

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)

Application for Rental 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 City's FY 2013-14 Action Plan goals and policy direction from the Austin City Council.

Project Name: Rollins Martins Apartments

Project Address: 1172 Webberville Road, Austin, Texas Zip Code: 78723

Total # units in project/property: 15 Census Tract Number: _____

Total # units to be assisted with RHDA Funding: 10

Project type (check all that apply with an 'X'):

Acquisition Rehabilitation New construction Refinance Rent Buy-Down

Amount of funds requested: \$600,000 Terms Requested: 0% Interest, No payment

Role of applicant in Project (check all that apply): Owner Developer Sponsor

1. Applicant Information (If applicant is not acting as the developer, please provide all of the information below for the developer as well as for the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization).

Ipaydebt Financial Services, Inc. dba
Cornerstone Financial Education
Name

Developer **Consultant/Other**
Applicant is (please check appropriate box):

2806 Flintrock Trace #101
Street Address

Austin Texas 78738 512-538-0420
City State, Zip Telephone

Larry Cabrera 512-949-7425 Lazarocabrera24@Gmail.com
Contact Person Contact Telephone E-mail address

[REDACTED] 791614501
Federal Tax ID Number D-U-N-S Number (REQUIRED - Visit www.dnb.com for free DUNS#)

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.

Ipaydebt Financial Services, Inc. dba
Cornerstone
Legal Name of Developer/Entity

[Signature]
Signature of Authorized Officer
City of Austin
OCT 30 2014
NHCD / AHFC

Executive Director/CEO
Title

10/29/2014
Date

CONSIDER SMOKE-FREE HOUSING

The City of Austin encourages the development of smoke-free rental housing. Smoke-free housing protects the health of residents by decreasing exposure to harmful secondhand smoke. Also, apartment owners and managers reap the benefits of more efficient and less expensive unit turnovers, potentially lower insurance premiums, and reduced risk of fires.

Smoke-free policies are legally permissible and can be a marketing advantage for attracting and retaining residents. More than 80 percent of people living in the Austin area do not use tobacco, and a 2011 survey conducted by the Austin/Travis County Health and Human Services Department found that 77 percent of renters in Travis County would prefer to live in tobacco-free housing.

Find out how you can protect the health of residents, make your property safer, and save money by downloading a copy of "A Manager's Guide to Smoke-Free Housing Policies" at: <http://www.livetobaccofreeaustin.org/owners.php>

Please answer the following questions.

Is this development intended to have restrictions on smoking? Yes No

If "Yes," what level of restriction is intended?

No smoking anywhere on the property, inside or outside

No smoking Inside residents' units

No smoking in outdoor exclusive use areas such as individual balconies or patios

No smoking in outdoor common areas such as pool, parking lot, green spaces, etc.

No smoking outdoors within a reasonable distance from building entrances (such as 15 - 25 feet) to prevent smoke from entering another resident's open windows or doors.



Franchise Tax Account Status

As of: 05/13/2014 03:28:50 PM

This Page is Not Sufficient for Filings with the Secretary of State

IPAYDEBT FINANCIAL SERVICES, INC.

Texas Taxpayer Number 10305086166

Mailing Address 9433 FM 2244 BLDG 3
AUSTIN, TX 78733-6135

Right to Transact Business in ACTIVE
Texas

State of Formation FL

Effective SOS Registration Date 07/03/2006

Texas SOS File Number 0800676855

Registered Agent Name BUSINESS FILINGS INCORPORATED

Registered Office Street 701 BRAZOS STREET SUITE 720
Address AUSTIN, TX 78701

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

JUL 12 2007

Date:

Employer Identification Number:

DLN:

17053181700047

Contact Person:

JACOB A MCDONALD

ID# 31649

Contact Telephone Number:

(877) 829-5500

Public Charity Status:

509(a)(2)

IPAYDEBT FINANCIAL SERVICES INC
9433 BEE CAVES RD BLDG 3 STE 101A
AUSTIN, TX 78733

Dear Applicant:

Our letter dated November 2003, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)



Cornerstone Financial Education
3011 North Lamar Boulevard
Austin, Texas 78705

Office: 512.263.0532 Fax: 512.263.9179

October 22, 2014

WHEREAS, the need for affordable housing is well documented in the City of Austin.

WHEREAS, the need to preserve existing affordable housing is a priority in the City of Austin.

WHEREAS, iPayDebt Financial Services, Inc. d/b/a Cornerstone Financial Education plans to address the need to preserve affordable housing by acquiring a fifteen unit complex to be maintain as affordable rental units for substantial time period.

NOW, THEREFORE, the Board of Directors of iPayDebt Financial Services, Inc. d/b/a Cornerstone Financial Education, hereby resolves and agrees that it will make an application to the Austin Housing Finance Corporation for funds RENTAL HOUSING DEVELOPMENT ASSISTANCE PROGRAM, to assist in the acquisition of the rental housing complex located at 1172 Webberville Road in Austin, Texas.

Adopted and approved by the Board of Directors of iPayDebt Financial Services, Inc. d/b/a Cornerstone Financial Education on the 22nd day of October, 2014.


John C. Daetwyler
Secretary
iPayDebt Financial Services, Inc. d/b/a Cornerstone Financial Education



2. **A. Non-profit applicants/developers, attached copies of the following:**
1. A "certificate of status" issued by the Texas Secretary of State.
 2. Federal IRS certification granting non-profit tax-exempt status.
 3. Certified financial audit for most recent year which include the auditor's opinion and management letters.
 4. Board resolution approving the proposed project and authorizing the request for funding

- B. For-profit applicants/developers, attach copies of the following:**
1. For Corporations, Limited Partnerships, and Limited Liability Companies, a copy of a "certificate of status" issued by the Texas Secretary of State.
 2. A current financial statement
 3. Proof of sufficient reserves or a line of credit available, if necessary, in order to complete the proposed project.

3. **Project Type (Please check any that apply.)** This project is considered:

- Traditional Rental Housing** (serving low-income households, and resident services may or may not be provided)
- Transitional Housing** (case management services provided and residency limited to a certain length of time, usually no more than 24 months)
- Permanent Supportive Housing** (Considered long-term rental housing for very low-income families and individuals who are among the hardest to serve and who are most vulnerable to homelessness. This type of housing provides case management services to residents as needed).

If you checked Permanent Supportive Housing, please complete the information below.

A. Numbers of proposed PSH Units:

- _____ Total Number of Units in project
 _____ Total Number of Permanent Supportive Housing (PSH) Units Proposed

B. Check the population or sub-population(s) proposed to be served and indicate the number of units dedicated to that population or sub-population.

1. _____ Persons needing "**Housing First**," a Permanent Supportive Housing model typically designed for individuals or families who have complex service needs, who are often turned away from other affordable housing settings, and/or who are least likely to be able to proactively seek and obtain housing on their own. Housing First approaches also include rapid re-housing which provides quick access to permanent housing through interim rental assistance and supportive services on a time-limited basis.

NUMBER OF UNITS _____

Individuals or families headed by individuals that are:

2. _____ **Chronically homeless** as established in the HEARTH Act (Homeless Emergency and Rapid Transition to Housing Act of 2009) found at 24 CFR Part 577.

NUMBER OF UNITS _____

3. _____ Households that would otherwise meet the HUD definition of chronically homeless per the HEARTH Act, but **have been in an institution for over 90 days**, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility.

NUMBER OF UNITS _____

4. _____ Unaccompanied youth or families with children **defined as homeless under other federal statutes** who:

- a. have experienced a long-term period without living independently in permanent housing;

- b. have experienced persistent instability as measured by frequent moves over such period; and
- c. can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

NUMBER OF UNITS _____

- 5. _____ A single adult or household led by an adult **'aging out' of state custody of the foster care or juvenile probation system**, where the head of household is homeless or at-risk of homelessness.

NUMBER OF UNITS _____

- 6. _____ Any other population **not defined above** but who would otherwise be eligible for or need permanent supportive housing services.

NUMBER OF UNITS _____

NOTE: APPLICANTS CHECKING B.1, B.2, B.3, or B.4 ABOVE MUST COLLECT AND REPORT INFORMATION INTO THE HOMELESS MANAGEMENT INFORMATION SERVICE (HMIS)

4. Project Description. Provide a brief project description that addresses items "A" through "L" below.

- a. Describe the tenant population, income levels, and services, if any, to be provided to or made available to residents.

The project will provide housing to ten rental units to households at 50% or below MFI levels and five units to households at 60% or below MFI levels.

- b. Include the type of structure (multi-family or single-family), number and size of units in square feet.

The project consists of fifteen units of three bedrooms and two baths each. Each unit is 1,255 sq. ft. The complex is made up of four separate buildings.

- c. Indicate whether the property is occupied at the time this application is being submitted.

All units are occupied at time of application.

- d. Indicate whether the project meets the requirements of the City's Vertical Mixed-Use (VMU) Ordinance, or is in a Planned-Unit Development (PUD) or Transit Oriented Development (TOD), or is located less than .25 miles from a transit stop (not just a transit route).

Project is located within .25 miles from a transit stop.

- e. Indicate whether the project will preserve existing affordable rental units.

Project will preserve existing affordable units.

- f. If there are existing structures, provide documentation from the taxing authority or another third-party source indicating the year the structure was built.

- g. Indicate the number of units reserved for Housing Choice Voucher holders (Section 8).

Section 8 Housing Choice Voucher holders will be eligible for all units.

Travis CAD

Property Search Results > 199081 GARCIA JOE COMPANY NUMBER 1 LP for Year 2014

Property

Account

Property ID: 199081 Legal Description: LOT 1-5 *LESS 129 SQ FT MARTIN ROLLINS SUBD
 Geographic ID: 0209190123 Agent Code: ID:1471737
 Type: Real
 Property Use Code:
 Property Use Description:

Location

Address: 1172 WEBBERVILLE RD Mapsco: 586Q
 TX 78721
 Neighborhood: 08TC Map ID: 021021
 Neighborhood CD: 08TC

Owner

Name: GARCIA JOE COMPANY NUMBER 1 LP Owner ID: 182947
 Mailing Address: 6448 E HWY 290 STE C111 % Ownership: 100.0000000000%
 AUSTIN , TX 78723-1074
 Exemptions:

Values

(+) Improvement Homesite Value: + \$0
 (+) Improvement Non-Homesite Value: + \$617,147
 (+) Land Homesite Value: + \$0
 (+) Land Non-Homesite Value: + \$137,853 Ag / Timber Use Value
 (+) Agricultural Market Valuation: + \$0 \$0
 (+) Timber Market Valuation: + \$0 \$0

 (=) Market Value: = \$755,000
 (-) Ag or Timber Use Value Reduction: - \$0

 (=) Appraised Value: = \$755,000
 (-) HS Cap: - \$0

 (=) Assessed Value: = \$755,000

Taxing Jurisdiction

Owner: GARCIA JOE COMPANY NUMBER 1 LP
 % Ownership: 100.0000000000%
 Total Value: \$755,000

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
01	AUSTIN ISD	1.222000	\$755,000	\$755,000	\$9,226.10
02	CITY OF AUSTIN	0.480900	\$755,000	\$755,000	\$3,630.80
03	TRAVIS COUNTY	0.456300	\$755,000	\$755,000	\$3,445.07
0A	TRAVIS CENTRAL APP DIST	0.000000	\$755,000	\$755,000	\$0.00
2J	TRAVIS COUNTY HEALTHCARE DISTRICT	0.126400	\$755,000	\$755,000	\$954.33
68	AUSTIN COMM COLL DIST	0.094200	\$755,000	\$755,000	\$711.21
Total Tax Rate:					2.379800
Taxes w/Current Exemptions:					\$17,967.51
Taxes w/o Exemptions:					\$17,967.49

Improvement / Building

Improvement #1: APARTMENT 5-25 State Code: B1 Living Area: 17128 0 sqft Value: \$617,147

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
1ST	1st Floor	WW - 4		1998	8464.0
2ND	2nd Floor	WW - 4		1998	8664.0
011	PORCH OPEN 1ST F	* - 4		1998	584.0
012	PORCH OPEN 2ND F	* - 4		1998	384.0
132	PLBG 5-FIXT AVG	AVG - *		1998	1.0
491	SPRINKLER HEADS	* - *		1998	17128.0
551	PAVED AREA	AA - *		1998	30682.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0

Improvement #2: SPECIAL (NODEPR) State Code: B1 Living Area: sqft Value: \$0

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MISC	Miscellaneous	* - *		1998	1.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			50.0
SO	Sketch Only	SO - *			96.0
SO	Sketch Only	SO - *			96.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	LAND	Land	1.0549	45951.00	0.00	0.00	\$137,853	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2015		N/A	N/A	N/A	N/A	N/A
2014		\$617,147	\$137,853	0	755,000	\$0 \$755,000
2013		\$513,011	\$137,853	0	650,864	\$0 \$650,864
2012		\$432,147	\$137,853	0	570,000	\$0 \$570,000
2011		\$418,563	\$137,853	0	556,416	\$0 \$556,416
2010		\$417,869	\$137,853	0	555,722	\$0 \$555,722

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	12/15/1995	WD	WARRANTY DEED	BAYLOR HOUSE INC	GARCIA JOE COMPANY NUMBER 1 LP	12585	00531	
2	1/28/1993	SW	SPECIAL WARRANTY DEED	FEDERAL DEPOSIT INSURANCE CORP	BAYLOR HOUSE INC	11870	00926	
3	11/6/1991	WD	WARRANTY DEED	SPEARS ANTHONY	FEDERAL DEPOSIT INSURANCE CORP	11561	00695	

Questions Please Call (512) 834-9317

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- h. Indicate the number of units that are or will be made accessible and adaptable for persons with mobility, sight or hearing disabilities.

There are four units adaptable and accessible to persons with disabilities.

- i. Demonstrate the Project’s compatibility with current Neighborhood Plan (if applicable).

Project is existing project and it is zone for current use.

- j. Summarize the key financials of the project, clearly indicating the total project cost, the amount and intended use of AHFC funds being requested, and the amount(s) and provider(s) of other funding and the stage of those funding commitments.

The project will be acquired for \$975,000 and the cost to rehabilitate will be \$91,000. The \$600,000 of AHFC funds will be used for part of the acquisition costs. TSHAC is the other source of lender financing. Application for financing of the project will be made to TSHAC concurrently with the AHFC application.

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

- k. A map (8 1/2" x 11") indicating the property location and the distance to the nearest Capital Metro Transit Stop to which residents will have access.

5. Site Control and Demonstration of Value

Include evidence of site control such as a warranty deed or a current earnest money contract, and provide a real estate appraisal or current tax documentation that substantiates the value of the property.

6. 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. Should the project be approved for funding, the appropriate zoning must be in place prior to execution of loan documents.

Project is an existing project.

- 7. **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.

Project is an existing project.

- 8. **Development Team and Capacity.** Identify below the persons or entities anticipated to be involved in the project, such as lenders, attorneys, accountants, architects, engineers, general contractor, sub-contractors, property managers and consultants. Also, indicate if any person or entity involved 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.

Please also provide narrative information about the skills you or your development team members have in the following areas:

- a. project management,
- b. market analysis,
- b. site selection and control,
- c. planning and construction,
- d. design, architecture and engineering,
- e. legal and accounting,
- f. federal funding rules and
- g. other funding source rules (e.g. Low Income Housing Tax Credits).

	Name and Contact Information	MBE? (Mark	WBE? (Mark	Non- profit?
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1172 Webberville Austin Texas

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* Denotes Bus STOPS

Travis CAD

Property Search Results > 199081 GARCIA JOE COMPANY NUMBER 1 LP for Year 2014

Property

Account

Property ID: 199081 Legal Description: LOT 1-5 *LESS 129 SQ FT MARTIN ROLLINS SUBD
 Geographic ID: 0209190123 Agent Code: ID:1471737
 Type: Real
 Property Use Code:
 Property Use Description:

Location

Address: 1172 WEBBERVILLE RD Mapsco: 586Q
 TX 78721
 Neighborhood: 08TC Map ID: 021021
 Neighborhood CD: 08TC

Owner

Name: GARCIA JOE COMPANY NUMBER 1 LP Owner ID: 182947
 Mailing Address: 6448 E HWY 290 STE C111 % Ownership: 100.0000000000%
 AUSTIN , TX 78723-1074

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$617,147	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$137,853	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$755,000	
(-) Ag or Timber Use Value Reduction:	-	\$0	

(=) Appraised Value:	=	\$755,000	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$755,000	

Taxing Jurisdiction

Owner: GARCIA JOE COMPANY NUMBER 1 LP
 % Ownership: 100.0000000000%
 Total Value: \$755,000

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
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491	SPRINKLER HEADS	* - *		1998	17128.0
551	PAVED AREA	AA - *		1998	30682.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0

Improvement #2: SPECIAL (NODEPR) State Code: B1 Living Area: sqft Value: \$0

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MISC	Miscellaneous	* - *		1998	1.0
SO	Sketch Only	SO - *			2116.0
SO	Sketch Only	SO - *			2166.0
SO	Sketch Only	SO - *			50.0
SO	Sketch Only	SO - *			96.0
SO	Sketch Only	SO - *			96.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	LAND	Land	1.0549	45951.00	0.00	0.00	\$137,853	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
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2011	\$418,563	\$137,853		0	556,416	\$0 \$556,416
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3	11/6/1991	WD	WARRANTY DEED	SPEARS ANTHONY	FEDERAL DEPOSIT INSURANCE CORP	11561	00695	

Questions Please Call (512) 834-9317

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The staff of Cornerstone Financial Education has the skills and experience necessary to undertake a project of this type

Staff has extensive experience working with AHFC personnel and familiar with the guidelines of the various programs, both federal and local, normally used in this type of project. Our agency has in house resources, including legal and financial, to provide the administrative support for the project to be developed.

Additional staff members have experience in project management. Staff has experience in site analysis, site selection, planning and construction.

We feel that the experience which staff members bring to the project will make for extremely successful project.

		X if Yes)	X if Yes)	(Mark X if Yes)
Owner	Cornerstone Financial Education			X
Developer	Cornerstone Financial Education			X
Architect	NA			
Engineer	NA			
Construction Lender	TSAHC			X
Mortgage Lenders	TSAHC			X
Attorney	Cornerstone Financial Education			X
Accountant	Cornerstone Financial Education			X
General Contractor	Cornerstone Financial Education			X
Consultant (if Applicable)	NA			
Property Management Provider	Ely Properties			
Other:	Tejas Title		X	

9. **Development Schedule.** Complete the grid below. You may re-order the steps according to the appropriate sequence for your project and to add in any other significant steps integral to your project's development. If the multiple properties are involved, provide a development schedule for each property.

	DATE(S)
Acquisition and/or holding	12/2014
Environmental and/or historic review (AHFC)	
Securing and packaging project financing	12/2014
Construction Specifications and Cost estimates	11/2014
Construction Bids	11/2014
Construction Start	01/2015
Anticipated Draws (list all)	02/2015, 03/2015, 04/2015, 05/2015
End Construction	06/2015
Start of Rent-up	ONGOING
Completion & Operation	06/2015

10. **Accessible and Adaptable Units.** Indicate the number of units proposed to be **accessible and adaptable** for persons with mobility, sight and hearing disabilities as required by RHDA Program Guidelines.

_____ Units adaptable for persons with mobility disabilities
 ___4___ Units accessible for persons with mobility disabilities
 ___4___ Units adaptable for persons with sight and hearing disabilities
 _____ Units accessible for persons with sight and hearing disabilities

11. **Developer Capacity.** Provide narrative information on recent, similar, and successful experience in affordable housing development. Include experience using multiple fund sources, managing affordable rental developments, and previous working history with the Austin Housing Finance Corporation.

iPaydebt Financial Services, Inc. d/b/a Cornerstone Financial Education is a non-profit whose mission includes:

Assisting families and individuals set and meet their financial goals.

Preparing prospective homeowners with home buying and ownership education.

Helping existing households at risk of foreclosure save homes and mitigate any prospective losses.

Over 22,000 households have been counseled in the past eight years.

The age is now embarking on another component of its mission, which includes the development and acquisition of units to address the needs of low-income families. This is the reason Conerstone Financial Education is pursuing the purchase of the Rollins-Martins Apartments in Austin.

While the agency itself does not have experience in the field of ownership of rental properties, members of the staff have multiple years of real estate experience including the ownership and management of multi-family projects.

Members of staff have worked with AHFC on multiple projects including rental units. Members of staff have also worked at AHFC.

12. Detailed Project Budget. Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary. If this project has already received funding from AHFC, indicate by line item the amounts from the prior award.

DETAILED PROJECT BUDGET				
	Cost	Prior award of RHDA Funds (if any)	RHDA Funds Requested	Description or Comments
PREDEVELOPMENT				
Appraisal	NA			
Environmental Review	NA			
Engineering	NA			
Survey	NA			
Architectural	NA			
TOTAL PREDEVELOPMENT				
ACQUISITION				
Site and/or Land				
Structures				
Land and Structures	\$975,000		\$600,000	Acquisition
TOTAL ACQUISITION				
	\$975,000		\$600,000	Acquisition
HARD COSTS				
Infrastructure				
Site work				
Demolition				
Concrete				
Masonry				
Rough carpentry				
Finish carpentry				
Waterproofing & Insulation				
Roofing & Sheet Metal	\$23,000			Replace roofs
Plumbing/Hot Water	\$14,400			Estimated funds needed for plumbing issues

HVAC	\$8,950			Estimated funds needed for HVAC issues
Electrical	\$2,250			Some units need small electrical
Doors/Windows/Glass				
Lath & Plaster/ Drywall & Acoustical				
Tile work				
Soft & Hard Floor				
Paint/Decorating/Blinds/Shades				
Specialties/Special Equipment				
Cabinetry/Appliances	\$15,000			Replace appliances and cabinets as needed
Flooring	\$8,000			Replace as needed
Other (Please specify)				
Construction Contingency	\$10,000			Contingency
TOTAL CONSTRUCTION	\$81,600			
SOFT & CARRYING COSTS				
Legal	NA			
Audit/Accounting	NA			
Title/Recording	NA			
Architectural (Inspections)	NA			
Construction Interest	NA			
Construction Period Insurance	NA			
Construction Period Taxes	NA			
Relocation	NA			
Marketing	NA			
Davis-Bacon Monitoring	NA			
Other: Management	\$10,000			Administrative Costs
TOTAL PROJECT BUDGET	\$1,066,600			

13. 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)
	Term	Interest Rate	Amount	Evidence (Deed, Sales Contract)	
Owner Equity			\$10,000		Acquisition
Private Financing (List Lenders)					
Other Sources (List Below)					
TSAHC	30 / 15	6%	\$456,600		Acquisition/Rehab
Proposed RHDA Funds	30 year	0%	\$600,000		Acquisition
TOTAL			\$1,066,600		

TABLE B: USES OF FUNDS SUMMARY		
	Total Cost	Cost/Unit
Predevelopment	0	0
Acquisition	\$975,000	\$65,000
Hard Costs	\$81,600	\$5,440
Soft & Carrying Costs	\$10,000	\$666
TOTAL	\$1,066,600	\$71,106

b. **Leveraging** – Complete **Table C (below)**.

TABLE C: PERCENTAGE OF RHDA FUNDS	
RHDA Funds	\$600,000
Other Funds	\$466,600
Total Project Cost	\$1,066,600
RHDA Funds ÷ Total Project Cost=	56%

c. **Operating Proforma** – In a format comparable to Table D below, prepare a minimum twenty (20) year financial Operating Proforma which realistically reflects the operation of the project relative to current and anticipated revenues, expenses and debt. The Proforma must indicate the anticipated debt coverage ratio (DCR) calculated as follows: net operating income (NOI)/debt service (DS) = DCR. For projects that will not carry debt, use the number “1” as the denominator in the equation.

TABLE D: OPERATING PROFORMA			
Unit Size (BR/BA)	Number of Units	Monthly Rental Income	Annual Rental Income
3BD/2BA	15	\$10,605	\$127,260
FULL OCCUPANCY ANNUAL INCOME			\$127,260
Less Vacancy Loss (Indicate % and Amount of Loss			(4%) \$5,090
GROSS ANNUAL INCOME			\$122,170

Inflation Factor - Income	3.5%
Inflation Factor - Expense	2%

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Annual Income	\$122,170	\$125,446	\$130,871	\$135,452	\$140,193

EXPENSES					
Utilities	\$19,072	\$19,644	\$20,233	\$20,840	\$21,465
Insurance	\$3,819	\$3,933	\$4,051	\$4,173	\$4,298
Maintenance/Repair	\$15,100	\$15,553	\$16,019	\$16,500	\$16,995
Property Taxes	\$16,032	\$16,512	\$17,008	\$17,518	\$18,044
Management	\$7,635	\$7,902	\$8,179	\$8,465	\$8,762
Marketing	NA	NA	NA	NA	NA
Trash	\$3,500	\$3,605	\$3,713	\$3,824	\$3,939
Pest Control	\$4,000	\$4,120	\$4,243	\$4,370	\$4,502
Other (legal)	\$675	\$695	\$716	\$737	\$759
Make Ready	\$1,380	\$1,421	\$1,464	\$1,507	\$1,553
TOTAL EXPENSES	\$71,213	\$73,385	\$75,623	\$77,984	\$80,373
NET OPERATING INCOME (NOI)	\$50,957	\$53,060	\$55,248	\$57,468	\$59,876
Sources of Funds & Debt Service					
TOTAL ANNUAL Debt Service (DS)	\$33,588	\$33,588	\$33,588	\$33,588	\$33,588
Cash-flow after Debt Serv (CF = NOI - DS)	\$17,369	\$19,472	\$21,660	\$23,880	\$26,288
Debt Coverage Ratio (DCR = NOI/DS)	1.51	1.58	1.64	1.71	1.78

14. Good Neighbor Policy. Please refer to the City's Good Neighbor Guidelines and demonstrate compliance with the Good Neighbor Policy by completing the Good Neighbor Checklist and providing the documentation requested.

Project is an existing project currently renting to low income households. The purpose of the project will stay the same.

15. Description of Supportive Services. If supportive services are NOT to be provided, **please stop here.** For all other projects, if supportive services are to be provided to residents, provide a description of the services that includes the following information:

- a. A description of the supportive services to be provided to residents and/or clients.
- b. The number and types of residents/clients expected to be served annually.
- c. Describe the developer's experience and qualifications in providing the services to be offered.
- d. If services are not provided by the developer of the project, include a description of the organization(s) providing the services and a memorandum of understanding or some other type of agreement that indicates the relationship between the developer and service provider.
- d. Provide resumes of key personnel who will be actively involved in the delivery of services. Resumes should include information about certifications, licenses, years of experience, and education.
- f. Demonstrate financial capacity to provide support services and/or operate a supportive services program by providing the following information:
 1. Sources of Funds: Identify sources and amounts of funds that will be or are expected to be utilized to provide supportive services.
 2. Budget: Include a supportive services budget which reflects current and anticipated funding and expenses associated with the provision of services for three (3) years.

ATTENTION:

Please submit with the Application a completed "self-evaluation" using the following Scoring Criteria.

**RHDA PROGRAM
SCORING CRITERIA**

REQUIRED INFORMATION:

- | | | | |
|-------------------------------|-------|--------------------------------|-------|
| 1. Applicant Information | _____ | 10. Accessible/Adaptable Units | _____ |
| 2a. Non-profit Required Items | _____ | 11. Experience/Qualifications | _____ |
| OR | | 12. Project Budget | _____ |
| 2b. For-profit Required Items | _____ | 13. Funds Proposal: | |
| 3. Project Description | _____ | a. Sources | _____ |
| 4. Site Control/Value | _____ | b. Uses | _____ |
| 5. Zoning | _____ | c. Leveraging | _____ |
| 6. S.M.A.R.T. Housing | _____ | d. Operating Proforma | _____ |
| 7. Development Team | _____ | 14. Good Neighbor Checklist | _____ |
| 8. Development Schedule | _____ | | |
| 9. Developer Capacity | _____ | | |

EVALUATION CRITERIA:

Applications for proposed projects will be reviewed and scored on a competitive basis per the evaluation criteria below. Applications must receive a minimum score of **150** points out of a maximum score of **240** points. PLEASE NOTE: A score above the minimum score does not guarantee funding.

CORE VALUES POINTS

(Affordable Housing Core Values: Deeper levels of affordability, long-term affordability, and geographic dispersion of affordable units throughout the City.)

Score

1. AFFORDABLE UNITS (maximum 25 points) 25 _____

If development has a mix of 30%, 40%, and/or 50% MFI units, add the results for the percentage of units in each income category up to the maximum of 25 points. If the percentage of units at a given MFI level is not a multiple of 10, round up to the next closest multiple of 10 to get the score for that particular MFI level

% MFI	% of Affordable Units in Project (only count units reserved for 50% MFI and below)					
	10% of units	20% of units	30% of units	40% of units	50% of units	60% of units
50%	3	5	10	15	20	25
40%	5	10	15	20	25	
30%	10	15	20	25		

Score

2. AFFORDABILITY PERIOD (25 points) 25 _____

25 points: Affordability period is:

_____ 99 years;

OR

 x 40 years, and project is applying for Low Income Housing Tax Credits. Note: AHFC funding is contingent upon the award of Low Income Housing Tax Credits.

Score

3. GEOGRAPHIC DISPERSION (maximum 25 points)

5

Project is located in an area identified according to the Kirwan Institute's Comprehensive Opportunity Map of Austin as having greater opportunity for low-income households.

- 25 points:** Very High priority area
- 20 points:** High priority area
- 15 points:** Moderate priority area 1
- 10 points:** Low priority area
- 5 points:** Very Low priority area

INITIATIVES AND PRIORITIES POINTS

(Permanent Supportive Housing, Sustainability, Priority Locations, Accessible and Integrated, and Preservation of Affordable Housing)

Score

4. PERMANENT SUPPORTIVE HOUSING (PSH) (maximum 25 points)

25 points: "Housing First" model.

15 points: Project will reserve units for PSH for the following populations:

- Chronically Homeless as established in the HEARTH Act (24 CFR Part 577)
- Have been in an institution for over 90 days
- Unaccompanied youth or families with children defined as homeless under other federal statutes
- Youth "aging out" of state custody or the foster care or the juvenile probation system

10 points: Project will reserve units for PSH for populations other than those listed above.

Score

5. SINGLE-FAMILY RENTAL HOUSING, INCLUDING SECONDARY UNITS ("GREEN ALLEY INITIATIVE") (20 points)

20 points: Project consists of either new construction or rehabilitation of one or more single-family rental units, secondary units, or units compatible with the City's "Green Alley Initiative."

Score

6. ACCESSIBILITY AND HOUSING FOR PERSONS WITH DISABILITIES (maximum 20 points)

10

 10 points: In multi-family developments, (i.e. 5 or more units) or for single-family rental housing (i.e., 1 to 4 units), 50% or more of the total number of units will be made accessible per the Uniform Federal Accessibility Standards (UFAS).

 x **10 points:** Units to be designated for persons with disabilities as defined in the Fair Housing Act: for Multi-family developments, (i.e. 5 or more units), at least 25% of all units; for single-family rental housing (i.e., 1 to 4 units) 1 or more units.

Score

7. PRIORITY LOCATION (10 points)

10

10 points: Project is:

- _____ located in a Vertical Mixed-Use (VMU) Corridor; or
- _____ a Planned-Unit Development (PUD); or
- _____ located within a Transit-Oriented Development (TOD) area, or
- x _____ is located 0.25 miles (1,320 feet) or less from a transit stop.

Score

8. PRESERVATION OF AFFORDABLE UNITS (10 points)

10

10 points: Project is the rehabilitation and preservation of existing affordable housing units, or new units are being constructed to replace existing affordable units at the same location on a one-to-one replacement basis or a greater than one-to-one replacement basis.

Score

9. TRANSITIONAL HOUSING (10 points)

10 points: Project will be developed and operated exclusively as transitional housing.

UNDERWRITING POINTS

(EXPERIENCE, CAPACITY, DEVELOPMENT FEASIBILITY, OPERATIONAL FEASIBILITY, COMPATIBILITY WITH OTHER PROGRAM REQUIREMENTS)

Score

10. DEVELOPER EXPERIENCE AND QUALIFICATIONS (maximum 15 points)

15

- 15 points:** Developer has recent, similar, and successful completion of a development similar in size and scope with income-restricted units.
- 10 points:** Developer has recent, similar, and successful completion of a development **smaller** in size and scope with income-restricted units.
- 8 points:** Consultant directly involved who has successfully completed a development similar in size and scope with income-restricted units.
- 5 points:** Developer has recent, similar, and successful completion of a development similar in size and scope **without** income-restricted units

Score

11. SOURCES & USES OF FUNDS (maximum 10 points)

10

10 points: All sources and uses of funds are clearly indicated and sufficient evidence 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.

Score

12. DEBT COVERAGE RATIO (maximum 10 points) 10

- 10 points:** DCR of 1.25 or greater or will be a debt-free development
- 6 points:** DCR between 1.21 - 1.24
- 4 points:** DCR between 1.15 - 1.20

Score

13. LEVERAGE (maximum 10 points) _____

RHDA Program funding (including prior awards and the current request) divided by Total Project Costs equals:

- 10 points:** 25% or less
- 8 points:** 26% - 30%
- 6 points:** 31% - 35%
- 4 points:** 36% - 50%
- 2 points:** 51% - 54%
- 0 points:** 55% or greater

Score

14. RHDA COST PER UNIT in \$1,000s (maximum 10 points) 10

	<u>Multi-Unit Structures</u>	<u>Single-Unit Structures</u>
10 points	<\$40/unit	<\$50/unit
8 points	<\$45/unit	<\$60/unit
6 points	<\$50/unit	<\$70/unit
4 points	<\$55/unit	<\$80/unit
2 points	<\$60/unit	<\$90/unit

Score

15. PROJECT READINESS (maximum 10 points) 10

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; maximum 10 points (A total score of 2.5 points will be rounded to 3; a total score of 7.5 points will be rounded to 8.)

- _____ 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.

Score

16. PROPERTY MANAGEMENT (maximum 10 points)

10

10 points: Designated Property Management Entity has documented track record of success managing income-restricted properties of similar size and/or similar unit counts, and has the capacity to take on management of the proposed project.

8 points: Designated Property Management Entity has a documented track record of success managing income-restricted properties of smaller size and/or fewer units, and has the capacity to take on management of the proposed project.

4 points: Designated Property Management Entity has a documented track record of successful property management experience and has the capacity to take on management of the proposed project, but has not managed an income-restricted property.

Score

17. SUPPORTIVE SERVICES (maximum 15 points)

15 points:

- a. The developer has secured written agreements with organizations that will provide resident services, or has experienced and qualified staff (7 or more years of experience) able to provide the same services.
- b. Funds have been identified for the operation of resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

10 points:

- a. The developer has secured letters of intent from organizations that intend to provide resident services, or has experienced and qualified staff (3 to 6 years of experience) able to provide the same services.
- b. Funds have been identified for the operation of the resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

5 points:

- a. The developer has experienced and qualified staff (1 to 2 years of experience) able to provide the same resident services.
- b. Funds have been identified for the operation of the resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

Score

18. MBE/WBE PROJECT PARTICIPATION (5 points)

5

5 points: Development Team includes one or more certified City of Austin minority- or woman-owned business enterprises (M/WBE).

TOTAL SCORE 155