marie explained that the Board will soon have an online survey to help regulate itself and ask whether the Board follows its own policy
 - o Valerie urged the Board members answer make sure they complete the survey so the Board can have information to work with
- Anna stated that she believes the Board has been doing well with practicing monitoring and that the Board's work is easily transparent and accessible to the members and that it is in compliance
- Anna stated she believes action doesn't need to be taken to state the Board's compliance currently, but perhaps at a future meeting

Staff Update – Added to agenda **8:32**
Time Allotted: None *Presenter: Billy*



City of Austin

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

Neighborhood Housing and Community Development Department

December 15, 2016 (revision to letter dated October 1, 2015)

S.M.A.R.T. Housing Certification
University of Texas Inter-Cooperative Council, Inc.:
Ruth R. Schulze House- 915 West 22nd Street- UNO (ID #65501)

TO WHOM IT MAY CONCERN:

University of Texas Inter-Cooperative Council, Inc.: (development contact: Billy Thogersen ((512)-476-1957 (o))/(512)-470-4286 (m); billy@iccaustin.coop) has submitted a S.M.A.R.T. Housing application for the construction of a 26-bedroom group residential rental development at 915 West 22nd Street in the University Neighborhood Overlay in the West Campus Neighborhood Planning Area. The project will be subject to a forty (40) year affordability period after issuance of certificate of occupancy.

The revision was to update the total number of bedrooms from 27 to 26.

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Thirty percent (30%) of the bedrooms (8 bedrooms) will serve households at or below 50% Median Family Income (MFI). Since the development has been allocated money from the University Neighborhood District Housing Trust Fund, 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
Building Permit
Concrete Permit
Electrical Permit
Mechanical Permit
Plumbing Permit

Site Plan Review
Misc. Site Plan Fee
Construction Inspection
Subdivision Plan Review
Misc. Subdivision Fee
Zoning Verification

Land Status Determination
Building Plan Review
Parkland Dedication (by
separate ordinance)

In addition, 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. Contact Katherine Murray 482-5351).
- ◆ Pass a final inspection to certify that accessibility standards have been 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 by phone 512.974.3128 or by email at Sandra.harkins@auslintexas.gov if you need additional information.

Sincerely,

Sandra Harkins, Project Coordinator
Neighborhood Housing and Community Development

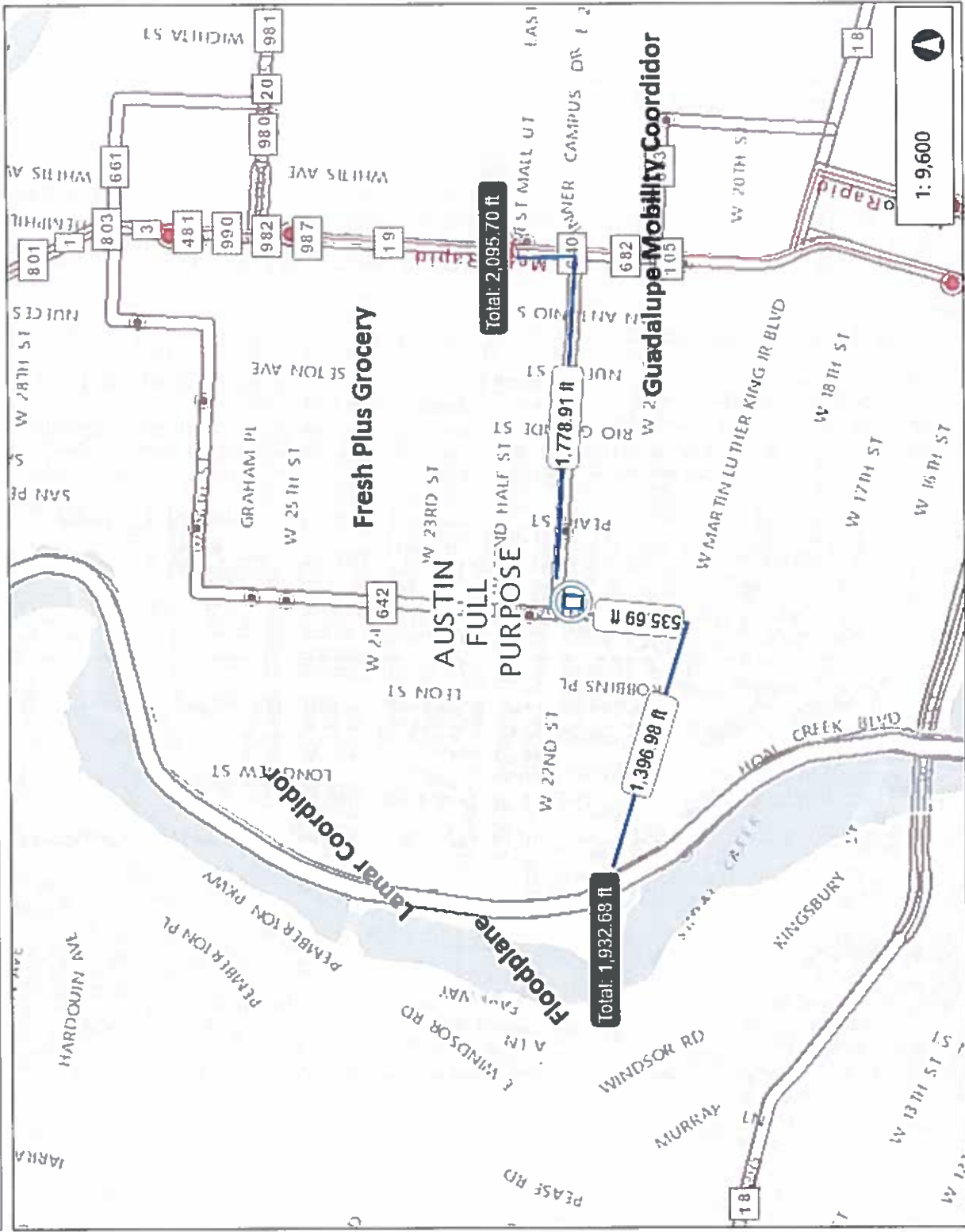
Cc: Laurie Shaw, Capital Metro
Maureen Meredith, PZD
M. Simmons-Smith, DSD
Katherine Murray, Austin Energy
Alice Flora, AWU
Ellis Morgan, NHCD

Bryan Bomer, AEGB
Gina Copic, NHCD
Marilyn Lamensdorf, PARD
Heidi Kasper, AEGB
Carl Wren, DSD

Alma Molieri, DSD
Susan Kinel, NHCD
Stephen Castleberry, DSD
Lynda Courtney, DSD
Zulema Flores, DSD



Property Profile



Scale: 1:9,600



NAD_1983_StatePlane_Texas_Central_FIPS_4203_Feet
Date Printed:

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey. This product has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

Legend

- Jurisdiction**
 - FULL PURPOSE
 - LIMITED PURPOSE
 - EXTRATERRITORIAL JURISDICTION
 - 2 MILE ETJ AGRICULTURAL AGR
 - OTHER CITY LIMITS
 - OTHER CITIES ETJ
- Jurisdiction**
 - FULL PURPOSE
 - LIMITED PURPOSE
 - EXTRATERRITORIAL JURISDICTION
 - 2 MILE ETJ AGRICULTURAL AGR
 - OTHER CITY LIMITS
 - OTHER CITIES ETJ
- Imagine Austin Corridors**
 - Greater Austin Fully Developed
 - COA Fully Developed 25-Year
 - COA Fully Developed 100-Year
 - COA Master Plan 25-Year
 - COA Master Plan 100-Year
 - 100-Year (Detailed-AE)
 - 100-Year (Shallow-AO-AH)
 - 100-Year (Approx-A)
- Capital Metro Rapid Bus Stops**
 - Capital Metro Rapid Bus
 - Capital Metro Bus Stops
 - Capital Metro Bus Routes

Notes

GENERAL WARRANTY DEED WITH VENDOR'S LIEN

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DATE: August 28, 2013

GRANTOR: Kathryn Ann Schulze Moser, a married person not joined by her spouse, since the herein described property constitutes no part of their business or residential homestead

GRANTOR'S MAILING ADDRESS: 2107 Woodmont Ave., Austin, TX 78703

GRANTEE: University of Texas Inter-Cooperative Council, Inc.

GRANTEE'S MAILING ADDRESS: 2305 Nueces St., Austin, TX 78705

CONSIDERATION:

\$10.00 and other valuable consideration, receipt of which is hereby acknowledged, and a note of even date that is in the principal amount of \$237,200.00, and is executed by Grantee, payable to the order of University Federal Credit Union. The note is secured by a vendor's lien retained in favor of University Federal Credit Union in this deed and by a deed of trust of even date from Grantee to Keith Gamel, Trustee.

PROPERTY (including any improvements):

See Exhibit "A" attached hereto and made a part hereof.

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:

This conveyance is made and accepted subject to all restrictions, covenants, conditions, rights-of-way, assessments, outstanding royalty and mineral reservations and easements, if any, affecting the above described property that are valid, existing and properly of record as of the date hereof and subject, further, to taxes for the year 2013 and subsequent years.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in anywise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor hereby binds Grantor and Grantor's heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

The vendor's lien against and superior title to the property are retained until each note described is fully paid according to its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

University Federal Credit Union, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the property that is evidenced by the note described. The vendor's lien and superior title to the property are retained for the benefit of University Federal Credit Union and are transferred to that party.

Kathryn M Ehlert
by Carl W Ehlert Attorney in fact
Kathryn Ann Schulze Moser by Carl W.
Ehlert, as Agent and Attorney in Fact

Acknowledgement

State of Texas
County of TRAVIS

This instrument was acknowledged before me on the 28th day of August, 2013, by Carol W. Ehlert, as Agent and Attorney in Fact on behalf of Kathryn Ann Schulze Moser.

Carol W. Ehlert
cf

Brandi Fleming
Notary Public, State of Texas



Prepared by:
Hancock & McGill, L.L.P.
Attorneys at Law
File No. 1317036

After Recording Return To:

Da7036-sw

DESCRIPTION

OF A 6,994 SQUARE FEET TRACT OF LAND, BEING OUT OF AND A PART OF THE OUTLOT 25, DIVISION "D", SITUATED IN TRAVIS COUNTY, TEXAS, BEING ALL OF THAT 70'X100' TRACT AS DESCRIBED IN DOCUMENT #2002234940 OF THE TRAVIS COUNTY DEED RECORDS, SAID 6,944 SQUARE FEET TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

Beginning at a 3/4" Iron Pipe Found in the South Right-of-Way of W. 22nd Street (60' Right-of-Way) and also in the East Right-of-Way of San Gabriel Street (60' Right-of-Way), being in the Northwest corner of the said 70'x100' tract and the Northwest corner of the herein described tract, for the Point of Beginning;

Thence, S84°18'44"E, with the South Right-of-Way of w. 22nd Street and the North line of the said 70'x100' tract for a distance of 69.81' feet to a 1/4" Iron Pipe Found at the Northeast corner of the said 70'x100' tract and the Northwest corner of a tract as conveyed to 911 West 22nd LLC as recorded in Document #2011003780 of the Travis County Deed Records, From Which a 1/4" Iron Pipe Found, Bears S81°45'48"E, 2.27' feet;

Thence, S05°50'15"W, with the common line between the said 70'x100' tract and the said 911 West 22nd LLC tract, for a distance of 100.10' feet to a 1/2" Iron Rod Set with Aluminum Cap "Dean Woodley RPLS 5086", for the Southeast corner of the said 70'x100' tract and the Southwest corner of the said 911 West 22nd LLC, and in the North line of a 0.2322 Acre tract as conveyed to Steve C. Moore and Thomas B. Hall as recorded in Volume 11014, Page 1512 of the Travis County Deed Records, for the Southeast corner of the herein described tract;

Thence, N84°13'56"W, with the common line between the said 70'x100' tract and the said 0.2322 Acre Tract, for a distance of 70.00' feet to a drill hole and "X" set in concrete with a brass cap "Woodley 5086" at the Southwest corner of the said 70'x100' tract and the Northwest corner of the said 0.2322 Acre Tract, being in the East Right-of-Way of San Gabriel Street (60' Right-of-Way), for the Southwest corner of the herein described tract, From Which a 1/2" Iron Rod Found, Bears S05°56'55"E, 65.02' feet;

Thence, N05°56'55"E, with the East Right-of-Way of San Gabriel Street, for a distance of 100.00' feet to the Place of Beginning, containing 6,994 Square Feet of land area.

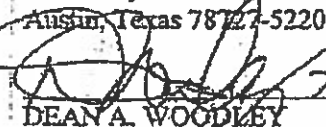
The Bearings for the above description are based upon the East adjoining deed as conveyed to 911 West 22nd, LLC, as recorded in Document #2011003780 of the Travis County deed Records.

STATE OF TEXAS)

COUNTY OF TRAVIS)

I hereby certify that this field note description was prepared from the results of an actual survey made on the ground under my supervision and that it is true and correct to the best of my knowledge.

LIVE OAK SURVEYING
12421 Wycliff Lane
Austin, Texas 78727-5220


DEAN A. WOODLEY DATE: 7-29-2013
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5086
5070713.wps





TGERESOURCES, INC.

Environmental, Engineering, Building Sciences, Industrial Hygiene & Remediation Services

July 14, 2017

Mr. Billy Thogersen
ICC Austin
2305 Nueces Street
Austin, Texas 78705

RE: Surface Soil Lead Investigation
0.16 Acre Lot in Downtown Austin
915 West 22nd Street
Austin, Texas 78705
TGE Project No. R13431.02

Dear Mr. Thogersen,

TGE Resources, Inc., ("TGE") has completed Environmental Services at the above-referenced property, hereinafter referred to as the "Site" or "Property" (Figure 1 – Site Location Map). Project activities were conducted on behalf of Mr. Thogersen with ICC Austin ("Client"), in accordance with TGE Proposal No. P13431.02, dated May 22, 2017.

PROPERTY DESCRIPTION AND PURPOSE

According to Travis County Appraisal District (CAD) information, the Property is comprised of approximately 0.16 acres (6,994 square feet) of land. At the time of Site reconnaissance, which was undertaken on May 31, 2017, the Property was unimproved commercial real estate. Per historic resources, the Site has been developed with residential structures since the early 1900s, until structures were razed in 2016 in preparation for future Site redevelopment. Based upon Findings from the Phase I ESA prepared by TGE (Report No. R13431.01; dated April 18, 2017) the following Recognized Environmental Condition (REC) was identified in connection with the Property:

- *"Based on Site provided information, reported concentrations of lead in soil at the Property exceeded applicable regulatory thresholds (TRRP Tier 1, Commercial/Industrial PCLs and/or Texas Median Specific Background)."*

In an effort to identify a potential source for reported elevated lead concentrations in shallow soils, TGE contacted Lonestar Environmental Services, who completed surface soil sampling at the Site in 2013 for purposes of determining the presence/absence of lead in soil (as related to lead-based paint present on the structures) prior to demolition. Per Lonestar Environmental Services, three composite (0-6") surface soil samples were collected by Lonestar along the eastern, western and southern foundation drip lines of the former northernmost Site structure. Collected samples were submitted for Resource Conservation and Recovery Act (RCRA) metal lead analysis via EPA Method 7000B. Per documentation provided to TGE during completion of the recent (referenced) Phase I ESA, concentrations of lead in these soil samples ranged from 82.1 milligrams per kilogram (mg/kg) to 1,570 mg/kg, all of which exceed the Texas Commission on Environmental Quality (TCEQ) Texas Risk Reduction Program (TRRP) residential screening level of 3 mg/kg and/or the Texas Specific Median Background concentration (TSMBC) for lead in soil (15 mg/kg).

DUNS: 929574051
Texas HUB
City of Houston SBE, WBE, DBE
SBA Certified WOSB
TX DOT Pre-certified
WBEA/WBENC Certified WBE

TGE Corporate Office
8048 Northcourt Road
Houston, Texas 77040
713-744-5800
Fax: 713-744-5888
www.tgeresources.com

Based upon the REC identified within the above-referenced Phase I ESA report, TGE was retained to further investigate the residential real estate for purposes of confirming/refuting the previously-identified presence of elevated levels of the RCRA metal lead within the Site soils.

INVESTIGATION AND SAMPLE COLLECTION

On May 31, 2017, Mr. Evan Sitler, Staff Geologist and Bryan Heath, Staff Scientist, both with TGE, mobilized to the Site to advance and sample twelve (12) soil borings (designated SB-1 through SB-12) to depths of approximately 1.5 feet below grade (fbg) throughout the Property. One soil sample from each boring was analyzed for RCRA metal lead (EPA Method 6020). Per a Client authorized change order, two (2) additional samples were analyzed for RCRA metal lead with the goal of achieving vertical delineation of soil impact (based on laboratory results from the preliminary sample analysis). Additionally, soil sample SB8(0-0.5), which exhibited the highest lead concentration (381 mg/kg), was additionally analyzed for leachable lead using the synthetic precipitate leaching procedure (SPLP). This test was performed in an effort to compare leachate from this soil sample to established TCEQ TRRP protective concentrations for groundwater; and potentially establishing a Site-specific target concentration considered protective of groundwater.

Soil Sample Collection

TGE utilized a stainless steel hand auger (decontaminated between sample locations) to advance each sample location to the maximum proposed boring depth of 1.5 fbg. TGE's sample collection and decontamination protocol included close adherence to EPA SW 846 guidance as well as TGE's Standard Operating Procedure (SOP). Specifically, soil samples were collected with a properly decontaminated hand auger and placed into sterile, glass containers provided by the contract laboratory in a manner that minimized available "head space" within the container. The laboratory quantitation limit for the parameter tested are included on the laboratory reports and comply with EPA SW-846 criteria.

All sample containers were labeled according to sample designation, including the date and time sampled and placed immediately on ice for shipment to ESC Lab Sciences in Mt. Juliet, Tennessee, a National Environmental Laboratory Accreditation Program (NELAP) certified laboratory. Laboratory quantitation limits for parameters tested are included on laboratory reports and comply with EPA SW-846 and TCEQ TRRP criteria. Refer to **Figure 2** for a Sample Location/Soil Concentration Map, **Attachment 1** for boring logs describing sediments encountered and **Attachment 2** for photographic documentation of investigation efforts.

SOIL SAMPLE ANALYTICAL RESULTS (FINDINGS)

As a result of sample analysis, lead was detected in Site soil at concentrations ranging from 41.4 mg/kg at sample location SB-8 (collected from a depth of 0.5 fbg at the northwest corner of the former northernmost Site structure) to 877 mg/kg at soil boring SB-11 (from a depth of 1.0 fbg at the northern perimeter of the former southernmost Site structure).

RCRA-8 Metals – Tier 2 PCL Calculation

Given exceedances of the heavy metal lead in soil at the Site, it was deemed appropriate to utilize the TCEQ TRRP Protective Concentration Level (PCL) equation to develop a Site-specific level for soil that is considered protective of groundwater in lieu of the TSMBC and/or TCEQ TRRP Tier 1 health-based, residential PCL. The TRRP Tier 2 PCL for surface soil ($^{GW}Soil_{mg}$) is based on soil and COC-specific properties that may impact the migration potential of a chemical of concern (COC) from the soil to the groundwater at the Site. Parameters and/or Site-specific conditions that are taken into consideration include the size of the COC source area, the soil type/pH, the thickness of COC-affected soils, depth to groundwater, and groundwater beneficial use classification. The reported pH level of a soil sample collected from the Site was between 9.0 and 10.0.

Tier 2 PCL Calculation for RCRA Metal Lead in Soil ¹				
RCRA-Metal	K _d (pH specific)	K _{sw}	^{GW} Soil - Calculated Tier 2 PCL (mg/kg)	Maximum Concentration Detected in Site Soil (mg/kg)
Lead	1,830	5.46E-4	549	877

- Based on Site-specific conditions, a Tier 2 soil-to-groundwater (^{GW}Soil_{ing}) PCL of 549 mg/kg was established for lead in Site soil. The maximum concentration of 877 mg/kg (SB-11 at 1.0 fbg) reported for lead in Site soil during the current investigation remains in excess of the calculated Tier 2 ^{GW}Soil_{ing} PCL.

RCRA-8 Metals – Synthetic Precipitate Leachate Procedure (SPLP) (Tier 3 PCL)²

- Given that lead could not be screened (entirely) from further response actions, following Client approval, SB-8 (0.5') was additionally analyzed for lead using the SPLP in that this sample exhibited the highest lead concentration below the calculated Tier 2 ^{GW}Soil PCL. Analysis of sample leachate resulted in a reported lead concentration of 0.295 milligrams per liter (mg/L), which exceeds the TRRP Tier 1 PCL of 0.015 mg/L for lead in groundwater. Therefore, the reported soil concentration of 381 mg/kg for lead detected in soil sample SB-8 (0.5') cannot be “screened” (entirely) from further response actions and may represent an anthropogenic condition for the Site (at least in part).

As detailed above, reported soil lead concentrations in Site soil (per the current investigation) only exceeds the Site-specific TRRP Tier 2 PCL at soil sample SB-11 (1.0 fbg) and a TRRP Tier 3 PCL was not established. Additionally, reported soil concentrations are less than the TRRP Tier 1 residential PCL for the combined surface soil exposure pathway PCL (^{Tot}Soil_{Comb}) for lead (500 mg/kg), with the exception of the SB-11 (1 fbg) sample. The combined soil PCL is the TRRP risk exposure pathway for a receptor to the combined inhalation, ingestion and/or dermal contact with a COC (lead) in surface soil.

It should be noted that use of calculated Tier 2 and Tier 3 PCLs, while following TRRP program guidance and recognized as standard industry practice, would typically be submitted (for agency concurrence) within the context of a complete Affected Property Assessment Report (APAR), as specified in 30 TAC §350.51. For reference, soil laboratory data is summarized in Table 1 and laboratory data reports (with chain-of-custody documentation) are provided in Appendix C.

¹ The standard Tier 2 calculation equation is provided for reference within Attachment 4.

²SPLP analysis is a third option (available per the TRRP) utilized for data comparison. This test was performed in an effort to compare laboratory generated leachate from the sample to the published groundwater PCL.

FINDING AND RECOMMENDATIONS

Based on results of this Site characterization effort, and within stated project limitations and qualifications made part of this work, TGE provides recommendation(s) for Client consideration as itemized below.

Finding	Recommendations
<p>Soil impact by RCRA-8 metal lead has been detected/confirmed within shallow soil at the Property in the vicinity of former foundation drip lines for residential structures (razed in 2016) in exceedance of the respective TRRP ^{Tot}Soil_{Comb} PCL.</p>	<p>Given Client's proposed plans for residential redevelopment of the Property, impacted soil should be excavated and properly managed for off-Property disposal in compliance with applicable statutes. Following excavation of lead-impacted soil and confirmation soil testing, a notice should be prepared and submitted to the TCEQ to obtain agency concurrence for no further action designation.</p> <p>To further characterize shallow groundwater at the Site for RCRA metal lead and to establish applicability of the TRRP, the installation of permanent groundwater monitor well(s) is recommended (which can be purged, developed and tested to complete objectives of the assessment). Otherwise, findings as available and reported herein would be reportable by the Site owner/responsible party (without the benefit of confirmation), as per 30 Texas Administrative Code (TAC) §350.4 to the TCEQ-Region 11 Office in Austin, Texas (per Texas Health and Safety Code Chapter 361 and Texas Water Code Chapter 21).</p>

QUALIFICATIONS

Our professional services have been performed and our findings obtained in accordance with customary principles and practices in the fields of environmental science, geoscience and engineering. This company is not responsible for independent conclusions, opinions or recommendations made by others based on the field exploration and laboratory test data presented in this report. Work performed in conjunction with this assessment and data developed are intended as a description of available information at the dates and locations given. This report does not warrant against future operations or conditions, nor does it warrant against operations or conditions present of a type or at a location not investigated.

Conclusions presented in this report are professional opinions based solely upon visual observations and preliminary testing of soil at the Site, as described in this report. This report is intended exclusively for the purpose outlined herein and at the Property indicated. This report is intended for the sole use of Client, and their representatives. The scope of services performed in execution of this investigation may not be appropriate to satisfy the needs of other users, and any use or re-use of this document or its findings, conclusions, or recommendations presented herein is at the sole risk of said user.

It should be recognized that this study was not intended to be a definitive investigation of contamination across the Property. Although the scope of services for this investigation included the collection and analytical testing of soil samples, it is possible that currently unrecognized contamination may exist at the Site and that the levels of this potential contamination may vary across the Property. Opinions and recommendations presented herein

ICC Austin
0.16 Acre Lot in Downtown Austin
July 14, 2017
TGE Project No. R13431.02
Page 5

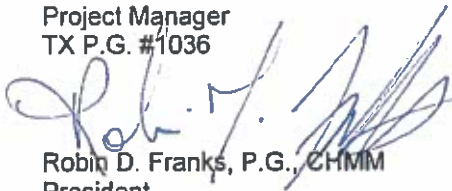
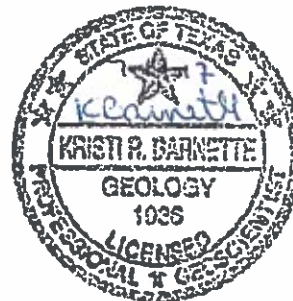
apply to Site conditions existing at the time of our investigation and those reasonable foreseeable. They cannot necessarily apply to Site changes of which this company is not aware and has not had the opportunity to evaluate.

We appreciate the opportunity to provide you with these services. Should you have any questions or comments regarding this report or any related matter, please call us at (713) 744-5800. It has been a pleasure working with ICC Austin on this project.

Sincerely,
TGE Resources, Inc.
(RCAS00498 / TX Geoscience Firm 50285)



Kristi Barnette, P.G.
Project Manager
TX P.G. #1036



Robin D. Franks, P.G., CHMM
President
CAPM #00642/TX P.G. #875

Attachments:

- Figure 1 - Site Location Map
- Figure 2 - Soil Concentration Map
- Table 1 - Soil Analytical Results
- Table 2 - SPLP Analytical Results
- Attachment 1 - Soil Boring Logs
- Attachment 2 - Photographic Documentation
- Attachment 3 - Laboratory Report & Chain-of-Custody Documentation
- Attachment 4 - Standard Tier 2 PCL Calculation Equation
- Attachment 5 - Qualifications of Environmental Professionals



January 5, 2018

City of Austin
Austin Resource Recovery
505 Barton Springs Rd # 1300
Austin, Texas, 78704

Sent via email to Christine.Whitney@austintexas.gov

Attention: Ms. Christine Whitney

Reference: 22nd Street Soil Remediation
915 22nd Street, Austin, Texas 78705
2017 Brownfields Environmental Services Rotation List (PA 170000058)
Baer Engineering Document No. 172039-8i.050

Dear Ms. Whitney:

Baer Engineering and Environmental Consulting, Inc. (Baer Engineering) is pleased to present this field report for the City of Austin (COA) for the above referenced project.

SITE INFORMATION

A Phase I Environmental Site Assessment (ESA) was conducted by TGE Resources Inc. (TGE) on the property, dated April 18, 2017. The Phase I ESA identified the presence of lead (Pb) in the soils on the site. The TGE Surface Soil Lead Investigation document, dated July 14, 2017, reported concentrations of Pb on the property over the calculated Texas Commission on Environmental Quality (TCEQ) Tier 2 site specific protective concentration levels (PCLs) for lead (i.e., 549 mg/kg).

On September 7 and September 8, 2017, Baer Engineering mobilized to the Site to conduct initial sampling. The field team used an X-ray fluorescence analyzer (XRF) to measure the concentrations of Pb in the soil. The field team collected 20 soil samples for laboratory analysis from areas that were screened with the XRF. The team submitted these samples to DHL Analytical, Inc. (DHL) in Round Rock, Texas. Upon review of the laboratory data, we could confirm a direct correlation between the XRF and analytical values. The analytical laboratory report is attached at the end of this report.

The analytical results from the initial investigation are tabulated below. The sample IDs correspond to the grid on the Contour Map of XRF Lead Concentrations in Soil on page 3. BG 1, 2, 3, and 4 are background samples collected from the areas indicated on the map on the following page. Sample 4 BB was collected from the same grid as 4B to show lateral variation in concentrations across a given grid.

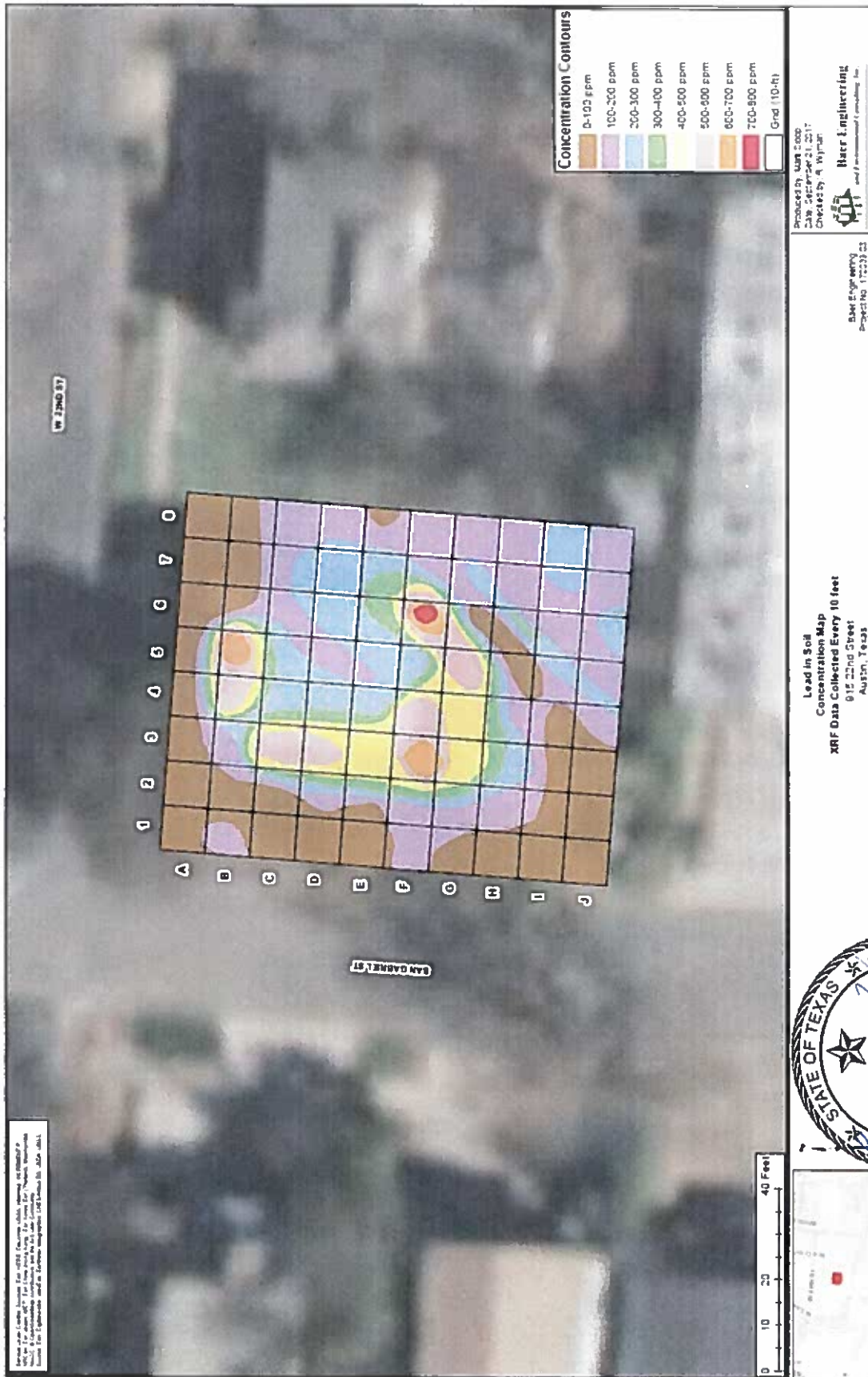
Sample ID	Result (mg/kg)	Sample ID	Result (mg/kg)	Sample ID	Result (mg/kg)	Sample ID	Result (mg/kg)
BG 1	22.5	6F	369	2H	165	5H	285
BG 2	134	4F	395	1C	49.2	7A	8.00
BG 3	38.4	1J	58.7	7G	449	2A	88.1
BG 4	47.8	8I	277	6D	378	3F	615
5B	768	3E	626	4B	848	4B	848
						4BB	1640



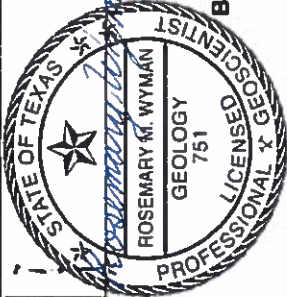
The locations of the background samples are shown above.

The XRF data were used to create a Pb-concentration map of the surface soils at the site. This Contour Map of XRF Lead Concentrations in Soil is presented on the next page. Upon observation of the contour map, you can see what appears to be a "halo" of elevated Pb concentrations. This is further confirmation that the source of the Pb is paint from the structure previously located on the site. Since the source of the Pb was exterior paint, we selected 400 mg/Kg as the target concentration for cleanup. This selection was based on EPA Lead Soil Hazard Standards. The EPA standard is 400 mg/Kg in play areas of bare residential soil. A copy of the EPA fact sheet for Lead Paint Hazard Standards is attached.

Contour Map of XRF Lead Concentrations in Soil



Produced by: W&B Engineering
 Date: September 21, 2017
 Checked by: A. Wyman
 Project No. 172039-03



January 8, 2018

Baer Engineering and Environmental Consulting, Inc.

Produced by: W&B Engineering
 Date: September 21, 2017
 Checked by: A. Wyman
 Project No. 172039-03

Lead in Soil
 Concentration Map
 XRF Data Collected Every 10 feet
 915 22nd Street
 Austin, Texas

0 10 20 40 Feet

FIELD ACTIVITIES

On November 9, 2017, Mr. Mark Sloop, G.I.T. used marking paint to outline the areas on the Site over the target Pb concentration of 400 mg/Kg. A photograph of the demarcated area is shown at right. The excavation areas were determined using the Contour Map of XRF Lead Concentrations in Soil, presented above.



On November 10, 2017, Mr. Sloop observed the removal of 80 cubic yards of Pb-contaminated soil from the contaminated area. Gruene Environmental Companies (Gruene) used a CAT 420F backhoe to excavate the target areas down to at least six inches below the ground surface (bgs). During the excavation process, Mr. Sloop used an XRF to perform real-time screening to help direct the removal. With the XRF, he could determine when the remediation contractor had removed enough soil. Once the excavated soils were removed from the Site, Mr. Sloop collected three clearance samples from the new ground surface to verify the concentration of Pb in the remaining soils. The laboratory analyses of the soils indicate that Pb concentrations in the excavated areas are below 400 mg/kg.

The photograph at right shows the commencement of excavation. The soils were stockpiled over a central location in the contaminated area.



Excavated soils were loaded into end dump trucks from the contaminated stockpile and hauled off of the Site. The soils were delivered to the Mesquite Creek Landfill in New Braunfels, Texas. Photographs of the loading process are below. Copies of the waste manifests are attached to this report.



At right is a photograph of the excavated area. The light-colored stockpile is construction fill, from the adjacent property, used to help contour the excavation.



LABORATORY ANALYSIS

Samples were collected using appropriate sampling methods as required. Clearance samples were packed on ice and delivered to DHL Analytical in Round Rock, Texas. The tabulated results are shown below and the analytical reports are attached.

Lead Clearance Sample Results	
Sample ID	Result (mg/kg)
C-1R	50.9
C-2R	91.8
C-3R	289

The clearance sample results were below the EPA standard of 400 mg/Kg.

LIMITATIONS

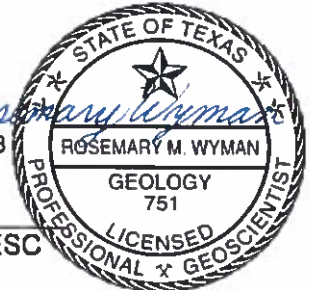
Recognize that special risks occur whenever engineering or related disciplines are applied to identify subsurface conditions. Even a comprehensive sampling and testing program, implemented with the appropriate equipment and experienced personnel under the direction of a trained professional who functions in accordance with a professional standard of care may fail to detect certain conditions, because they are hidden and therefore cannot be considered in development of a subsurface exploration program. For similar reasons, actual environmental, geologic and geotechnical conditions that the scientist properly infers to exist between sampling points may differ significantly from those that actually exist. The passage of time must also be considered. Recognize that, because of natural occurrences or direct or indirect human intervention at the Site, or distant from it, actual conditions discovered may quickly change. Realize that nothing can be done to eliminate these risks altogether, but certain techniques can be applied by the scientist to help reduce them to that level deemed tolerable by client. The scientist is available to explain these risks and risk reduction methods to client but, in any event, the scope of services included with this agreement is that which client agreed to or selected in light of his own risk preferences and other considerations.

Respectfully submitted,
BAER ENGINEERING AND ENVIRONMENTAL CONSULTING, INC.


Mark Sloop, GIT
Staff Geologist


Rosemary Wyman, P.G. (TX751), CHMM, CPESC
Principal Geologist

January 8, 2018



TEXAS BOARD OF PROFESSIONAL GEOSCIENTISTS

Complaints on the geoscience services provided by Baer Engineering can be directed to the Texas Board of Professional Geoscientists, P.O. Box 13225, Austin, Texas 78711, (512) 936-4400.

*Attachments: EPA Fact Sheet for Lead Paint Hazard Standards
Waste Disposal Manifests
Analytical Laboratory Reports*