

**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 2015-16 Action Plan goals and policy direction from the Austin City Council.**

Project Name: Works at Pleasant Valley Phase II

Project Address: 2800 Lyons Road Zip Code: 78702

Total # units in project/property: 29 Census Tract Number: 8.01

Total # units to be assisted with RHDA Funding: 23 City Council District Number: 3

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

☐ Acquisition ☐ Rehabilitation ☒ New construction ☐ Refinance ☐ Rent Buy-Down

Amount of funds requested: \$1,850,000 Terms Requested: Deferred Forgivable

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).

LifeWorks Affordable Housing Corporation  
Name

☒ Owner ☐ Consultant/Other  
Applicant is (please check appropriate box):

Youth and Family Alliance dba LifeWorks is the Developer

Street Address

3700 S. 1<sup>st</sup> St, Austin

City

Texas, 78704

State, Zip

512-735-2400

Telephone

Mitch Weynand

Contact Person

512-735-2462

Contact Telephone

Mitch.weynand@lifeworksaustin.org

E-mail address

[REDACTED]  
Federal Tax ID Number

[REDACTED]  
D-U-N-S Number (REQUIRED - Visit [www.dnb.com](http://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.**

LifeWorks Affordable Housing Corporation

Legal Name of Developer/Entity

[Signature]  
Signature of Authorized Officer

City of Austin

President

Title

12/27/16  
Date

DEC 29 2016

NHCD / AHFC

## **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.

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:**

29  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

5. X 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 tenant population will be a mixture of: 1) youth and young adults aging out of foster care; 2) unaccompanied youth/formerly homeless youth; 3) single head of household families; 4) teen parents; and, 5) families who meet the MFI thresholds. Ten (10) units will be classified as Permanent Supportive Housing (PSH) and five (5) will operate as the Housing First model. Chronically homeless individuals will also be served, but within the population of youth targeted, most do not meet the strict definition of "chronically homeless. Nine (9) units will be set aside for residents whose income is below 30% MFI, fourteen (14) units for residents whose income is below 50% MFI and six (6) units set aside for residents whose income is below 80% MFI.

The LifeWorks Affordable Housing Corporation will partner with Youth and Family Alliance dba LifeWorks to provide all residents with the following services as needed: case management, mental health counseling (including crisis counseling and psychiatric services), workforce development, GED preparation and life skills training. Convenient access to these services is available next door at the LifeWorks Sooch Youth and Family Resource Center. To the greatest extent possible, LifeWorks will leverage other federal, state and local resources to support these high quality services including funds from Health and Human Services (HHS) Runaway and Homeless Youth Programs, FEMA Emergency Food and Shelter Program, City of Austin, Travis County and private foundational funds such as the Religious Coalition to Assist the Homeless, United Way and the Michael and Susan Dell Foundation.

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

The structure would be wood frame, multi-family type construction, three story walk-up, with a mix of efficiency, one-bedroom, and two-bedroom units. The complex consists of 29 units, with nine (9) efficiency, eleven (11) one-bedroom and nine (9) two-bedroom units. Unit sizes range from 433 sq. ft. (efficiency) to 834 sq. ft. (two-bedroom).

This will be a mixed used community with at least 10 units operating as Permanent Supportive Housing (PSH) with the remainder available to residents at multiple income levels. LifeWorks assures that all 10 units designated as PSH will operate as such at all times.

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

Not applicable – This application is for new construction development.

- 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).

The project is within .25 miles from a transit stop.

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

Not applicable – This application is for new construction development.

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

Not applicable – This application is for new construction development.

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

LifeWorks does not plan to reserve specific units for Housing Choice Vouchers but will accept tenants with vouchers. LifeWorks works with the Housing Authority of Austin (HACA) and the Texas Department of Family and Protective Services (DFPS) to provide case management for the Housing Choice vouchers set aside specifically for youth exiting foster care.

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

Per S.M.A.R.T. Housing requirements, all ground floor units will be adaptable, 10% of which must be ADA accessible. Therefore, LifeWorks will ensure that three units are fully accessible for individuals with mobility, sight and hearing disabilities and that nine are adaptable. Per Fair Housing Rules, 20% of each type of housing will be adaptable (two efficiencies, three one-bedrooms and three two-bedrooms).

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

The Govalle/Johnson Terrace Combined Neighborhood Plan has several references that demonstrate that the LifeWorks project is compatible with the plan:

1) The Future Land Use Map (FLUM) identifies this tract as a “Mix of retail/ commercial & residential - Could include some residential apartments”.

2) On page 41 the plans states: “Firstly, multi-family is recommended on tracts located closer to the periphery of the neighborhood such as on Pleasant Valley and Oak Springs roads. Another significant use of multi-family recommended on this FLUM are on larger tracts that are adjacent to single family uses, but are currently used for more intensive land uses such as industrial or commercial. This plan recommends multi-family uses on these tracts to promote compatibility, as well as greater housing opportunities”.

3) The encouragement of multi-family development in select locations is also reflected on Page 58, Housing – “Goal 5 – Maintain an affordable and stable housing stock: Provide a diverse range of housing opportunities for all stages of life and income levels”.

- 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.

Our intention is to secure the funding from the City of Austin thru the Rental Housing Development Assistance program. We will submit an application to the Texas Department of Housing and Community Affairs for Multi-Family Direct Loan funding. The TDHCA application will be submitted in January 2017; TDHCA Board approval is possible in May 2017. Additional funding will be sought from the Federal Home Loan Bank – Atlanta through Capital One Bank – application will be submitted in February 2017. LifeWorks will submit applications for funds to several local private foundations. The LifeWorks Affordable Housing Corporation (LAHC) will commit the balance of the funds. This funding structure allows the development to be 100% affordable to low and very low income households.

Project funding structure is as follows:

i. City of RHDA	\$1,850,000
ii. TDHCA MFDLP	\$ 800,000
iii. Federal Home Loan Bank Atlanta	\$ 350,000
iv. Private Foundations	\$ 500,000
v. LAHC	\$ 78,161
vi. Contribution from GC	<u>\$ 224,380</u>
vii. Total	\$3,802,541

The cost of completing the project is therefore \$3,802,541. This includes \$35,501 for the first year of ground lease payments – a 99 year ground lease will secure the property for development and includes legal and closing costs; \$3,163,809 for construction hard costs based on an estimate of \$177 per square foot and \$109,097 per unit; \$349,000 for Professional Services including architecture, engineering, Green Building consultation, furniture/equipment and other consultants; \$96,041 in loan interest, fees, and reserves; and \$158,190 in Developer fees/contingency.

LifeWorks intends to use the AHFC/RHDA funds for the construction hard costs. The 23 units set aside for residents below 50% MFI and 30% are designated as RHDA assisted units, the per unit cost for AHFC/RHDA funds is \$80,434 and included PSH and Housing First units. The City of Austin previously

provided \$850,000 for Phase I of the Works at Pleasant Valley. If granted the funds request with this application, the City total investment in the Works at Pleasant Valley would be \$2,700,000 for 68 units for residents below 50% MFI (42 for those below 30% MFI) for a total unit cost of \$39,706.

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

- k. A map (8 ½" x 11") indicating the property location and the distance to the nearest Capital Metro Transit Stop to which residents will have access.

See Attached Map

- l. A flood plain map generated by [www.ATXFloodPro.com](http://www.ATXFloodPro.com) with the property parcel identified and the legend displayed showing the various types of FEMA Flood Plain zones.

See Attached Map

- 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.

Attached are the following:

- a. Special Warranty Deed that demonstrated that the property is owned by LifeWorks Enterprises LLC;
- b. Resolutions Authorizing Susan McDowell, President of LifeWorks Enterprises and the LifeWorks Affordable Housing Corporation to negotiate and sign a ground lease agreement;
- c. Appraisal

- 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.

See Attached Zoning Letter

- 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.

See Attached Letter

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.

	Name and Contact Information	MBE? (Mark X if Yes)	WBE? (Mark X if Yes)	Non- profit? (Mark X if Yes)
Owner	LifeWorks Affordable Housing Corporation 3700 S. 1 <sup>st</sup> St, Austin, Texas 78704 512-735-2453 Susan McDowell, Executive Director			X
Developer	Youth and Family Alliance dba LifeWorks 3700 S. 1 <sup>st</sup> St, Austin, Texas 78704 512-735-2462 Mitch Weynand, Chief Operating Officer			X
Architect	Austin Community Design and Development Center Michael Gatto and Rich McBath 1210 Rosewood Avenue Austin, TX 78702 512-215-1484			
Structural Engineer	Leap! Structures Erik J. Haden, P.E. Assoc. AIA 3001 S. Lamar Austin, TX 78704 512-298-3999			
MEP Engineers	Nichols Engineering, LLC David Nichols 2700 West Anderson Ln., Suite 205 Austin, TX 78757 512-593-5616			
Civil Engineer	Civillitude Fazez Kazi, PE, LEED AP 1210 Rosewood Avenue Austin, TX 78702 512-761-6161	X		
Construction Lender	Capital One Bank Mike Perrine Commercial Banking President - Austin 106 East 6th Street, Suite 600 Austin, Texas 78701 Direct: (512) 314-2405			
Other Lenders				
Attorney	Daniel W. Nelson Attorney at Law 2802 Warren Street			



	Austin, Texas 78703 Phone: (512) 457-8003			
Accountant	Jay Scheumack, CFO LifeWorks 3700 S. 1st St, Austin, Texas 78704 512-735-2480			
General Contractor	MileStone Community Builders 9111 Jollyville Road, Suite 111 Austin, TX 78759 Phone: (512) 686-4986			
Consultant (if Applicable)				
Property Management Provider	Alpha Barnes Real Estate Services Connie Quillen Senior Regional Supervisor 4055 Banister Lane, #230C Austin, TX 78704			
Other: Environmental Engineers	Terracon Shannon E. Coats Project Environmental Scientist I ESA Services 5307 Industrial Oaks Blvd., Ste. 160 I Austin, Texas 78735 P (512) 442 1122 I			
Other: Landscape Architect	Ann Coleman and Associates 9890 Silver Mountain Dr. Austin, TX 78737 512-476-2090		X	
Other: Market Analysis	Affordable Housing Analysis Robert Coe 3912 Avenue O, Galveston, TX 77550 281-387-7552			
Other: Appraisal	Lone Star Appraisals and Realty Inc. Chris P. Griesbach, MAI 1003 Adventure Lane, Ste. A Cedar Park, TX 78613 512-260-1221			

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

- a. Project Management will be provided Mitch Weynand with the support of the LifeWorks development team – see developer capacity narrative below. Mr. Weynand has worked in human services and project development for the past 40 years with LifeWorks. He served as project manager for the development of the LifeWorks Sooch Youth and Family Resource Center and for the Works at Pleasant Valley affordable housing development on this same site.
- b. Market analysis services are being provided by Affordable Housing Analysts, Robert Coe. Mr. Coe has been involved in over 200 Housing Tax Credit Marketing Studies.

- c. The site selection was conducted by LifeWorks staff and Board in 2008 and the site purchased in 2009.
  - d. Planning will be conducted under the direction of Mitch Weynand and entire development team identified above and described below in Developer Capacity narrative. A General Contractor – Maximum Price Guaranteed Contract with MileStone Community Builders will be executive subsequent to funding contracts closing. Milestone has been participating in the project planning and pre-construction cost estimating activities.
  - e. Design, architecture, structural engineering, and MEP engineering services will be provided under the direction of Michael Gatto of Austin Community Design and Development Center.
  - f. Dan Nelson has provided real estate legal services on the entire development of this site and all the funding and easement agreements. Jay Scheumack, CFO of LifeWorks and the financial management team at LifeWorks will provide the accounting services as they have on previous development activities of LifeWorks
  - g. LifeWorks is very experienced in managing federal funding and complying with Federal rules for program services, property development, and fiscal services. We have received federal funding over 40 years. The Works at Pleasant Valley, Phase I was developed with HUD Neighborhood Stabilization funding and complied with Davis Bacon and Section 3 requirements.
  - h. Other funding source rules that LifeWorks has experience with include funding sources such as U.S. Department of Health and Human Services; Texas Departments of Family and Protective Services and Health and Human Services, and Housing and Community Development; and the U.S. Department of Housing and Urban Development.
9. **Environmental Assessments.** The City of Austin Brownfields Redevelopment Office has Environmental Protection Agency funding available until September 1, 2017 to provide free Phase I Environmental Site Assessments, Asbestos Inspections and Lead-based Paint Surveys to assist with property transactions, developments and redevelopments. The Office can also complete Phase II ESAs at no cost for eligible entities. Please contact the office to see if you are eligible to receive these free services to assist with your project at <http://austintexas.gov/brownfields> or [brownfields@austintexas.gov](mailto:brownfields@austintexas.gov).

See Attached Environmental Assessment

- 10. 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	<u>12/31/15</u>
Environmental and/or historic review (AHFC)	<u>4/31/16 &amp; 12/2016 update</u>
Securing and packaging project financing	<u>6/30/17</u>
Construction Specifications and Cost estimates	<u>12/24/16</u>
Construction Bids	<u>4/31/17</u>
Construction Start	<u>7/15/17</u>
Anticipated Draws (list all)	<u>8/15/17</u> <u>9/15/17</u> <u>10/15/17</u> <u>11/15/17</u> <u>12/15/17</u> <u>01/15/18</u> <u>02/15/18</u> <u>03/15/18</u>
End Construction	<u>02/29/18</u>
Start of Rent-up	<u>03/01/18</u>
Completion & Operation	<u>05/31/18</u>

- 11. 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.

5 Units adaptable for persons with mobility disabilities  
4 Units accessible for persons with mobility disabilities  
5 Units adaptable for persons with sight and hearing disabilities  
4 Units accessible for persons with sight and hearing disabilities

- 12. 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.

As the LifeWorks Affordable Housing Corporation (LAHC), we developed and completed the Works at Pleasant Valley in January of 2014. The development has operated at 95% capacity since lease-up and has outperformed the initial Proforma.

This will be the second project for LAHC as owner, however the development team for the Youth and Family Alliance dba LifeWorks are the same staff and involved Board members as are currently employed or volunteering:

Susan McDowell, Executive Director of LifeWorks and President of the LifeWorks Affordable Housing Corp.  
Mitch Weynand, Chief Operating Officer for both organizations  
Jay Scheumack, Chief Financial Officer for both organizations  
Jim Hopke, past Board Chair and current Secretary of LifeWorks Affordable Housing Corporation  
Matt Hogland, Board Member of LifeWorks

The Youth and Family Alliance, dba LifeWorks, is a local non-profit organization that owns 5 properties in Austin, leases two other office/program locations, and master leases 18 apartments. LifeWorks was formed in 1998 through the merger of 4 non-profits and has merged with two additional non-profits since that time. Roots of the organization go back to 1910 as a human service provider in Austin. Our development experience includes the following:

1982 – Purchased property at 2001, 2005, and 2007 Chicon Street, Austin, TX. We renovated and rehabilitated 2,900 sq. ft. in a single family home and added 4,800 sq. ft. to create an administrative office and counseling center for the Child and Family Service organization.

1996 - Purchased property at 3710 S. 2<sup>nd</sup> Street, Austin, TX and remodeled it to be the Youth Options Emergency Shelter – a 16 bed group living facility for homeless youth.

2000 – In partnership with Seton Hospital Corporation, we built the Seton Topfer Clinic at 8913 Collinfield Dr., Austin, TX. LifeWorks owns 45% of this facility, using it for counseling and youth services.

1999 leased and purchased in 2001 a 6,000 sq. ft. group living facility from the City of Austin/Austin Housing Finance Corporation (4606 Connelly Street, Austin, TX 78751). This facility was used as a 16 bed transitional living program for homeless youth. Several renovations were completed prior to the sale of this building in 2013.

2005 – LifeWorks built the 14,000 sq. ft. office building at 3700 South 1<sup>st</sup> St., Austin, TX 78704. The building houses the LifeWorks South Austin Youth and Family Resource Center.

2007 – LifeWorks purchased the property at 3708 S. 2<sup>nd</sup> St., an office building next to the Emergency Shelter that LifeWorks had leased for some time. LifeWorks filed a Unified Development Agreement to build across the property line between the two buildings and in 2008 completely remodeled both buildings joining them with a central kitchen and food service area. The building now has 32 beds – operating 20 as the Emergency Shelter and 12 as a transitional living facility for homeless and runaway youth.

2009 – Rehabilitated the 4606 Connelly St. – Facility rehab included floors, roof, slab repairs, kitchen remodel.

2009 - LifeWorks purchased 5.889 acres at 835 N. Pleasant Valley Road, Austin, TX 78702 for the purposes of creating an East Austin site for services and housing.

2011 completed a 31,490 sq. ft. office building and opened the LifeWorks Sooch Youth and Family Resource Center – a multi-program site for counseling, education and youth development services

2014 completed the development of a 45 unit deeply affordable housing development on this East Austin site

In all the above projects, LifeWorks served as the developer and hired General Contractors, Architects, Engineers, and other trades as need to complete the projects.

Two members of our Board of Governors have extensive commercial, multi-family, student housing, and affordable housing experience:

James C. Hopke, Jr is a past Chairman of LifeWorks and currently serves as secretary of LifeWorks Affordable Housing Corporation. James C. Hopke, Jr. serves as executive vice president and chief operating officer for American Campus Communities where he directs the management services division that oversees the operations of student housing communities, and is responsible for corporate support functions that enhance the scalability of our operating platforms. Jim Hopke joined the company in 2000 as the senior vice president of acquisitions and was instrumental in the company's pre-IPO growth. He briefly left the company from 2003-2005 serving as vice president of asset management for Wachovia's real estate capital markets group. He rejoined the company in 2005 as executive vice president and chief investment officer. From 2008 to present, he served as the executive vice president of project management and construction overseeing the delivery of more than 45 assets representing more than \$2.7 billion in asset value. Before ACC, he held the position of vice president at JPI Development and Insignia Financial Group. A former MAI appraiser and member of the Appraisal Institute, Mr. Hopke received a B.S. in Administrative Management from Clemson University.

Matt Hoglund serves as the Business Unit Leader for DPR's growing Texas operations, which includes offices in Austin, Dallas and Houston. Matt joined DPR through the acquisition of Hardin Construction Co. in 2013, which brought together two great construction companies and helped build DPR's Texas region into a 900-person operation. Matt's strengths include strong problem solving skills, adaptability, integrity and a deep understanding of all phases of construction from budget inception to final occupancy. His career has included residential, retail, office and hospitality projects, and he received recognition in ENR Texas and Louisiana's Top 20 under 40 list in 2012.

Matt is actively involved in the Austin Chamber of Commerce and a member of the Real Estate Council of Austin. Matt currently sits on the board of directors for LifeWorks in Austin and is also heavily involved in other local community initiatives, such as Meals on Wheels.

Both these gentleman and additional employees of American Campus Communities and DPR Construction will be extensively involved in the development of the LifeWorks Affordable Housing Project.

**13. 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.

**Works at Pleasant Valley, Phase II**  
**Development Cost Schedule**  
**Estimated 12/21/16**

	Total Cost	Prior Award of RHDA Funds (if Any)	RHDA Funds Requested	Description of Comments
<b>ACQUISITION</b>				
Site acquisition cost	33,810			One year of Land Lease Costs
Closing costs & acq. legal fees	1,691			Closing Costs
<b>Subtotal Acquisition Cost</b>	<b>\$35,501</b>		<b>\$0</b>	
<b>OFF-SITES</b>				
Off-site concrete	0			No Off Site Costs Anticipated
Storm drains & devices	0			
Water & fire hydrants	0			
Off-site utilities	0			
Sewer lateral(s)	0			
Off-site paving	0			
Off-site electrical	0			
<b>Subtotal Off-Sites Cost</b>	<b>\$0</b>		<b>\$0</b>	
<b>SITE WORK</b>				
Demolition				
Asbestos Abatement				
Detention				
Rough grading	16,065			
Fine grading	207,791			Significant Earth moving
On-site concrete	2,365			
On-site electrical				
On-site paving	34,339			
On-site utilities	172,000			
Decorative masonry				
Bumper stops, striping & signs	2,430			
<b>Subtotal Site Work Cost</b>	<b>\$434,990</b>			
<b>SITE AMENITIES</b>				
Landscaping	26,500			
Pool and decking				
Athletic court(s), playground(s)				
Fencing				
Other (Bike Rack)	2,200			

Subtotal Site Amenities Cost	\$28,700			
<b>BUILDING COSTS*:</b>				
Concrete	154,097			
Masonry				
Metals	112,163			
Woods and Plastics	463,336			
Thermal and Moisture Protection	122,657			
Roof Covering	21,570			
Doors and Windows	77,500			
<b>BUILDING COSTS (Continued):</b>				
Finishes	363,336			
Specialties	18,915			
Equipment	72,500			
Furnishings	29,000			
Special Construction	55,875			
Conveying Systems (Elevators)				
Mechanical (HVAC; Plumbing)	406,150			
Electrical	310,772			
Detached Community Facilities/Building				
Carports and/or Garages	0			
Lead-Based Paint Abatement	0			
Asbestos Abatement (Rehabilitation Only)	0			
Structured Parking	0			
Commercial Space Costs	0			
Other (specify) - see footnote 1				
Subtotal Building Costs	\$2,207,871			
<b>TOTAL BUILDING COSTS &amp; SITE WORK</b>	\$2,671,561			
(including site amenities)				
Contingency	# \$133,578			
<b>TOTAL HARD COSTS</b>	\$0			
<b>OTHER CONSTRUCTION COSTS</b>				
General requirements (<6%)	# 134,673			
Field supervision (within GR limit)	0			
Contractor overhead (<2%)	# 56,103			Donated Back
G & A Field (within overhead limit)	0			
Contractor profit (<6%)	# 168,308			Donated Back
<b>TOTAL CONTRACTOR FEES</b>	\$359,084			
<b>TOTAL CONSTRUCTION CONTRACT</b>	\$3,164,223		\$ 1,850,000	
	\$0			

<b>SOFT COSTS<sup>3</sup></b>			
Architectural - Design fees	107,000		
Architectural - Supervision fees			
Engineering fees	85,000		
Real estate attorney/other legal fees	12,000		
Accounting fees	0		
Impact Fees	0		
Building permits & related costs	40,000		Smart Housing
Appraisal	3,000		
Market analysis	12,400		
Environmental assessment	3,000		
Soils report	2,000		
Survey	2,600		
Marketing			
Hazard & liability insurance	5,000		
Real property taxes	0		
Personal property taxes	0		
Assessability Review	5,000		
Other - Title Escrow	2,000		
Other - Furniture	50,000		
Other Davis Bacon Monitoring	10,000		
Other Commisioning	10,000		
<b>Subtotal Soft Cost</b>	<b>\$349,000</b>		
<b>CONSTRUCTION LOAN(S)<sup>3</sup></b>			
Interest	29,315		
Loan origination fees	5,000		
Title & recording fees	2,000		
Closing costs & legal fees	1,000		
Inspection fees	5,000		
Credit Report			
Discount Points			
<b>Subtotal Financing Cost</b>	<b>\$42,315</b>		
<b>DEVELOPER FEES<sup>3</sup></b>			
Housing consultant fees <sup>4</sup>			
General & administrative	158,211		
Profit or fee			
<b>Subtotal Developer Fees #</b>	<b>\$158,211</b>		
<b>RESERVES</b>			
Rent-up	34,818		
Operating	18,908		
Replacement			See Operating Budget
Escrows			
<b>Subtotal Reserves</b>	<b>\$53,726</b>		
<b>TOTAL HOUSING DEVELOPMENT COSTS<sup>5</sup></b>	<b>\$3,802,976</b>	<b>\$1,850,000</b>	<b>\$129,030 per unit Total</b>



**14. 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.).

<b>TABLE A: SOURCES OF FUNDS SUMMARY</b>					<b>Intended Use of Funds (Predevelopment, Acquisition, Construction, Soft Costs)</b>
	Term	Interest Rate	Amount	Evidence (Deed, Sales Contract)	
Owner Equity	0	0	78,596	Commitment Ltr	Soft Costs
Private Financing (List Lenders)					
Foundations	0	0	500,000	Developer's Letter	Acquisition and Soft Costs
Other Sources (List Below)					
Federal Home Loan Bank	0	0	350,000	Pending Loan	Soft and Hard
TDHCA – NFDL Funds	0	0	800,000	Pending Loan	Hard Costs
Contributions from Builder	0	0	224,380	Letter	Hard Costs
<b>Proposed RHDA Funds</b>	0	0	<b>1,850,000</b>	<b>Submission</b>	<b>Hard Costs</b>
<b>TOTAL</b>			<b>3,802,976</b>		

<b>TABLE B: USES OF FUNDS SUMMARY</b>		
	Total Cost	Cost/Unit
Predevelopment	0	
Acquisition	35,501	1,124
Hard Costs	3,164,223	109,111
Soft & Carrying Costs	603,252	20,802
<b>TOTAL</b>	<b>3,802,976</b>	<b>131,137</b>

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

<b>TABLE C: PERCENTAGE OF RHDA FUNDS</b>	
<b>RHDA Funds</b>	<b>1,850,000</b>
<b>Other Funds</b>	<b>1,952,976</b>
<b>Total Project Cost</b>	<b>3,802,976</b>
<b>RHDA Funds ÷ Total Project Cost=</b>	<b>49%</b>

- 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	5.23% total
0 BR @30% MFI	6	244	17,568	
1 BR @30% MFI	3	266	9,576	
0 BR @50% MFI	3	517	18,612	
1 BR @50% MFI	8	558	53,568	
2 BR @50% MFI	3	664	23,904	
2 BR @50% MFI	6	1,190	85,608	
FULL OCCUPANCY ANNUAL INCOME			208,908	
Other Income			16,675	
Less Vacancy Loss (Indicate % and Amount of Loss			-11,801	
GROSS ANNUAL INCOME			213,782	
Inflation Factor - Income	2%			
Inflation Factor - Expense	3%			

See Proforma – next 3 pages

<b>Proforma</b>							
<b>Beg Month / Year to</b>	04/01/18	04/01/19	04/01/20	04/01/21	04/01/22	04/01/23	04/01/24
<b>End Month / Year</b>	03/31/19	03/31/20	03/31/21	03/31/22	03/31/23	03/31/24	03/31/25
	1	2	3	4	5	6	7
<b>Physical Occupancy</b>	97%	97%	97%	97%	97%	97%	97%
<b>Economic Occupancy</b>	-5%	-5%	-5%	-5%	-5%	-5%	-5%
<b>Gross Potential Rent</b>	208,908	213,086	217,348	221,695	226,129	230,651	235,264
<b>Secondary Income</b>							
Utility Income	11,600	11,832	12,069	12,310	12,556	12,807	13,063
Other Income	5,075	5,177	5,280	5,386	5,493	5,603	5,715
<b>Total Potential Income</b>	225,583	230,095	234,697	239,390	244,178	249,062	254,043
<b>Vacancy and Collection Loss</b>							
Loss to Lease	(522)	(533)	(543)	(554)	(565)	(577)	(588)
Concessions	-	-	-	-	-	-	-
Vacancy Loss	(6,767)	(7,458)	(7,607)	(7,759)	(7,915)	(8,073)	(8,234)
Bad Debt	(4,512)	(4,262)	(4,347)	(4,434)	(4,523)	(4,613)	(4,705)
<b>Total Loss</b>	(11,801)	(12,252)	(12,498)	(12,747)	(13,002)	(13,262)	(13,528)
<b>Total Income</b>	213,782	217,842	222,199	226,643	231,176	235,799	240,515
<b>Variable Expenses</b>							
Payroll & Benefits	44,000	45,320	46,679	48,080	49,522	51,008	52,538
General Maintenance	14,500	14,935	15,383	15,845	16,320	16,809	17,314
Make Ready/Decorating	2,393	2,464	2,538	2,614	2,693	2,774	2,857
Extermination	580	597	615	634	653	672	693
Software Access	1,102	1,135	1,169	1,204	1,240	1,278	1,316
Advertising & Retention	580	597	615	634	653	672	693
Office Expense	7,105	7,318	7,538	7,764	7,997	8,237	8,484
Audit and Banking	5,955	6,133	6,317	6,507	6,702	6,903	7,110
Utilities	33,261	34,259	35,287	36,345	37,436	38,559	39,716
Mileage	435	448	461	475	490	504	519
Security	2,088	2,151	2,215	2,282	2,350	2,421	2,493
Supportive Service	6,525	6,721	6,922	7,130	7,344	7,564	7,791
Payroll Processing	290	299	308	317	326	336	346
TDHCA Compliance	1,160	1,195	1,231	1,268	1,306	1,345	1,385
<b>Total Variable Expenses</b>	119,973	123,572	127,279	131,098	135,031	139,082	143,254
<b>Fixed Expenses</b>							
Management Fees	18,706	19,267	19,845	20,440	21,054	21,685	22,336
Other - Ground Lease	33,810	34,824	35,869	36,945	38,053	39,195	40,371
Replacement Reserves	4,350	4,481	4,615	4,753	4,896	5,043	5,194
Property Taxes	3,914	4,031	4,152	4,277	4,405	4,537	4,674
Property Insurance	7,089	7,302	7,521	7,746	7,979	8,218	8,465
<b>Total Fixed Expenses</b>	67,869	69,905	72,002	74,162	76,387	78,679	81,039
<b>Total Operating Expenses</b>	187,842	193,477	199,281	205,260	211,418	217,760	224,293
		0.03	0.03	0.03	0.03	0.03	0.03
<b>Net Operating Income (NOI)</b>	25,940	24,365	22,918	21,383	19,758	18,039	16,222
<b>Capital Items</b>							
Mortgage Principal	-	-	-	-	-	-	-
Mortgage Interest	-	-	-	-	-	-	-
<b>Total Capital Items</b>	-	-	-	-	-	-	-
<b>Net Cash Flow</b>	25,940	24,365	22,918	21,383	19,758	18,039	16,222
<b>DCR</b>	25,940	24,365	22,918	21,383	19,758	18,039	16,222

<b>Proforma</b>							
Beg Month / Year to End Month / Year	04/01/25 03/31/26	04/01/26 03/31/27	04/01/27 03/31/28	04/01/28 03/31/29	04/01/29 03/31/30	04/01/30 03/31/31	04/01/31 03/31/32
	8	9	10	11	12	13	14
Physical Occupancy	97%	97%	97%	97%	97%	97%	97%
Economic Occupancy	-5%	-5%	-5%	-5%	-5%	-5%	-5%
Gross Potential Rent	239,970	244,769	249,664	254,658	259,751	264,946	270,245
Secondary Income							
Utility Income	13,325	13,591	13,863	14,140	14,423	14,712	15,006
Other Income	5,830	5,946	6,065	6,186	6,310	6,436	6,565
<b>Total Potential Income</b>	<b>259,124</b>	<b>264,306</b>	<b>269,593</b>	<b>274,984</b>	<b>280,484</b>	<b>286,094</b>	<b>291,816</b>
<b>Vacancy and Collection Loss:</b>							
Loss to Lease	(600)	(612)	(624)	(637)	(649)	(662)	(676)
Concessions	-	-	-	-	-	-	-
Vacancy Loss	(8,399)	(8,567)	(8,738)	(8,913)	(9,091)	(9,273)	(9,459)
Bad Debt	(4,799)	(4,895)	(4,993)	(5,093)	(5,195)	(5,299)	(5,405)
<b>Total Loss</b>	<b>(13,798)</b>	<b>(14,074)</b>	<b>(14,356)</b>	<b>(14,643)</b>	<b>(14,936)</b>	<b>(15,234)</b>	<b>(15,539)</b>
<b>Total Income</b>	<b>245,326</b>	<b>250,232</b>	<b>255,237</b>	<b>260,342</b>	<b>265,548</b>	<b>270,859</b>	<b>276,277</b>
<b>Variable Expenses</b>							
Payroll & Benefits	54,114	55,738	57,410	59,132	60,906	62,733	64,615
General Maintenance	17,833	18,368	18,919	19,487	20,071	20,674	21,294
Make Ready/Decorating	2,942	3,031	3,122	3,215	3,312	3,411	3,513
Extermination	713	735	757	779	803	827	852
Software Access	1,355	1,396	1,438	1,481	1,525	1,571	1,618
Advertising & Retention	713	735	757	779	803	827	852
Office Expense	8,738	9,000	9,270	9,549	9,835	10,130	10,434
Audit and Banking	7,323	7,543	7,769	8,003	8,243	8,490	8,745
Utilities	40,907	42,134	43,398	44,700	46,041	47,422	48,845
Mileage	535	551	568	585	602	620	639
Security	2,568	2,645	2,724	2,806	2,890	2,977	3,066
Supportive Service	8,025	8,266	8,514	8,769	9,032	9,303	9,582
Payroll Processing	357	367	378	390	401	413	426
TDHCA Compliance	1,427	1,469	1,514	1,559	1,606	1,654	1,703
<b>Total Variable Expenses</b>	<b>147,552</b>	<b>151,978</b>	<b>156,538</b>	<b>161,234</b>	<b>166,071</b>	<b>171,053</b>	<b>176,184</b>
<b>Fixed Expenses</b>							
Management Fees	23,006	23,696	24,407	25,139	25,893	26,670	27,470
Other - Ground Lease	41,582	42,829	44,114	45,438	46,801	48,205	49,651
Replacement Reserves	5,350	5,510	5,676	5,846	6,021	6,202	6,388
Property Taxes	4,814	4,958	5,107	5,260	5,418	5,580	5,748
Property Insurance	8,718	8,980	9,249	9,527	9,813	10,107	10,410
<b>Total Fixed Expenses</b>	<b>83,470</b>	<b>85,974</b>	<b>88,553</b>	<b>91,210</b>	<b>93,946</b>	<b>96,765</b>	<b>99,668</b>
<b>Total Operating Expenses</b>	<b>231,022</b>	<b>237,952</b>	<b>245,091</b>	<b>252,444</b>	<b>260,017</b>	<b>267,817</b>	<b>275,852</b>
	0.03	0.03	0.03	0.03	0.03	0.03	0.03
<b>Net Operating Income (NOI)</b>	<b>14,304</b>	<b>12,280</b>	<b>10,146</b>	<b>7,898</b>	<b>5,531</b>	<b>3,042</b>	<b>425</b>
<b>Capital Items</b>							
Mortgage Principal	-	-	-	-	-	-	-
Mortgage Interest	-	-	-	-	-	-	-
<b>Total Capital Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flow</b>	<b>14,304</b>	<b>12,280</b>	<b>10,146</b>	<b>7,898</b>	<b>5,531</b>	<b>3,042</b>	<b>425</b>
<b>DCR</b>	<b>14,304</b>	<b>12,280</b>	<b>10,146</b>	<b>7,898</b>	<b>5,531</b>	<b>3,042</b>	<b>425</b>

<b>Proforma</b>						
Beg Month / Year to	04/01/32	04/01/33	04/01/34	04/01/35	04/01/36	04/01/37
End Month / Year	03/31/33	03/31/34	03/31/35	03/31/36	03/31/37	03/31/38
	15	16	17	18	19	20
Physical Occupancy	97%	97%	97%	97%	97%	97%
Economic Occupancy	-5%	-5%	-5%	-5%	-5%	-5%
Gross Potential Rent	275,650	281,163	286,786	292,522	298,372	304,340
Secondary Income						
Utility Income	15,306	15,612	15,924	16,243	16,568	16,899
Other Income	6,696	6,830	6,967	7,106	7,248	7,393
Total Potential Income	297,652	303,605	309,677	315,871	322,188	328,632
Vacancy and Collection Loss						
Loss to Lease	(689)	(703)	(717)	(731)	(746)	(761)
Concessions	-	-	-	-	-	-
Vacancy Loss	(9,648)	(9,841)	(10,038)	(10,238)	(10,443)	(10,652)
Bad Debt	(5,513)	(5,623)	(5,736)	(5,850)	(5,967)	(6,087)
Total Loss	(15,850)	(16,167)	(16,490)	(16,820)	(17,156)	(17,500)
Total Income	281,802	287,438	293,187	299,051	305,032	311,132
Variable Expenses						
Payroll & Benefits	66,554	68,550	70,607	72,725	74,907	77,154
General Maintenance	21,933	22,591	23,268	23,966	24,685	25,426
Make Ready/Decorating	3,619	3,727	3,839	3,954	4,073	4,195
Extermination	877	904	931	959	987	1,017
Software Access	1,667	1,717	1,768	1,821	1,876	1,932
Advertising & Retention	877	904	931	959	987	1,017
Office Expense	10,747	11,069	11,401	11,743	12,096	12,459
Audit and Banking	9,007	9,277	9,555	9,842	10,137	10,442
Utilities	50,310	51,820	53,374	54,976	56,625	58,324
Mileage	658	678	698	719	741	763
Security	3,158	3,253	3,351	3,451	3,555	3,661
Supportive Service	9,870	10,166	10,471	10,785	11,108	11,442
Payroll Processing	439	452	465	479	494	509
TDHCA Compliance	1,755	1,807	1,861	1,917	1,975	2,034
Total Variable Expenses	181,470	186,914	192,521	198,297	204,246	210,373
Fixed Expenses						
Management Fees	28,294	28,860	29,437	30,026	30,627	31,239
Other - Ground Lease	48,641	47,100	46,513	44,908	43,256	42,553
Replacement Reserves	6,580	6,777	6,980	7,190	7,406	7,628
Property Taxes	5,920	6,098	6,281	6,469	6,663	6,863
Property Insurance	10,723	11,044	11,376	11,717	12,068	12,430
Total Fixed Expenses	100,158	99,879	100,587	100,310	100,019	100,714
Total Operating Expenses	281,628	286,793	293,109	298,608	304,266	311,087
	0.02	0.02	0.02	0.02	0.02	0.02
Net Operating Income (NOI)	175	645	78	443	766	45
Capital Items						
Mortgage Principal	-	-	-	-	-	-
Mortgage Interest	-	-	-	-	-	-
Total Capital Items	-	-	-	-	-	-
Net Cash Flow	175	645	78	443	766	45
DCR	175	645	78	443	766	45

- 15. 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.

See Good Neighbor Checklist

#### **The Works at Pleasant Valley Phase II - Communications Plan**

The Works at Pleasant Valley Phase II, located at 2800 Lyons Rd., Austin TX 78702 will occupy a .5 acre piece of Lot 1 of a 5.889 property and is co-located next to the LifeWorks Sooch Foundation Youth and Family Resource Center. This Resource Center is the major service center in the Govalle/Johnson Terrace Neighborhood and provides extensive support services in the areas of mental health counseling; educational and financial literacy; teen parent services; foster care transitions; and housing assistance that are open to all members of the community.

The Govalle Neighbors association meetings are hosted in its multi-purpose room. LifeWorks representative will attend these meetings. Tenants at the development receive a newsletter published by the property company operating The Works at Pleasant Valley. Neighborhood residents are welcome to enter the Resource Center and seek information about services or give their input on the activities there and at the Works at Pleasant Valley.

On December 2nd, 2016, LifeWorks informed all elected officials about LifeWorks intent to apply for funding from the City of Austin and TDHCA for the proposed development. On December 28, 2016, LifeWorks notified 42 properties owner whose properties were within 500 feet of the proposed development.

See attached list of notified parties  
See attached notification templates

- 16. 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.  
The core supportive services that will be provided to residents include intensive case management, financial assistance, mental health counseling, and employment assistance.

Case management will address the specific needs of chronically homeless individuals, families with children including teen parents, homeless aged-out foster care youth and unaccompanied youth - all populations with few supports, many disruptions to education, and highly vulnerable to poverty. Case management will concentrate on how to develop long term connections, critical social skills, and how to live in the broader community. LifeWorks case managers are skilled at helping clients break down problems/issues into manageable pieces so they can create a specific, concrete action plan that will help clients move toward their goal(s) and greater self-sufficiency.

Financial assistance will be provided (approximately \$2,000 per year per resident in permanent supportive housing) as needed to support the move-in costs, rental assistance, training costs, work uniforms, medical expenses, etc. for youth as they transition to stable housing. Case managers also work to ensure all residents access all of the supports available through mainstream resources.

Mental health counseling, including individual, group, and crisis counseling as well as counseling to address substance abuse, domestic violence, and/or abuse related issues will be provided to support the higher need clients. LifeWorks values the importance of addressing the mental health needs of this population, as so many of their barriers to housing and independence are related to their struggles with mental illness. The mental health professional is able to provide a stable, supportive relationship that focuses on the individual client's strengths, and seeks to build on those strengths in order to find solutions to whatever challenges are posing as barriers to the client's success.

Workforce Development will be provided to link youth to community resources and employment opportunities, while simultaneously helping them to develop the skills needed to maintain and succeed in employment. LifeWorks provides these services using the "Individualized Placement and Support" (IPS) model developed by Dartmouth University, an evidence-based program that has proven to be highly successful in helping with adults struggling with mental health challenges become gainfully employed through highly individualized services that address the unique needs, interests, skills and experience of each individual. LifeWorks also partners with Capital IDEA Skills Training program (co-located with LifeWorks' East Austin Youth and Family Resource Center site, adjacent to this proposed housing project and to Austin Community College's Eastview Campus) to give youth college-level instruction leading to an Associate's Degree or certificate and job placement in one of their more than 20 career field programs. LifeWorks will also work closely with Skillpoint Alliance, Workforce Solutions and other local organizations to find the job training program that will provide the best fit for each client's interests and needs.

Additional supportive services that will be available to residents are the myriad of services to be provided at LifeWorks' East Austin Youth and Family Resource Center including literacy tutoring, GED preparation, and a variety of life-skills training activities offered through LifeWorks' for youth who are moving toward independent living. For example, young parents are encouraged to participate in parenting education to develop skills and gain knowledge about child development. Youth aging out of the foster care system participate in the state-funded Preparation for Adult Living (PAL) program, a curriculum-based program that covers money management, communication skills, goal setting, health education and a variety of other topics through 38 hours of instruction time.

- b. The number and types of residents/clients expected to be served annually.

The proposed new units will provide 10 beds of Permanent Supportive Housing for youth aged 18 to 24 that are homeless or have aged out of the foster care system. This is a population that LifeWorks currently serves through its street outreach program, emergency shelter, transitional and supportive housing programs, GED program, and its State-funded case management program. Many of the youth typically served at LifeWorks have significant mental health problems, including depression, anxiety disorders, posttraumatic stress disorder, suicidal ideation, and substance abuse disorders. Many of the youth experienced traumatic events before they were removed from home or during their stay in the foster care system.

Supportive services will also be provided to youth accessing Family Unification Program (FUP) vouchers through the Housing Authority of the City of Austin (HACA). These Housing Choice Vouchers are designated to provide rental assistance for up to 18 months to youth 18-21 who

transition from foster care or who left foster care at age 16 or older. LifeWorks partnered with HACA and the Texas Department of Family and Protective Services (DFPS) on the application for these vouchers from the U.S. Department of Housing and Urban Development (HUD), and is an active partner in providing the case management for many of the youth accessing these vouchers.

- c. Describe the developer's experience and qualifications in providing the services to be offered.

LifeWorks' mission is to be a fearless advocate for youth and families seeking their path to self-sufficiency. The staff and volunteers are committed to innovative problem solving, shared accountability and a relentless focus on achieving real, sustainable and measurable results for the clients served. Founded in 1998 as a result of the merger of four nonprofit organizations, LifeWorks operates three multi-service locations and multiple residential sites to reach youth and families throughout Central Texas. With over 40 years' experience serving homeless and youth in foster care, LifeWorks has a proven track record of effective programs that provide safe environments for this highly vulnerable population. As a result of this expertise, LifeWorks holds over \$1.4 million in federal housing related contracts, including HUD Continuum of Care, TDHCA Emergency Solutions Grants, and four U.S. HHS Runaway Homeless Youth (RHY) contracts. In addition, LifeWorks holds two 30-county contracts with the DFPS to serve youth exiting the foster care system and has held contracts with the City of Austin' Health and Human Services Department for over 30 years to provide housing and homeless services to youth in Austin. LifeWorks currently provides a full housing continuum from street life to permanent housing, all designed with the specific needs of youth in mind.

Core components of all of LifeWorks' residential programs include client-centered case management, individual and family counseling, independent living skills training, employment preparation and assistance, and an opportunity to develop a caring relationship with an adult – a component that LifeWorks considers the single most important factor impacting the choices youth make. LifeWorks' programs are designed to impact multiple areas of the young person's life and are intentionally designed to be strengths-based, with attention placed on the assets the individual already possesses.

- 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.

Services will be provided by LifeWorks staff and through services linkages and referral to other community service organizations. The existing Supportive Services Agreement will be amended to include the additional 29 units upon completion of the development

See Attached - Supportive Services Agreement

- e. 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.

See Attached Staff Resumes



f. Demonstrate financial capacity to provide support services and/or operate a supportive service 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.

LifeWorks will provide 2 full time case managers, .25 FTE Licensed Counselor, .25 FTE Employment Specialist, and .50 FTE Peer Support Specialist through a combination of public funding to serve the entire Works at Pleasant Valley Affordable Housing Development (74 units, 30 PSH). Case management and financial assistance for residents will be provided through U.S. HHS Runaway and Homeless Youth program and private foundations with funding specifically for pregnant and parenting youth and youth in permanent supportive housing. The Texas Workforce Commission is funding the Employment Specialist position and the "Individualized Placement and Support" program. The U.S. Department of Health and Human Services – Substance Abuse and Mental Health Administration is providing funds for a Community Based Counseling Program that will provide the Licensed Mental Health Counselor and the Peer Support Specialist. The operation budget for this development includes funds to support these services also. AmeriCorps members supplement the case management staff.

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.

See the following page for a 3-year budget for the operations of supportive services.

---

**ATTENTION:**

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

# Youth and Family Alliance dba LifeWorks

## LifeWorks Operating Budget for Supportive Services

3-Year Period Budget	Calculation	Annual Costs		Total 3-Year Program Costs
		FTE	Total	
<b>Staff Positions</b>				
Case Manager	1 FTE	1.00	42,023	\$ 129,247
Case Manager	1 FTE	1.00	35,245	\$ 108,400
Licensed Counselor	0.25 FTE staff	0.25	13,000	\$ 39,983
Employment Specialist	0.25 TWC funded staff	0.25	10,050	\$ 30,910
Peer Support Specialist	.50 FTE Staff	0.50	13,400	\$ 41,213
<b>Salaries Total:</b>		<b>3.00</b>	<b>113,718</b>	<b>349,754</b>
SSI and Medicare	7.65% of 95% of salaries		8,264	\$ 24,793
Unemployment Insurance	4.48% of first \$9000 in salary x FTE/yr		1,210	\$ 3,629
Worker's Compensation Insurance	0.525% of salaries		597	\$ 1,791
Retirement	1.5% of total salaries		1,706	\$ 5,117
Health Insurance	\$5,097 x FTE/yr		15,291	\$ 45,873
Health Savings Account contribution	\$1,500/FTE/year		4,500	\$ 13,500
Life Insurance, EAP, Dental	\$58 x FTE/yr		174	\$ 522
Long Term Disability Insurance	.59% of salaries		671	\$ 2,064
<b>Fringe Total:</b>			<b>32,413</b>	<b>\$ 95,226</b>
<b>Personnel Total:</b>			<b>\$ 146,131</b>	<b>\$ 382,167</b>
<b>Operating Expenses</b>				
Occupancy (Utilities, Bldg Maint/Repair, Depreciation)	\$4,710 per FTE/yr		14,130	\$ 42,390
Equipment and vehicle rental/maintenance	\$1,940 per FTE/yr		5,820	\$ 17,460
Communications	\$1,070 per FTE/yr		3,210	\$ 9,630
Insurance	\$1,880 per FTE/yr		5,640	\$ 16,920
Printing/Postage	\$20 per FTE/yr		60	\$ 180
Software licensing	\$360 per FTE/yr		1,080	\$ 3,240
Local Transportation	\$0.48 per mile x 2000 miles per FTE/yr		2,880	\$ 8,640
Office Supplies	\$350 per FTE/yr		1,050	\$ 3,150
Direct Financial Assistance to youth	\$2,000 per youth x 10 PSH units		20,000	\$ 60,000
<b>Total Operating Expenses</b>			<b>\$ 53,870</b>	<b>\$ 161,610</b>
<b>Direct Cost Total:</b>			<b>\$ 200,001</b>	<b>\$ 543,777</b>
<b>Indirect Cost Rate @ 36% of salaries*</b>			<b>\$ 40,938</b>	<b>\$ 117,168</b>
<b>Budget Total:</b>			<b>\$ 240,939</b>	<b>\$ 660,944</b>

### Funding sources:

U.S. DHHS - RHYA  
 U.S. DHHS - SAMHSA  
 Texas Workforce Commission - TANF  
 Private Foundations  
**TOTAL**

### Amount

\$ 135,054  
 \$ 51,896  
 \$ 19,355  
 \$ 34,635  
**\$ 240,939**

**RHDA PROGRAM  
SCORING CRITERIA**

**REQUIRED INFORMATION:**

1. Applicant Information	<u>  X  </u>	10. Accessible/Adaptable Units	<u>  X  </u>
2a. Non-profit Required Items	<u>  X  </u>	11. Experience/Qualifications	<u>  X  </u>
OR		12. Project Budget	<u>  X  </u>
2b. For-profit Required Items	<u>          </u>	13. Funds Proposal:	
3. Project Description	<u>  X  </u>	a. Sources	<u>  X  </u>
4. Site Control/Value	<u>  X  </u>	b. Uses	<u>  X  </u>
5. Zoning	<u>  X  </u>	c. Leveraging	<u>  X  </u>
6. S.M.A.R.T. Housing	<u>  X  </u>	d. Operating Proforma	<u>  X  </u>
7. Development Team	<u>  X  </u>	14. Good Neighbor Checklist	<u>  X  </u>
8. Development Schedule	<u>  X  </u>	15. Flood Plain Map	<u>  X  </u>
9. Developer Capacity	<u>  X  </u>		

**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

% of Affordable Units in Project (only count units reserved for 50% MFI and below)						
% MFI	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:

  X   99 years;

**OR**

           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. To use the online mapping tool, go to <http://www.opportunitymatterscentex.org/> and click on "go to online map."

- 25 points:** Very High priority area  
**20 points:** High priority area  
**15 points:** Moderate priority area  
**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

**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 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)**

5

**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)**

4

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 (maximum 10 points)**

8

	<u>Multi-Unit Structures</u>	<u>Single-Unit Structures</u>	<u>Housing First PSH Units</u>
<b>10 points</b>	<\$40,000/unit	<\$50,000/unit	<\$80,000/unit
<b>8 points</b>	<\$45,000/unit	<\$60,000/unit	<\$85,000/unit
<b>6 points</b>	<\$50,000/unit	<\$70,000/unit	<\$90,000/unit
<b>4 points</b>	<\$55,000/unit	<\$80,000/unit	<\$95,000/unit
<b>2 points</b>	<\$60,000/unit	<\$90,000/unit	<\$100,000/unit
<b>0 points</b>	>\$60,000/unit	>\$90,000/unit	>\$100,000/unit

Score

**15. PROJECT READINESS (maximum 10 points)**

6

**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

**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: 178**

## Attachments

Item
Section 2 – Non-Profit Applicant/Developer Documents
2.a. Certificate of Status issued by the Texas Secretary of State
2.b. Federal IRS certification granting non-profit tax-exempt status
2.c. Certified financial audit LifeWorks 2015
2.d. Board resolution approving the proposed project and authorizing the request for funding
Section 4
4.k. Map (8 ½" x 11") indicating the property location and the distance to the nearest Capital Metro Transit Stop to which residents will have access
4.l. A flood plain map generated by <a href="http://www.ATXFloodPro.com">www.ATXFloodPro.com</a> with the property parcel identified and the legend displayed showing the various types of FEMA Flood Plain zones
Section 5 - Project Description
5.a. Special Warranty Deed that demonstrates that the property is owned by LifeWorks Enterprises LLC
5.b. Resolutions Authorizing Susan McDowell, President of LifeWorks Enterprises and the LifeWorks Affordable Housing Corporation to negotiate and sign a ground lease agreement
5.c. Appraisal
6. Zoning Letter
7. SMART Housing Letter
9. Environmental Assessment
15.a. Good Neighbor Checklist
15.b. List of Notified Parties
15.c. Notification Template
16.d. Supportive Services Agreement
16.e Resumes of Support Services Staff





**Franchise Tax Account Status**

As of : 12/27/2016 09:07:23

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

LIFEWORCS AFFORDABLE HOUSING CORPORATION	
Texas Taxpayer Number	32003154120
Mailing Address	3700 S 1ST ST AUSTIN, TX 78704-7046
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	02/05/2001
Texas SOS File Number	0161470101
Registered Agent Name	SUSAN MCDOWELL
Registered Office Street Address	3700 SOUTH FIRST STREET AUSTIN, TX 78704

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

DEPARTMENT OF THE TREASURY

Date: JUN 27 2001



Employer Identification Number:  
38-1753071

DN:  
17053046018021

LIFEWORX AFFORDABLE HOUSING  
CORPORATION  
2525 WALLINGWOOD DR BLDG 6  
AUSTIN, TX 78746

Contact Person:  
DIANE M TONNIS ID# 31361  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Foundation Status Classification:  
509(a)(2)  
Advance Ruling Period Begins:  
February 5, 2001  
Advance Ruling Period Ends:  
December 31, 2005  
Addendum Applies:  
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in section 509(a)(2).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)

-2-

## LIFEWORKS AFFORDABLE HOUSING

a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

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

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period.

Letter 1045 (DO/CG)

# LIFEWORCS AFFORDABLE HOUSING

that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

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, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

-4-

LIFEWORKS AFFORDABLE HOUSING

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Steven T. Miller  
Director, Exempt Organizations

Enclosure(s) :  
Form 872-C

Letter 1045 (DO/CG)

**YOUTH AND FAMILY ALLIANCE**  
**dba LifeWorks**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015 AND 2014**

**YOUTH AND FAMILY ALLIANCE  
dba LifeWorks**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
Consolidated Statements of Financial Position	3
Consolidated Statement of Activities	
2015	4
2014	5
Consolidated Statement of Functional Expenses	
2015	6
2014	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	10
<b>OTHER FINANCIAL INFORMATION</b>	
Consolidating Statement of Financial Position	
2015	29
2014	30
Consolidating Statement of Activities	
2015	31
2014	32
Schedules of Grant Activity	
Texas Department of Housing and Community Affairs	
Contract # 42120002070	33



## INDEPENDENT AUDITORS' REPORT

To the Board of Governors  
Youth and Family Alliance dba LifeWorks  
Austin, Texas

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Youth and Family Alliance dba LifeWorks and subsidiaries, which comprise the consolidated statements of financial position as of September 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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



YOUTH AND FAMILY ALLIANCE  
dba LifeWorks

TABLE OF CONTENTS - Continued

	<u>Page</u>
FEDERAL COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> and <i>Uniform Grant Management Standards</i>	34
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State of <i>Texas Single Audit Circular</i>	36
Schedule of Expenditures of Federal Awards	38
Schedule of Expenditures of State Awards	40
Notes to Schedules of Expenditures of Federal and State Awards	41
Schedule of Findings and Questioned Costs	42
Corrective Action Plan	43
Summary Schedule of Prior Audit Findings	44

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2015 AND 2014

	2015	2014
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 2,039,737	\$ 1,446,012
Investments	-	935
Receivables	2,813,628	1,516,416
Pledges	131,649	256,495
Prepaid insurance and service agreements	57,225	114,806
Total current assets	<u>5,042,239</u>	<u>3,334,664</u>
Noncurrent assets		
Cash - restricted as to use	298,858	211,463
Investments - restricted as to use	489,122	513,807
Receivables	133,000	-
Pledges, net - collectible in future periods	13,969	65,540
Note receivable	9,007,445	8,724,689
Fixed assets, net	16,811,842	17,168,451
Other assets		
Loan costs, net	83,242	112,510
Security deposits	15,508	20,671
Total Assets	<u>\$ 31,895,225</u>	<u>\$ 30,151,795</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 213,910	\$ 265,529
Accrued payroll and benefit liabilities	399,052	387,420
Deferred revenues	27,782	7,905
Funds held for or due to clients	27,744	21,885
Accrued vacation	257,217	266,580
Tenant security deposits	8,642	9,375
Current portion of long term debt	66,000	66,000
Current portion of other debt	114,812	614,813
Total current liabilities	1,115,159	1,639,507
Long term debt, net of current portion	10,854,000	10,920,000
Other debt (see Note 10)	4,749,941	4,717,985
Total liabilities	<u>16,719,100</u>	<u>17,277,492</u>
Net assets		
Unrestricted net assets		
Available for general operations	11,632,797	10,798,234
Board designations	505,210	529,863
Total unrestricted net assets	12,138,007	11,328,097
Temporarily restricted net assets	3,028,118	1,536,206
Permanently restricted net assets	10,000	10,000
Total net assets	15,176,125	12,874,303
Total Liabilities and Net Assets	<u>\$ 31,895,225</u>	<u>\$ 30,151,795</u>

The accompanying notes are an integral part of these consolidated financial statements.

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Youth and Family Alliance dba LifeWorks and subsidiaries as of September 30, 2015 and 2014, 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.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of grant activity on page 33, is presented for purposes of additional analysis for a funding source and is not a required part of the basic consolidated financial statements. The Schedule Of Expenditures Of Federal Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the Schedule of Expenditures of State Awards as required by the *State of Texas Single Audit Circular*, and the supplemental consolidating information are presented for purposes of additional analysis and are not required parts of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2016, on our consideration of LifeWorks' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LifeWorks' internal control over financial reporting and compliance.

*Attelley & Associates, LLP*

Austin, Texas  
February 17, 2016

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
CONSOLIDATED STATEMENT OF ACTIVITIES  
Year Ended September 30, 2014

	Current Operating Funds			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Grants and contracts	\$ 6,690,627	\$ 1,349,020	\$ -	\$ 8,039,647
United Way allocations	-	115,000	-	115,000
Fees for services	452,263	-	-	452,263
Contributions	909,845	-	-	909,845
Noncash contributions	348,863	-	-	348,863
Fundraising - special events	195,541	-	-	195,541
Other revenues	240,168	-	-	240,168
Investment income	406,243	-	-	406,243
Net assets released from restrictions	2,366,204	(2,366,204)	-	-
<b>Total Revenues and Other Support</b>	<b>11,609,754</b>	<b>(902,184)</b>	<b>-</b>	<b>10,707,570</b>
<b>EXPENSES</b>				
Program services				
Counseling	2,022,965	-	-	2,022,965
Housing and Homeless	2,903,975	-	-	2,903,975
Youth Development	1,523,815	-	-	1,523,815
Education	1,575,242	-	-	1,575,242
LifeWorks Enterprise	323,741	-	-	323,741
LifeWorks Affordable Housing	256,123	-	-	256,123
Total program services	8,605,861	-	-	8,605,861
Supporting services				
Management and general	1,659,301	-	-	1,659,301
Fundraising	861,762	-	-	861,762
Total Expenses	11,126,924	-	-	11,126,924
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>482,830</b>	<b>(902,184)</b>	<b>-</b>	<b>(419,354)</b>
<b>OTHER CHANGES</b>				
Gain on disposition of assets	397,043	-	-	397,043
<b>CHANGE IN NET ASSETS</b>	<b>879,873</b>	<b>(902,184)</b>	<b>-</b>	<b>(22,311)</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>10,448,224</b>	<b>2,438,390</b>	<b>10,000</b>	<b>12,896,614</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 11,328,097</b>	<b>\$ 1,536,206</b>	<b>\$ 10,000</b>	<b>\$ 12,874,303</b>

The accompanying notes are an integral part of these consolidated financial statements.

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year Ended September 30, 2015

	Current Operating Funds			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Grants and contracts	\$ 6,664,709	\$ 3,320,794	\$ -	\$ 9,985,503
United Way allocations	-	115,000	-	115,000
Fees for services	556,574	-	-	556,574
Contributions	1,550,664	-	-	1,550,664
Noncash contributions	320,595	-	-	320,595
Fundraising - special events	199,140	-	-	199,140
Other revenues	255,005	-	-	255,005
Investment income	343,400	-	-	343,400
Net assets released from restrictions	1,943,882	(1,943,882)	-	-
<b>Total Revenues and Other Support</b>	<b>11,833,969</b>	<b>1,491,912</b>	<b>-</b>	<b>13,325,881</b>
<b>EXPENSES</b>				
Program services				
Counseling	1,902,066	-	-	1,902,066
Housing and Homeless	2,860,106	-	-	2,860,106
Youth Development	1,416,978	-	-	1,416,978
Education	1,577,503	-	-	1,577,503
Central Intake & Evaluation	52,343	-	-	52,343
LifeWorks Enterprise	320,806	-	-	320,806
LifeWorks Affordable Housing	340,478	-	-	340,478
Total program services	<b>8,470,280</b>	<b>-</b>	<b>-</b>	<b>8,470,280</b>
Supporting services				
Management and general	1,711,739	-	-	1,711,739
Fundraising	841,315	-	-	841,315
Total Expenses	<b>11,023,334</b>	<b>-</b>	<b>-</b>	<b>11,023,334</b>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>810,635</b>	<b>1,491,912</b>	<b>-</b>	<b>2,302,547</b>
<b>OTHER CHANGES</b>				
Gain on disposition of assets	(725)	-	-	(725)
<b>CHANGE IN NET ASSETS</b>	<b>809,910</b>	<b>1,491,912</b>	<b>-</b>	<b>2,301,822</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>11,328,097</b>	<b>1,536,206</b>	<b>10,000</b>	<b>12,874,303</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 12,138,007</b>	<b>\$ 3,028,118</b>	<b>\$ 10,000</b>	<b>\$ 15,176,125</b>

The accompanying notes are an integral part of these consolidated financial statements.

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended September 30, 2014

	Program Services				Supporting Services		
	Counseling	Housing & Homeless	Youth Development	Education	LifeWorks Enterprise	LifeWorks Affordable Housing	Management and General Fund-Raising
<b>EXPENSES</b>							<b>Total</b>
Compensation and related expenses							
Salaries and wages	\$ 1,040,765	\$ 1,413,646	\$ 826,827	\$ 937,353	\$ -	\$ 28,580	\$ 395,909
Employee benefits	156,387	179,381	137,027	147,077	-	1,772	40,144
Payroll taxes	83,229	116,810	65,658	74,856	-	2,773	31,172
<b>Total</b>	<b>1,280,381</b>	<b>1,709,837</b>	<b>1,029,512</b>	<b>1,159,286</b>	<b>-</b>	<b>33,125</b>	<b>467,225</b>
Professional fees	22,204	5,452	140,790	1,670	5,500	7,236	22,414
Subcontracted services	233,739	197,638	169,796	14,642	-	550	42
Direct client assistance	52,617	131,983	43,863	125,093	-	-	39
Supplies	44,945	140,356	22,182	24,876	-	2,697	12,830
Postage	403	377	326	704	-	460	2,472
Occupancy	70,497	366,191	5,416	65,760	-	38,601	9,468
Rental equipment and maintenance	18,321	37,678	7,755	18,492	-	1,534	10,440
Software support and license	4,765	8,711	4,978	5,549	-	3,943	5,601
Travel and training	21,862	32,499	43,669	58,086	-	2,010	9,020
Insurance and bonding	11,636	38,809	9,567	10,502	-	9,377	30,192
Communications	22,757	34,140	18,296	23,253	-	3,409	38,039
Marketing	9,090	3,060	859	2,330	-	1,442	6,039
Dues and memberships	1,384	351	102	567	-	282	15,346
Special events	-	-	-	-	-	-	955
Donated goods and services	155,936	104,614	18,900	42,371	-	-	187,414
Other supplies	32,998	20,889	301	5,857	-	18,483	16,286
Depreciation	29,795	50,492	6,760	14,698	167,726	78,293	22,272
Interest	-	3	-	-	150,515	3,561	27,528
Miscellaneous	9,635	20,895	743	1,506	-	51,120	34,108
<b>Total Expenses</b>	<b>\$ 2,022,965</b>	<b>\$ 2,903,975</b>	<b>\$ 1,523,815</b>	<b>\$ 1,575,242</b>	<b>\$ 323,741</b>	<b>\$ 256,123</b>	<b>\$ 861,762</b>
							<b>\$ 11,126,924</b>

The accompanying notes are an integral part of these consolidated financial statements.

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended September 30, 2015

	Program Services					Supporting Services				
	Counseling	Housing & Homeless	Youth Development	Education	Central Intake & Evaluation	LifeWorks Enterprise	LifeWorks Affordable Housing	Management and General	Fund-Raising	Total
EXPENSES										
Compensation and related expenses										
Salaries and wages	\$ 1,041,388	\$ 1,335,396	\$ 779,390	\$ 905,196	\$ 30,190	\$ -	\$ 38,002	\$ 987,132	\$ 411,561	\$ 5,528,255
Employee benefits	146,750	170,210	125,757	138,756	2,556	-	9,676	105,828	46,248	745,781
Payroll taxes	92,015	118,760	68,218	80,000	2,671	-	4,708	79,527	32,939	478,838
Total	1,280,153	1,624,366	973,365	1,123,952	35,417	-	52,386	1,172,487	490,748	6,752,874
Professional fees	19,991	5,301	99,030	512	2	2,300	34,796	231,744	42,949	436,625
Subcontracted services	176,977	168,570	140,907	14,910	-	-	8,100	-	-	509,464
Direct client assistance	42,593	176,974	28,449	132,612	-	-	-	129	4,733	385,490
Supplies	32,543	139,491	17,149	30,718	1,989	-	1,990	17,129	9,771	250,780
Postage	613	153	376	518	-	-	657	1,360	1,729	5,406
Occupancy	72,927	351,302	41,736	88,842	1,660	-	74,465	108,290	10,343	749,565
Rental equipment and maintenance	23,566	24,938	7,904	17,942	299	-	17,757	23,224	11,508	127,138
Software support and license	5,100	10,646	5,847	6,332	-	-	1,250	12,696	4,173	46,044
Travel and training	24,628	40,020	38,764	49,489	1,390	-	2,558	13,034	33,726	203,609
Insurance and bonding	14,574	43,949	10,091	11,094	481	-	19,237	29,841	4,917	134,184
Communications	29,254	60,190	15,536	23,004	709	-	4,678	22,350	6,719	162,440
Marketing	4,050	3,941	1,243	352	10	-	989	6,055	17,814	34,454
Dues and memberships	950	369	118	136	4	-	921	14,185	1,450	18,133
Special events	-	-	-	-	-	-	-	-	123,542	123,542
Donated goods and services	127,068	98,368	20,663	57,052	1,520	-	-	4,661	11,262	320,594
Other supplies	14,217	38,385	5,812	4,705	8,461	-	1,530	11,738	11,450	96,298
Depreciation	19,855	47,731	8,542	14,723	56	167,991	104,828	37,300	8,530	409,556
Interest	-	-	-	-	-	150,515	-	-	32,288	182,803
Miscellaneous	13,007	25,412	1,446	610	345	-	14,336	5,516	13,663	74,335
Total Expenses	\$ 1,902,066	\$ 2,860,106	\$ 1,416,978	\$ 1,577,503	\$ 52,343	\$ 320,806	\$ 340,478	\$ 1,711,739	\$ 841,315	\$ 11,023,334

The accompanying notes are an integral part of these consolidated financial statements.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED  
Years Ended September 30, 2015 and 2014

**FINANCING ACTIVITIES**

Proceeds from long-term debt	146,768	717,929
Payments on long-term debt	(66,000)	(704,999)
Changes in restricted cash	(87,395)	713,190
Net cash flows provided by (used in) financing activities	(6,627)	726,120

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

593,725      345,557

**CASH AND CASH EQUIVALENTS**

Beginning of year	1,446,012	1,100,455
End of year	\$ 2,039,737	\$ 1,446,012

**Supplementary information:**

Interest paid	\$ 182,803	\$ 188,187
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The accompanying notes are an integral part of these consolidated financial statements.



**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 2,301,822	\$ (22,311)
Adjustments to reconcile change in net assets to net cash flows to net cash provided by (used in) operating activities		
Depreciation expense	409,324	382,355
Amortization of loan costs	29,268	29,266
Gain on disposition of assets	725	(397,043)
Present value on pledges	(1,806)	(1,606)
Realized (gain) / loss on investments	(65)	(9,848)
Unrealized (gain) / loss on investments	67,403	(4,050)
Accrued interest on note receivable	(282,756)	(282,752)
In-kind support for fixed asset	-	(10,756)
Forgiveness of debt	(614,813)	(114,813)
Change in operating assets and liabilities -		
Receivables	(1,430,212)	748,348
Pledges	178,223	111,033
Prepaid insurance and service agreements	57,581	(23,690)
Security deposits	5,163	13,837
Accounts payable and accrued expenses	(51,619)	(578,311)
Accrued payroll and benefit liabilities	11,632	33,956
Deferred revenues	19,877	1,588
Funds held for or due to clients	5,859	5,808
Accrued vacation	(9,363)	(7,141)
Tenant security deposits	(733)	9,375
Net cash flows provided by (used in) operating activities	<u>695,510</u>	<u>(116,755)</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from the disposal of fixed assets	2,394	592,802
Purchase of fixed assets, including construction costs	(55,834)	(815,609)
Purchase of investments	(45,837)	(81,671)
Proceeds from sale of investments	<u>4,119</u>	<u>40,670</u>
Net cash flow used in investing activities	<u>(95,158)</u>	<u>(263,808)</u>

The accompanying notes are an integral part of these consolidated financial statements.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

**Housing & Homeless** consists of the following services: *Street Outreach* helps street youth to obtain services such as shelter, hygiene supplies, medical care, food, clothing, drug and alcohol counseling, immunizations, HIV counseling and testing, and pregnancy testing; a *LifeWorks Emergency Shelter* serves runaway, abandoned, pushed out, abused/neglected, and homeless youth; *Transitional Living Services* offers shelter and independent living skills for older homeless youth and young families; and *Supportive Housing Services* will place youths, who have completed their high school education, maintained employment, and demonstrated competent life skills, in apartments for a limited time to help them, "get on their feet." The Organization also provides direct assistance to individuals and families at risk of homelessness. *The Works at Pleasant Valley* offers 20 permanent supportive housing units.

**Youth Development** is focused on helping children and teens develop the knowledge and skills they need to navigate the social and emotional challenges of adolescence and focus on their future goals. The Organization's goal goes beyond preventing program participants from facing the challenges of teen parenting, abuse, and educational struggle. Each service is an investment in the future and leadership potential of its participants.

**Education/Workforce Division** helps youth and young adults develop the educational and workforce skills they need to become economically self-sufficient. Most services are tailored to the needs of homeless youth, young parents and youth aging out of foster care. Additionally, *Adult Basic Education* and *English as a Second Language Services* are offered to adults of all ages. Education/Workforce services work closely with other LifeWorks housing and counseling programs to help clients access the support they need to meet their academic and career goals.

**Summary of Significant Accounting Policies**

**Income Taxes:** LifeWorks is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) for any income related to their exempt purpose. LifeWorks is classified by the Internal Revenue Service as an organization other than a private foundation within the meaning of Section 509(a)(1) of the IRC. LifeWorks does not report any timing differences between their financial statements and the income tax return. LifeWorks is no longer subject to income tax examination by Federal authorities for years prior to September 30, 2012.

LWE is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) for any income related to their exempt purpose. LWE is classified by the Internal Revenue Service as an organization other than a private foundation within the meaning of Section 509(a)(1) of the IRC. LWE does not report any timing differences between their financial statements and the income tax return. LWE is no longer subject to income tax examination by Federal authorities for years prior to September 30, 2012.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies**

**Description of Organization**

Youth and Family Alliance dba LifeWorks (LifeWorks), was created in 1998 from the merger of Child and Family Service, Pathways Community Counseling, Teenage Parent Council, and Youth Options. LifeWorks is incorporated under the Texas Non-profit Corporation Act and is located in Austin, Texas. Historically, these four agencies served similar populations and frequently referred clients with critical needs to each other. The LifeWorks merger eliminated barriers by creating "no wrong door" service centers located throughout the community.

The LifeWorks Affordable Housing Corporation (LAHC) was formed in 2001 with LifeWorks as the sole member. LAHC was envisioned to be a separate entity that would own, develop, and operate properties for low and moderate income housing. LAHC currently owns and operates The Works at Pleasant Valley, a 45-unit complex that is for individuals and families with income below the 30% and 50% of the median family income. Residents include young adults aging out of foster care, formerly homeless individuals and young parents. Twenty units are reserved for Permanent Supportive Housing.

In May 2003, LifeWorks Enterprises LLC (LWE) was organized with LifeWorks as the sole member. On November 1, 2011, LWE executed agreements with Capital One and the Texas Capital Development Corporation to issue tax credits under the New Markets Tax Credit program (NMTC). LWE owns a building and land that LifeWorks uses to operate their programs.

The NMTC program is a federal tax initiative enacted on December 12, 2000, as part of the Community Renewal Tax Relief Act of 2000. NMTC is designed to increase the amount of investment capital in low-income communities. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven year credit allowance period. NMTC's are intended to spur the investment of new capital into Community Development Entities (CDE) which in turn must use this capital to provide debt and/or equity financing to support qualified investments in low-income communities.

These consolidated financial statements report the activity of LifeWorks, LWE and LAHC, collectively, the Organization. All significant intercompany transactions have been eliminated in consolidation. LifeWorks maintains the LifeWorks Employee Savings Plan, a retirement plan.

Each year, the Organization serves more than 10,000 central Texans through direct services. The Organization has 9 service locations in Travis County and offers a continuum of services in the following program areas.

**Counseling** consists of the following services: *Youth and Adult Counseling* offers short-term (3-6 months) strengths-based counseling and after school activities for youth; LifeWorks provides individual, couples, and family counseling on a sliding fee based on income; *Resolution Counseling* - group and individual services help batterers accept responsibility for their violence, which includes understanding the concepts of power and control, sexism, and the cycle of violence. *Shared Psychiatric Services* - offers access to mental health services, comprehensive clinical case managers, as well as resources to reduce barriers to care, such as transportation assistance and access to medical care.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

**Receivables:** Credit risk is controlled through ongoing monitoring procedures. No collateral for the receivables is required. Receivables are considered past due and thus delinquent depending on how recently payments have been received. At year end, no significant receivables are considered past due. Receivables are valued using an allowance for uncollectible accounts. The allowance for uncollectible accounts is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant. For the years ended September 30, 2015 and 2014, no allowance is considered necessary.

**Financial Instruments and Fair Value Measurements:** The Organization has adopted FASB ASC 958-320, *Investments - Debt & Equity Securities*. Under FASB ASC 958-320, investments in marketable securities with readily determinable fair values are valued at their fair values in the Statement of Financial Position.

The Organization implemented FASB ASC 820, *Fair Value Measurements*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- |         |  |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.  |
| Level 2 | <p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none"> <li>Quoted prices for similar assets or liabilities in active markets;</li> <li>Quoted prices for identical or similar assets or liabilities in inactive markets;</li> <li>Inputs other than quoted prices that are observable for the asset or liability;</li> <li>Inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li> </ul> <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement.  |

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

LAHC is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) for any income related to their exempt purpose. LAHC is classified by the Internal Revenue Service as an organization that is a private foundation within the meaning of Section 509(a)(1) of the IRC. LAHC does not report any timing differences between their financial statements and the income tax return. LAHC is no longer subject to income tax examination by Federal authorities for years prior to September 30, 2012.

The Organization has adopted Financial Accounting Standards Board Codification (FASB ASC) 740, *Accounting for Uncertainty in Income Taxes*. That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in financial statements. It also provides guidance for de-recognition, classification, interest, and penalties, accounting in interim periods, disclosures, and transition.

**Basis of Accounting:** The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Consolidated Financial Statement Presentation:** The Organization has adopted FASB ASC 958-205, *Presentation of Financial Statements*. Under FASB ASC 958-205, the Organization is required to report 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:** Net assets that are not subject to donor-imposed stipulations or the donor-imposed restrictions have expired or been satisfied. All gifts, grants and bequests are considered unrestricted unless specifically restricted by the donor.

**Temporarily Restricted Net Assets:** Net assets that are subject to donor-imposed restrictions either for use during a specified time period or for a particular purpose.

**Permanently Restricted Net Assets:** Net assets that are subject to donor-imposed restrictions that they be maintained permanently by the Organization. The Organization is permitted to use or expend part or all of the income (or other economic benefit) derived from the donation.

**Net Assets Released From Restrictions:** When a donor-imposed restriction is fulfilled or when a time restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions.

**Cash and Cash Equivalents:** Cash and cash equivalents include cash on hand and investments with maturities of three month or less and cash and cash equivalents held as part of the investment portfolio. The Organization considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and nature of any donor restrictions. Contributions that are reported as temporarily restricted support are reclassified to unrestricted net assets upon expiration of the time or purpose restriction. Contribution restrictions that are satisfied in the year of receipt are reported as revenue in the temporarily restricted classification and then reclassified to unrestricted in the same year.

Contributed goods and services are reported as support. Contributed goods are recorded as noncash contributions at an estimated fair value based on the Organization's experience with similar goods. Contributed services are recorded as contributions if the services, a) create or enhance non-financial assets, b) require specialized skills, c) are provided by individuals possessing those skills, and d) would typically need to be purchased if not provided by donation. The value of noncash contributions is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

**Allocation of Costs:** Costs are allocated to programs using various common cost allocation formulas, such as an expenditure formula which compares program expenses to overall expenses; an effort formula which compares staff time or client usage to overall staff time or clients; or a space formula which compares space used by programs to overall space used. The allocations are based on the formula that most appropriately allows the programs to capture their costs.

Program activity is reviewed periodically, and formulas are adjusted as the activities of the Organization change. The allocation of costs reported is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

**Designations:** Designations reported are board of governor approved segregations of unrestricted net assets for specific purposes, projects, or investments. The governing board may approve designations as an aid in planning future expenditures or activities, but designations are not expenses. Since designations are voluntary, the designations may be reversed by the action of the governing board at any time.

**Functional Expenses:** Directly identifiable expenses are classified as program services, fundraising and general administration. Expenses related to more than one function are allocated to program, fundraising and general administration on the basis of management estimates. General administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

**Accounting Estimates:** The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.



**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**Years Ended September 30, 2015 and 2014**

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

**Investments And Investment Income:** Investments are reported at fair value based on quoted prices in an active market. Realized and unrealized gains and losses on investments are reported in the consolidated statement of activities as increases or decreases in unrestricted net assets unless temporarily or permanently restricted by the donor or by law.

Investments in securities listed on a national securities exchange are valued at the last sales price or, if no sale occurred, at the mean of the closing bid and asked prices on the date of determination. Securities not so listed are valued at the mean between the last closing bid and asked prices on such day as reported by NASDAQ or other sources.

Investment income consists of interest and dividends and is available to support any activities of the Organization and is recognized as unrestricted revenue, unless otherwise specified by the donor.

**Fixed Assets:** Purchased fixed assets are capitalized at cost if the purchase price exceeds \$5,000, while donated fixed assets are capitalized at their fair market value if the fair market value exceeds \$5,000 at date of gift. Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Depreciation is computed using the straight-line method of computation over the estimated useful life of the asset (generally 5-40 years). Depreciation expense and accumulated depreciation reported are considered accounting estimates. The estimate may be adjusted as more current information becomes available and any adjustment could be significant. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the period. Maintenance and repairs are charged to expense as incurred, and significant renewals and betterments are capitalized.

**Revenue:** The Organization has grant agreements and contracts with funding sources that are considered conditional promises to give and cost reimbursement contracts. Revenue on these types of grant agreements and contracts are reported when the conditions specified are met. Generally, the conditions to be met are compliance with specific grant terms and delivery of specific program services within certain budgetary requirements. Other conditions to be met might be to raise matching funds by a certain date. Grant agreements and contracts that award funding without any conditions, unconditional promises to give, are reported as revenue when the funding is awarded.

**Fees for services** are payments from individuals for counseling and educational services. Revenues are reported as the services are rendered.

Sources of revenue for the services of the Organization include grant agreements and contracts with the Federal government, state and local governmental entities and community based organizations, such as allocations from United Way organizations. Sources of other support include contributions from individuals, companies, foundations and fundraising events.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 3: Investments and Investment Income (Continued)**

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2014:

Unrestricted Investments

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stock	\$ 935	\$ -	\$ -	\$ 935

Investments - Restricted as to Use

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equities mutual funds	\$334,164	\$ -	\$ -	\$ 334,164
Fixed income mutual funds	179,643	-	-	179,643
Total	<u>\$ 513,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 513,807</u>

Investments restricted to use are composed of investments held in the LifeWorks General Endowment Fund, a quasi-endowment established by the board of governors. The funds are committed, granted or to be expended in furtherance of the purposes of LifeWorks as the Executive Committee of the Board of Governors in its discretion shall from time to time determine.

Components of investment income reported in the consolidated financial statements for the years ended September 30:

	<u>2015</u>	<u>2014</u>
Interest - including interest on note receivable	\$ 367,835	\$ 367,841
Mutual fund dividends	46,804	28,148
Realized gain / (loss)	65	9,848
Unrealized gains (losses)	(67,403)	4,050
Management fees	(3,901)	(3,644)
Total	<u>\$ 343,400</u>	<u>\$ 406,243</u>



YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 1: Description of Organization and Summary of Significant Accounting Policies (Continued)**

**Subsequent Events:** Management of the Organization has evaluated subsequent events for disclosure through the date of the independent auditors' report, the date the financial statements were available to be issued.

**NOTE 2: Risks and Concentrations**

**Credit risk:** Cash balances with financial institutions in excess of Federal Deposit Insurance Corporation insurance coverage are considered a credit risk. Throughout the year, cash balances consistently exceeded the FDIC coverage. The Organization does not require collateral for any of its deposits. The Organization considers its funds to be in high quality financial institutions and constantly monitors its financial positions with the institutions and does not anticipate any nonperformance by any of the parties. At September 30, 2015, cash balances in excess of insurance coverage was \$1,685,349.

**Market risk:** The Organization invests in professionally managed mutual funds that contain various types of marketable securities. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Changes in these risks could affect the investment balances and amounts reported in the financial statements.

**NOTE 3: Investments and Investment Income**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2015.

Common Stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Organization at period end.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2015:

**Unrestricted Investments**

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stock	\$ -	\$ -	\$ -	\$ -

**Investments - Restricted as to Use**

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equities mutual funds	\$322,322	\$ -	\$ -	\$ 322,322
Fixed income mutual funds	166,800	-	-	166,800
Total	<u>\$ 489,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,122</u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 4: Receivables and Pledges (Continued)**

Details of other pledge activity for the years ended September 30:

	2015	2014
Beginning of year other pledges	171,341	142,572
Other pledges received during the year	101,351	186,380
Total pledges received	272,692	328,952
Other pledges collected during the year	(98,523)	(95,978)
Pledges written off	(28,551)	(61,633)
Balance of other pledges	145,618	171,341
 Total pledges	 \$ 145,618	 \$ 323,841

Pledges collectible in future periods are the following at ended September 30:

	2015	2014
Collectible within one year	\$ 131,649	\$ 256,495
Collectible - one to five years	13,969	67,346
Total outstanding pledges	145,618	323,841
 Pledges due in the next year	(131,649)	(256,495)
Present value discount	-	(1,806)
 Total	 \$ 13,969	 \$ 65,540

Pledges due in future periods are discounted at an effective interest rate of .13% to 1.42%. Annual amortization of the present value discount is reported as contributions.

The use of a present value technique in determining the fair value of pledges receivable is a Level 3 fair value measurement in accordance with the FASB ASC 820 hierarchy.

**NOTE 5: Cash - Restricted as to Use**

Details of cash - restricted as to use reported in the financial statements are the following at September 30:

Cash held for:

	2015	2014
Capital Campaign purposes	\$ 138,281	\$ 50,983
LifeWorks Affordable Housing	31,972	25,348
LifeWorks General Endowment Fund	16,088	16,056
Webber Scholarship Fund	90,460	102,898
Client savings accounts	22,057	16,178
 Total	 \$ 298,858	 \$ 211,463

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 4: Receivables and Pledges**

**Receivables**

Details of receivables reported in the consolidated financial statements as of September 30:

	2015	2014
Grants and contracts	\$ 2,824,239	\$ 1,378,068
Other receivables	36,139	52,098
United Way allocations	86,250	86,250
Total	<u>\$ 2,946,628</u>	<u>\$ 1,516,416</u>

Grants and contracts collectible in future periods as of September 30:

	2015	2014
Collectible within one year	\$ 2,691,239	\$ 1,378,068
Collectible - one to five years	133,000	-
Total outstanding	<u>\$ 2,824,239</u>	<u>\$ 1,378,068</u>

**Pledges**

Pledges are promises to give to a Capital Campaign. The pledges are temporarily restricted for purposes specified in the campaign to establish and sustain the infrastructure of Lifeworks' Sooch Foundation Youth and Family Resource Center.

Details of Capital Campaign pledge activity for the years ended September 30:

	2015	2014
Capital Campaign pledges received during the year	\$ -	\$ -
Capital Campaign pledges received in prior years	5,994,333	5,994,333
Total pledges received	<u>5,994,333</u>	<u>5,994,333</u>
Capital Campaign pledges collected through year-end	(5,976,833)	(5,834,833)
Pledges written off	(17,500)	(7,000)
Balance of Capital Campaign pledges	<u>-</u>	<u>152,500</u>

Other pledges are unconditional promises to give.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 8: Other Assets - Funds at Austin Community Foundation**

Beneficial interest in assets held by others - LifeWorks has established the LifeWorks Endowment Fund (the Fund) with The Austin Community Foundation (ACF) and has granted variance powers to ACF. General terms of the agreement are the following: Contributions - any person or organization may make a contribution to the Fund by a transfer of cash or other assets to ACF. All contributions to the Fund shall be irrevocable and shall be used in furtherance of the purpose of the Fund. The Fund is a permanent endowment of ACF. The net income of the Fund is for the furtherance of the purposes of LifeWorks (the Beneficiary). An amount equal to the net income of the Fund shall be available for distribution to the Beneficiary at least annually. The LifeWorks Endowment Fund had a balance of \$135,705 and \$150,562 as of September 30, 2015 and 2014, respectively. This amount is not reported on these consolidated financial statements.

**NOTE 9: Retirement Plan**

LifeWorks maintains the LifeWorks 403(b) Employee Savings Plan, a single-employer 403(b) retirement plan, covering all eligible employees of LifeWorks. Participation in the plan is voluntary and the annual matching contribution to the plan is discretionary. For the calendar year 2014, the employer contributions were approved at 100 percent of the participants' contributions up to 2.5 percent and amounted to \$76,452. For calendar year 2013, the employer contributions were approved at 100 percent of the participant's contribution up to 2.7 percent and amounted to \$73,039. The future benefits of the plan are funded by a contract with an insurance company. Participants are immediately vested in their elective deferrals plus actual earnings thereon. Vesting in any matching contributions is based on years of continuous service. A participant is 100 percent vested after four years of credited service. The plan has no unfunded retirement costs.

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
Years Ended September 30, 2015 and 2014

**NOTE 6: Fixed Assets**

The following is a summary of fixed assets reported in the financial statements:

	2015	2014
Land and land improvements	\$ 2,503,415	\$ 2,496,116
Buildings and improvements	15,869,181	15,869,181
Leasehold improvements	7,500	7,500
Furniture and equipment	148,951	148,951
Computer equipment	195,929	195,929
Vehicles	214,588	196,299
	<u>18,939,564</u>	<u>18,913,976</u>
Less: accumulated depreciation	<u>(2,127,722)</u>	<u>(1,745,525)</u>
Total	<u>\$ 16,811,842</u>	<u>\$ 17,168,451</u>

For the years ended September 30, 2015 and 2014, depreciation expense totaled \$409,324 and \$382,355, respectively.

**NOTE 7: Note Receivable**

On November 1, 2011, LifeWorks loaned COCRF Investor I, LLC (COCRF) \$7,900,000. A portion of the interest is paid quarterly starting December 1, 2011 and the interest earned but not paid is accrued and added to the note. The interest rate is 3.58% per annum. The note matures on November 1, 2018, at which time the principal and accrued interest is due. Capital One, NA owns 100% of COCRF and COCRF owns 100% of Capital One Community Renewal Fund, LLC and 99.99% of TX CDE IV, LLC. See Note 10 for borrowings from Capital One, NA and COCRF subsidiaries. The note receivable is part of the NMTC program in Note 1.

Interest accrued during the years ended September 30, 2015 and 2014, totaled \$282,756 and \$282,752, respectively.

Note receivable as of September 30:

	2015	2014
Loan to COCRF	\$ 7,900,000	\$ 7,900,000
Accrued interest	1,107,445	824,689
Total due on note receivable	<u>\$ 9,007,445</u>	<u>\$ 8,724,689</u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 10: Long Term Debt and Other Debt (Continued)**

Other debt reported in the financial statements consists of funds from the Austin Housing Finance Corporation, Texas Department of Housing and Community Affairs, and Federal Home Loan Bank that were used to purchase and renovate property used in the Housing & Homeless program. If LifeWorks continuously meets certain requirements set out in the loan agreements, the debt may be forgiven at maturity or a portion annually. Other debt consists of the following:

	2015	2014
Note payable to Austin Housing Finance Corporation, dated May 4, 2006, principal amount of \$300,000 with 0% interest until maturity, principal and interest not due and payable until May 4, 2026, collateral is a deed of trust. If the property is sold during the term of the loan agreement, LifeWorks must pay the lender all amounts received from the sale over the amount of the note.	\$ 300,000	\$ 300,000
Note payable to Austin Housing Finance Corporation, dated November 18, 2009, principal amount of \$500,000 with 0% interest until maturity, principal and interest not due and payable until July 30, 2015, collateral is a deed of trust. If the property is sold during the term of the loan agreement, LifeWorks must pay the lender all amounts received from the sale over the amount of the note.	-	500,000
Note payable to Austin Housing Finance Corporation, dated February 6, 2013, principal amount of \$850,000 with 0% interest until maturity, principal and interest not due and payable until January 31, 2112, collateral is a deed of trust. If the property is sold during the term of the loan agreement, LifeWorks must pay the lender all amounts received from the sale over the amount of the note.	850,000	850,000
Note payable to Capital One, National Association, dated February 6, 2013, with a maturity of October 25, 2030. The loan proceeds are for a Federal Home Loan Bank (FHLB) Affordable Housing program. No interest is accrued on the loan. The note is secured by the land and building.	500,000	500,000
Note payable to Texas Department of Housing and Community Affairs, dated February 6, 2013, principal amount of \$3,444,379 with 0% interest until maturity, July 1, 2043, collateral is a deed of trust. \$114,813 of the debt is forgiven annually, if the Organization is not in default. If the property is sold during the term of the loan agreement, LifeWorks must pay the lender all amounts received from the sale over the amount of the note.	3,214,753	3,182,798
Total other debt	4,864,753	5,332,798
Less current portion	(114,812)	(614,813)
Other debt, noncurrent portion	<u>\$ 4,749,941</u>	<u>\$ 4,717,985</u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 10: Long Term Debt and Other Debt**

Long-term debt reported in the financial statements consists of the following:

	2015	2014
Note payable to a Capital One, NA, dated October 31, 2011, with a maturity of October 28, 2017. Interest rate is the LIBOR rate plus 2.75% (2.88% as of September 30, 2014). Quarterly principal payments of \$16,500 plus interest due the 1st of each quarter. The note is secured by land, building and capital campaign receivables.	\$ 920,000	\$ 986,000
Note payable to TX CDE IV, LLC a CDE, dated November 1, 2011, with a maturity of November 1, 2018. Interest rate is 1.50%. Quarterly payments of interest only. The note is secured by the land, building, rental income and capital campaign receivables.	5,000,000	5,000,000
Note payable to Capital One Community Renewal Fund, LLC, dated November 1, 2011, with a maturity of November 1, 2018. Interest rate is 1.00%. Quarterly payments of interest only. The note is secured by the land, building, rental income and capital campaign receivables.	5,000,000	5,000,000
Total debt	10,920,000	10,986,000
Less current portion	(66,000)	(66,000)
Debt, noncurrent portion	<u>\$ 10,854,000</u>	<u>\$ 10,920,000</u>

LifeWorks' debt agreement with Capital One, NA contains certain debt covenants LifeWorks is required to maintain. LifeWorks is in compliance with the debt covenants as of September 30, 2015.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 12: Contingencies**

**Indirect Cost Rate:** LifeWorks has an Indirect Cost Rate Agreement with the Department of Health and Human Services. LifeWorks used a provisional indirect cost rate of 31.4% for the period October 1, 2013 through September 30, 2014 and 33.5% for the period October 1, 2014 through next submission. The indirect cost rate is applicable for use on grants, contracts and other agreements with the Federal government. The elements of indirect cost and the type of distribution base used in computing provisional rates are subject to revision when final rates are negotiated.

LifeWorks must submit costs to establish a final indirect cost rate. Billings and charges to Federal awards must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available in the contract to cover the additional indirect costs, LifeWorks may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, LifeWorks may be required to pay back any excess in indirect costs reimbursed by the funding agency.

**NOTE 13: Designations**

Designations reported in the consolidated financial statements consist of the following at September 30:

	2015	2014
LifeWorks General Endowment Fund	\$ 505,210	\$ 529,863

**NOTE 14: Temporarily Restricted Net Assets**

During the years ended September 30, 2015 and 2014, net assets of \$1,943,882 and \$2,366,204, respectively, were released from restrictions imposed by donors as the result of actions or through the passage of time. The amount is shown as net assets released from restrictions on the accompanying consolidated statement of activities, and consisted of the following at September 30:

	2015	2014
Capital Campaign	\$ 174,341	\$ 348,296
United Way Capital Area	115,000	115,000
Counseling	293,258	320,948
Shared Psychiatric Services	465,166	526,682
Street Outreach	43,136	36,915
Workforce Development	107,087	145,998
Young Moms & Babies / Fathers	77,168	164,318
LifeSkills/PAL	53,721	44,363
Literacy	147,132	150,132
Shelter	43,693	2,443
Other Donor Restricted Purposes	424,180	511,109
	<u>\$ 1,943,882</u>	<u>\$ 2,366,204</u>



YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 10: Long Term Debt and Other Debt (Continued)**

Scheduled maturities requirements of the debt agreements as of September 30, 2015 are as follows:

2016	\$ 180,812
2017	180,813
2018	902,813
2019	10,114,813
2020	114,813
Thereafter	<u>4,290,689</u>
Total	<u>\$ 15,784,753</u>

For the years ended September 30, 2015 and 2014, interest expense totaled \$182,803 and \$188,187, respectively.

**NOTE 11: Commitments**

Leases: LifeWorks is obligated on leases for apartments used in providing program services to clients, for office and program space, and storage unit, copiers, and solar panels. For accounting purposes the leases are treated as operating leases. Obligations represented by operating leases are not reported in the consolidated financial statements. Payments under the operating leases for the years ended September 30, 2015 and 2014, totaled \$347,804 and \$358,570, respectively.

Year ending September 30,	
2016	\$ 146,014
2017	126,668
2018	122,473
2019	76,888
2020	58,296
Thereafter	<u>155,456</u>
	<u>\$ 685,795</u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 16: Contributed Goods and Services**

During the year, LifeWorks receives non-cash donations of goods and services that are reported as unrestricted support in the consolidated financial statements. The programs benefiting from the contributed goods and services for the year ended September 30, 2015 are the following:

	Counseling	Housing & Homeless	Education
Contributed goods			
Supplies	\$ -	\$ -	\$ 21,000
Household goods	2,455	25,673	17,062
Clothing	818	9,984	4,266
Contributed services			
Interns and others	124,110	63,320	23,085
	<u>\$ 127,383</u>	<u>\$ 98,977</u>	<u>\$ 65,413</u>
	Youth Development	Management & General	Total
Contributed goods			
Supplies	\$ -	\$ 11,652	\$ 32,652
Household goods	2,862	-	48,052
Clothing	5,810	-	20,878
Contributed services			
Interns and others	4,227	4,271	219,013
	<u>\$ 12,899</u>	<u>\$ 15,923</u>	<u>\$ 320,595</u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 14: Temporarily Restricted Net Assets (Continued)**

At September 30, 2015, LifeWorks had temporarily restricted net assets of the following:

<u>Funding source</u>	<u>Amount</u>	<u>Restrictions Imposed by Donor</u>
United Way allocations	\$ 86,250	restricted for use in 2015
Webber Foundation	90,462	restricted for scholarship fund
Contributions - Capital Campaign	138,382	restricted to campaign's stated purpose
Shared Psychiatric Services	831,062	psychiatric services
Counseling	503,681	counseling
Foundation grants and contributions	<u>1,378,281</u>	restricted to specific programs
Total	<u>\$ 3,028,118</u>	

At September 30, 2014, LifeWorks had temporarily restricted net assets of the following:

<u>Funding source</u>	<u>Amount</u>	<u>Restrictions Imposed by Donor</u>
United Way allocations	\$ 86,250	restricted for use in 2014
Webber Foundation	95,500	restricted for scholarship fund
Contributions - Capital Campaign	203,583	restricted to campaign's stated purpose
Shared Psychiatric Services	363,069	psychiatric services
Counseling	235,852	counseling
Foundation grants and contributions	<u>551,952</u>	restricted to specific programs
Total	<u>\$ 1,536,206</u>	

**NOTE 15: Permanently Restricted Net Assets**

LifeWorks had permanently restricted net assets of \$10,000 at September 30, 2015 and 2014. Income from the funds is reported as unrestricted investment income.

SUPPLEMENTAL INFORMATION

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Years Ended September 30, 2015 and 2014

**NOTE 16: Contributed Goods and Services (Continued)**

The programs benefiting from the contributed goods and services for the year ended September 30, 2014 are the following:

	<u>Counseling</u>	<u>Housing &amp; Homeless</u>	<u>Education</u>
Contributed goods			
Supplies	\$ -	\$ 5,324	\$ 19,072
Household goods	-	49,612	-
Clothing	-	9,950	200
Contributed services			
Interns and others	<u>154,037</u>	<u>32,332</u>	<u>22,094</u>
	<u>\$ 154,037</u>	<u>\$ 97,218</u>	<u>\$ 41,366</u>
	<u>Youth Development</u>	<u>Management &amp; General</u>	<u>Total</u>
Contributed goods			
Supplies	\$ 410	\$ 30,836	\$ 55,642
Household goods	500	-	50,112
Clothing	3,120	-	13,270
Contributed services			
Interns and others	<u>8,085</u>	<u>2,535</u>	<u>219,083</u>
	<u>\$ 12,115</u>	<u>\$ 33,371</u>	<u>\$ 338,107</u>

Donated software of \$10,756 was capitalized for the year ended September 30, 2014.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2014

	Youth and Family Alliance dba LifeWorks	LifeWorks Enterprise	LifeWorks Affordable Housing	Eliminating	Total
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 1,214,178	\$ 142,379	\$ 89,455	\$ -	\$ 1,446,012
Investments	935	-	-	-	935
Receivables	1,786,839	363	4,902	(275,688)	1,516,416
Due from related parties	65,439	(52,975)	(12,464)	-	-
Pledges	256,495	-	-	-	256,495
Prepaid insurance and service agreements	108,030	-	6,776	-	114,806
Total current assets	3,431,916	89,767	88,669	(275,688)	3,334,664
Noncurrent assets					
Cash - restricted as to use	186,115	-	25,348	-	211,463
Investments - restricted as to use	513,807	-	-	-	513,807
Receivables	-	-	-	-	-
Pledges, net - collectible in future periods	65,540	-	-	-	65,540
Note receivable	8,724,689	-	-	-	8,724,689
Fixed assets, net	3,596,098	8,408,227	5,551,504	(387,378)	17,168,451
Other assets					
Loan costs, net	9,574	102,936	-	-	112,510
Security deposits	20,671	-	-	-	20,671
Total Assets	\$ 16,548,410	\$ 8,600,930	\$ 5,665,521	\$ (663,066)	\$ 30,151,795
<b>LIABILITIES AND NET ASSETS</b>					
Current liabilities					
Accounts payable and accrued expenses	\$ 243,038	\$ 3,250	\$ 19,241	\$ -	\$ 265,529
Accrued payroll and other liabilities	387,420	-	-	-	387,420
Deferred revenues	6,633	-	1,272	-	7,905
Funds held for or due to clients	21,885	-	-	-	21,885
Accrued vacation leave payable	266,580	-	-	-	266,580
Tenant security deposits	-	-	9,375	-	9,375
Current portion of long term debt	66,000	-	275,688	(275,688)	66,000
Current portion of other debt	500,000	-	114,813	-	614,813
Total current liabilities	1,491,556	3,250	420,389	(275,688)	1,639,507
Long term debt, net of current portion	920,000	10,000,000	-	-	10,920,000
Other debt	300,000	-	4,417,985	-	4,717,985
Total liabilities	2,711,556	10,003,250	4,838,374	(275,688)	17,277,492
Net assets					
Unrestricted net assets					
Available for general operations:	11,760,785	(1,402,320)	827,147	(387,378)	10,798,234
Designations	529,863	-	-	-	529,863
Total unrestricted net assets	12,290,648	(1,402,320)	827,147	(387,378)	11,328,097
Temporarily restricted net assets	1,536,206	-	-	-	1,536,206
Permanently restricted net assets	10,000	-	-	-	10,000
Total net assets	13,836,854	(1,402,320)	827,147	(387,378)	12,874,303
Total Liabilities and Net Assets	\$ 16,548,410	\$ 8,600,930	\$ 5,665,521	\$ (663,066)	\$ 30,151,795

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2015**

	Youth and Family Alliance dba LifeWorks	LifeWorks Enterprise	LifeWorks Affordable Housing	Eliminating	Total
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 1,834,759	\$ 49,829	\$ 155,149	\$ -	\$ 2,039,737
Investments	-	-	-	-	-
Receivables	2,891,642	363	2,902	(81,279)	2,813,628
Due from related parties	65,439	(52,975)	(12,464)	-	-
Pledges	131,649	-	-	-	131,649
Prepaid insurance and service agreements	66,601	-	(9,376)	-	57,225
Total current assets	4,990,090	(2,783)	136,211	(81,279)	5,042,239
Noncurrent assets					
Cash - restricted as to use	266,886	-	31,972	-	298,858
Investments - restricted as to use	489,122	-	-	-	489,122
Receivables	133,000	-	-	-	133,000
Pledges, net - collectible in future periods	13,969	-	-	-	13,969
Note receivable	9,007,445	-	-	-	9,007,445
Fixed assets, net	3,505,009	8,240,236	5,453,975	(387,378)	16,811,842
Other assets					
Loan costs, net	5,821	77,421	-	-	83,242
Security deposits	15,508	-	-	-	15,508
Total Assets	<u>\$ 18,426,850</u>	<u>\$ 8,314,874</u>	<u>\$ 5,622,158</u>	<u>\$ (468,657)</u>	<u>\$ 31,895,225</u>
<b>LIABILITIES AND NET ASSETS</b>					
Current liabilities					
Accounts payable and accrued expenses	\$ 204,341	\$ -	\$ 90,848	\$ (81,279)	\$ 213,910
Accrued payroll and other liabilities	399,052	-	-	-	399,052
Deferred revenues	26,733	-	1,049	-	27,782
Funds held for or due to clients	27,744	-	-	-	27,744
Accrued vacation leave payable	257,217	-	-	-	257,217
Tenant security deposits	-	-	8,642	-	8,642
Current portion of long term debt	66,000	-	-	-	66,000
Current portion of other debt	-	-	114,812	-	114,812
Total current liabilities	981,087	-	215,351	(81,279)	1,115,159
Long term debt, net of current portion	854,000	10,000,000	-	-	10,854,000
Other debt	300,000	-	4,449,941	-	4,749,941
Total liabilities	<u>2,135,087</u>	<u>10,000,000</u>	<u>4,665,292</u>	<u>(81,279)</u>	<u>16,719,100</u>
Net assets					
Unrestricted net assets					
Available for general operations	12,748,435	(1,685,126)	956,866	(387,378)	11,632,797
Designations	505,210	-	-	-	505,210
Total unrestricted net assets	13,253,645	(1,685,126)	956,866	(387,378)	12,138,007
Temporarily restricted net assets	3,028,118	-	-	-	3,028,118
Permanently restricted net assets	10,000	-	-	-	10,000
Total net assets	<u>16,291,763</u>	<u>(1,685,126)</u>	<u>956,866</u>	<u>(387,378)</u>	<u>15,176,125</u>
Total Liabilities and Net Assets	<u>\$ 18,426,850</u>	<u>\$ 8,314,874</u>	<u>\$ 5,622,158</u>	<u>\$ (468,657)</u>	<u>\$ 31,895,225</u>

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
 Year Ended September 30, 2014

	Youth and Family Alliance dba LifeWorks					LifeWorks Enterprise	LifeWorks Affordable Housing	Eliminating	Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total					
<b>REVENUES AND OTHER SUPPORT</b>									
Grants and contracts	\$ 6,690,627	\$ 1,349,020	\$ -	\$ 8,039,647	\$ -	\$ -	\$ -	\$ -	\$ 8,039,647
United Way allocations	-	115,000	-	115,000	-	-	-	-	115,000
Fees for services	262,370	-	-	262,370	-	-	189,893	-	452,263
Contributions	951,224	-	-	951,224	-	-	352,363	(393,742)	909,845
Noncash contributions	348,863	-	-	348,863	-	-	-	-	348,863
Fundraising - special events	195,541	-	-	195,541	-	-	-	-	195,541
Other revenues	194,409	-	-	194,409	-	301,842	45,659	(301,742)	240,168
Investment income	406,177	-	-	406,177	-	-	66	-	406,243
Net assets released from restrictions	2,366,204	(2,366,204)	-	-	-	-	-	-	-
<b>Total Revenues and Other Support</b>	<b>11,415,415</b>	<b>(902,184)</b>	<b>-</b>	<b>10,513,231</b>	<b>301,842</b>	<b>587,981</b>	<b>(695,484)</b>	<b>-</b>	<b>10,707,570</b>
<b>EXPENSES</b>									
<b>Program services</b>									
Counseling	2,069,752	-	-	2,069,752	-	-	-	(46,787)	2,022,965
Housing and Homeless	2,906,566	-	-	2,906,566	-	-	-	(2,591)	2,903,975
Youth Development	1,578,282	-	-	1,578,282	-	-	-	(54,467)	1,523,815
Education	1,624,527	-	-	1,624,527	-	-	-	(49,285)	1,575,242
LifeWorks Enterprise	-	-	-	-	487,483	-	-	(163,742)	323,741
LifeWorks Affordable Housing	-	-	-	-	-	256,123	-	-	256,123
<b>Total program services</b>	<b>8,179,127</b>	<b>-</b>	<b>-</b>	<b>8,179,127</b>	<b>487,483</b>	<b>256,123</b>	<b>(316,872)</b>	<b>-</b>	<b>8,605,861</b>
<b>Supporting services</b>									
Management and general	1,669,935	-	-	1,669,935	-	-	-	(10,634)	1,659,301
Fundraising	1,229,740	-	-	1,229,740	-	-	-	(367,978)	861,762
<b>Total Expenses</b>	<b>11,078,802</b>	<b>-</b>	<b>-</b>	<b>11,078,802</b>	<b>487,483</b>	<b>256,123</b>	<b>(695,484)</b>	<b>-</b>	<b>11,126,924</b>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>336,613</b>	<b>(902,184)</b>	<b>-</b>	<b>(565,571)</b>	<b>(185,641)</b>	<b>331,858</b>	<b>-</b>	<b>-</b>	<b>(419,354)</b>
<b>OTHER CHANGES</b>									
Gain on disposition of assets	397,043	-	-	397,043	-	-	-	-	397,043
<b>CHANGE IN NET ASSETS</b>	<b>733,656</b>	<b>(902,184)</b>	<b>-</b>	<b>(168,528)</b>	<b>(185,641)</b>	<b>331,858</b>	<b>-</b>	<b>-</b>	<b>(22,311)</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>11,556,992</b>	<b>2,438,390</b>	<b>10,000</b>	<b>14,005,382</b>	<b>(1,216,679)</b>	<b>495,289</b>	<b>(387,378)</b>	<b>-</b>	<b>12,896,614</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 12,290,648</b>	<b>\$ 1,536,206</b>	<b>\$ 10,000</b>	<b>\$ 13,836,854</b>	<b>\$ (1,402,320)</b>	<b>\$ 827,147</b>	<b>\$ (387,378)</b>	<b>\$ -</b>	<b>\$ 12,874,303</b>



**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
Year Ended September 30, 2015

	Youth and Family Alliance dba LifeWorks			LifeWorks		
	Unrestricted	Temporarily Restricted	Permanently Restricted	LifeWorks Enterprise	Affordable Housing	Eliminating
<b>REVENUES AND OTHER SUPPORT</b>						
Grants and contracts	\$ 6,483,426	\$ 3,320,794	\$ -	\$ 9,804,220	\$ 181,283	\$ -
United Way allocations	-	115,000	-	115,000	-	-
Fees for services	329,360	-	-	329,360	227,214	-
Contributions	1,747,264	-	-	1,747,264	114,813	(311,413)
Noncash contributions	320,595	-	-	320,595	-	-
Fundraising - special events	199,140	-	-	199,140	-	-
Other revenues	260,500	-	-	260,500	75,784	(383,021)
Investment income	343,347	-	-	343,347	53	-
Net assets released from restrictions	1,943,882	(1,943,882)	-	-	-	-
<b>Total Revenues and Other Support</b>	<b>11,627,514</b>	<b>1,491,912</b>	<b>-</b>	<b>13,119,426</b>	<b>599,147</b>	<b>(694,434)</b>
<b>EXPENSES</b>						
<b>Program services</b>						
Counseling	1,936,236	-	-	1,936,236	-	(34,170)
Housing and Homeless	2,868,143	-	-	2,868,143	-	(8,037)
Youth Development	1,441,755	-	-	1,441,755	-	(24,777)
Education	1,628,136	-	-	1,628,136	-	(50,633)
Central Intake & Evaluation	52,343	-	-	52,343	-	-
LifeWorks Enterprise	-	-	-	584,548	-	(263,742)
LifeWorks Affordable Housing	-	-	-	-	469,428	(128,950)
<b>Total program services</b>	<b>7,926,613</b>	<b>-</b>	<b>-</b>	<b>7,926,613</b>	<b>469,428</b>	<b>(510,309)</b>
<b>Supporting services</b>						
Management and general	1,757,864	-	-	1,757,864	-	(46,125)
Fundraising	979,315	-	-	979,315	-	(138,000)
<b>Total Expenses</b>	<b>10,663,792</b>	<b>-</b>	<b>-</b>	<b>10,663,792</b>	<b>469,428</b>	<b>(694,434)</b>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>963,722</b>	<b>1,491,912</b>	<b>-</b>	<b>2,455,634</b>	<b>129,719</b>	<b>-</b>
<b>OTHER CHANGES</b>						
Gain on disposition of assets	(725)	-	-	(725)	-	-
<b>CHANGE IN NET ASSETS</b>	<b>962,997</b>	<b>1,491,912</b>	<b>-</b>	<b>2,454,909</b>	<b>129,719</b>	<b>-</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>12,290,648</b>	<b>1,536,206</b>	<b>10,000</b>	<b>13,836,854</b>	<b>827,147</b>	<b>(387,378)</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 13,253,645</b>	<b>\$ 3,028,118</b>	<b>\$ 10,000</b>	<b>\$ 16,291,763</b>	<b>\$ 956,866</b>	<b>\$ (387,378)</b>
						<b>\$ 15,176,125</b>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SCHEDULE OF GRANT ACTIVITY  
Year Ended September 30, 2015

Federal/State Financial Assistance

Federal Grantor: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Grantor Agency: Texas Department of Housing and Community Affairs  
CFDA Number: 14.231  
Contract Number: 42120002070  
Contract Period: October 1, 2014 - December 31, 2015

		Federal/State		
	Budget	Prior Periods	Current Year	Total
<b>REVENUE</b>				
Federal/State	\$ 399,879	\$ -	\$ 339,890	\$ 339,890
Match	399,879	-	320,723	320,723
Total revenue	799,758	-	660,613	660,613
<b>EXPENSES</b>				
Federal/State				
Federal / State				
Street Outreach	-	-	-	-
Emergency Shelter				
Essential Service	60,282	-	60,282	60,282
Operation	112,423	-	107,086	107,086
Homeless Prevention				
HRSS - Financial	4,000	-	-	-
HRSS - Services	14,474	-	14,354	14,354
Tenant-Base Rental Assistance	-	-	-	-
Rapid Re-Housing				
HRSS - Financial	26,350	-	26,350	26,350
HRSS - Services	95,433	-	71,676	71,676
Tenant-Base Rental Assistance	39,000	-	22,936	22,936
HMIS	34,131	-	28,788	28,788
Administrative Cost	13,786	-	8,418	8,418
Match	399,879	-	320,723	320,723
Total expenses	799,758	-	660,613	660,613
Excess revenue over expenses	\$ -	\$ -	\$ -	\$ -

## OTHER FINANCIAL INFORMATION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* and  
*UNIFORM GRANT MANAGEMENT STANDARDS***

To the Board of Governors  
Youth and Family Alliance dba LifeWorks  
Austin, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and *Uniform Grant Management Standards*, issued by the Governor's Office of Budget and Planning, the consolidated financial statements of Youth and Family Alliance dba LifeWorks (LifeWorks), which comprise the consolidated statement of financial position as of September 30, 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 17, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered LifeWorks' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LifeWorks' internal control. Accordingly, we do not express an opinion on the effectiveness of LifeWorks' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## FEDERAL COMPLIANCE SECTION



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

To the Board of Governors  
Youth and Family Alliance dba LifeWorks  
Austin, Texas

**Report on Compliance for Each Major Federal and State Program**

We have audited Youth and Family Alliance dba LifeWorks' (LifeWorks) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of LifeWorks' major federal and state programs for the year ended September 30, 2015. LifeWorks' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of LifeWorks' major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*; and *Uniform Grant Management Standards*, issued by the Governor's Office of Budget and Planning; and the *State of Texas Single Audit Circular*, issued by the Governor's Office of Budget and Planning. Those standards, OMB Circular A-133 and the *State of Texas Single Audit Circular* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about LifeWorks' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of LifeWorks' compliance.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether LifeWorks' consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and *Uniform Grant Management Standards*, issued by the Governor's Office of Budget and Planning.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and *Uniform Grant Management Standards*, issued by the Governor's Office of Budget and Planning in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Atchley & Associates, LLP*

Austin, Texas

February 17, 2016

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended September 30, 2015

Federal Grantor Pass Through Grantor/ Program Title	Term	Award Number	Federal CFDA Number	Federal Expenditures	Amount Provided to Subrecipients
<b>FEDERAL AWARDS</b>					
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
<b>Direct Funding</b>					
Runaway and Homeless Youth					
Basic Center	9/30/14 - 9/29/15	90CY64400302	93.623	\$ 199,176	
Transitional Living	5/1/14 - 4/30/15	90CX69820202	93.550	125,750	
	5/1/15 - 4/30/16	90CX69820300	93.550	79,874	
	9/30/14 - 9/29/15	90CX68900301	93.550	198,119	
	5/1/14 - 4/30/15	90CX69550202	93.550	128,301	
	5/1/15 - 4/30/16	90CX69550300	93.550	66,072	
				<u>598,116</u>	
Street Outreach	9/30/14 - 9/29/15	90YO21710200	93.557	192,696	
Personal Responsibility	9/30/14 - 9/29/15	90AK00150300	93.092	256,805	
Office of Adolescent Pregnancy Prevention					
OAH	9/1/14 - 8/31/15	5 TP1AH0000050500	93.297	445,748	139,930
OAH	9/1/15 - 8/31/16	4 TP1AH0000050501	93.297	16,992	
				<u>462,740</u>	
Office of Administration for Children and Families					
OAH	9/30/14 - 9/29/15	90FK00020400	93.086	574,436	
<b>Passed Through</b>					
Texas Department of State Health Services					
Block Grants for Prevention and Treatment of Substance Abuse (See Note C)					
TDSHS-YPU	9/1/14 - 8/31/15	2015046071001YPU	93.959	173,973	
TDSHS-YPU	9/1/15 - 8/31/16	201604804001YPU	93.959	16,594	
TDSHS-YPS	9/1/15 - 8/31/16	2016048036001YPS	93.959	14,713	
TDSHS-YPS	9/1/14 - 8/31/15	2015046139001YPS	93.959	178,355	
				<u>383,635</u>	
Texas Department of Family Protective Services					
TDFPS-PAL	9/1/14 - 8/31/15	24062190	93.674	266,315	
	9/1/15 - 8/31/16	24255971	93.674	21,424	
TDFPS-FCTS	9/1/14 - 8/31/15	24062190	93.674	516,680	
	9/1/15 - 8/31/16	24255931	93.674	53,537	
				<u>857,956</u>	



## **Opinion on Each Major Federal and State Program**

In our opinion, LifeWorks complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2015.

## **Report on Internal Control Over Compliance**

Management of LifeWorks is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered LifeWorks' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of LifeWorks' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

*Atchley & Associates, LLP*

Austin, Texas  
February 17, 2016

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
Year Ended September 30, 2015

State Grantor Program Title	Term	Award Number	State Expenditures
<b>STATE AWARDS</b>			
<b>TEXAS DEPARTMENT OF FAMILY &amp; PROTECTIVE SERVICE</b>			
Service to At-Risk Youth			
Family Preservation and Support Services	9/1/14 - 8/31/15	24028426	\$ 478,605
Family Preservation and Support Services	9/1/15 - 8/31/16	24028426	40,500
			<u>519,105</u>
Passed Through			
Texas Department of State Health Services			
Block Grants for Prevention and Treatment of Substance Abuse			
TDSHS-YPU	9/1/15 - 8/31/16	201604804001YPU	5,531
TDSHS-YPU	9/1/14 - 8/31/15	2015046071001YPU	23,832
TDSHS-YPS	9/1/14 - 8/31/15	2015046139001YPS	30,358
TDSHS-YPS	9/1/15 - 8/31/16	2016048036001YPS	4,905
			<u>64,626</u>
<b>Total Expenditures of State Awards</b>			<u><u>\$ 583,731</u></u>

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued  
Year Ended September 30, 2015

Federal Grantor Pass Through Grantor/ Program Title	Term	Award Number	Federal CFDA Number	Federal Expenditures	Amount Provided to Subrecipients
Texas Workforce Commission	10/1/14 - 9/30/15	1415TAN001	93.558	109,823	
<b>Total U.S. Department of Health and Human Services</b>				<u>3,635,383</u>	
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
Direct Funding					
Supportive Housing Program					
Supportive Housing Project	5/1/14 - 4/30/15	TX0038L6J031306	14.267	122,262	
	5/1/15 - 4/30/16	TX0038L6J31407	14.235	83,076	
				<u>205,338</u>	
Passed Through					
Texas Department of Housing & Community Affairs					
Neighborhood Stabilization Programs		B-08-DN-48-0001	14.228	3,214,754	
Emergency Shelter Grants Program	10/1/14 - 9/30/15	42140002070	14.231	386,845	125,000
				<u>3,601,599</u>	
Austin Housing Finance Corporation					
Community Development Block Grant					
Transitional Housing and Supportive Services for Homeless Persons (See Note B)					
	1/1/2007 - 1/1/2017		14.218	300,000	
	2/6/2013 - 1/31/2112		14.218	850,000	
				<u>1,150,000</u>	
<b>Total U.S. Department of Housing and Urban Development</b>				<u>4,956,937</u>	
<b>U.S. DEPARTMENT OF LABOR</b>					
Passed Through					
Goodwill Industries	10/1/14 - 9/30/15	W1AYOUTH20142015	17.259	13,298	
<b>DEPARTMENT OF HOMELAND SECURITY</b>					
Passed Through - Meals on Wheels					
Emergency Food & Shelter Program	7/1/13 - 6/30/14	782400023	97.024	12,000	
Emergency Food & Shelter Program	6/1/14 - 9/30/15	74-2137189	97.024	14,160	
				<u>26,160</u>	
<b>Total Expenditures of Federal Awards</b>				<u>\$ 8,631,778</u>	<u>\$ 264,930</u>

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended September 30, 2015**

**I. Summary of Auditors' Results**

**Financial statements**

	<u>Description</u>
a. Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
b. Material weakness(es) identified?	None
c. Significant deficiency(ies) that are not considered to be material weaknesses?	None reported
d. Noncompliance material to the financial statements noted?	No

**Federal and State awards**

**Internal control over major programs:**

e. Material weakness(es) identified?	None
f. Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
g. Type of auditors' report issued on compliance for major programs	Unmodified
h. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	No

**i. Major federal and state program(s) were:**

<u>CFDA No.</u>	<u>Name of Program</u>	
14.231	Federal	Emergency Solutions Grant
93.086	Federal	Healthy Marriage Promotion and Responsible Fatherhood
93.297	Federal	Teenage Pregnancy Prevention
93.623	Federal	Basic Center
93.959	Federal	Prevention and Treatment of Substance Abuse
93.557	Federal	Street Outreach
N/A	State	Family Preservation and Support Services

j. Dollar threshold considered between Type A and Type B federal programs:	\$300,000
k. Auditee qualified as low risk?	Yes

**II. Findings Relating to the Financial Statements which are required to be reported in Accordance with Generally Accepted Government Auditing Standards**

None

**III. Findings and Questioned Costs for Federal and State Awards**

None

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**Year Ended September 30, 2015**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and of state awards includes the federal grant activity and state grant activity of Youth and Family Alliance and are presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the consolidated financial statements.

**NOTE B - AUSTIN HOUSING FINANCE CORPORATION LOANS**

These amounts are included on the Schedule of **Expenditures** of Federal Awards because they represent loans still outstanding with HUD. Of the total loan amount, \$1,150,000 was not expended in the current year.

YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended September 30, 2015

There were no prior year findings.

**YOUTH AND FAMILY ALLIANCE DBA LIFEWORKS  
CORRECTIVE ACTION PLAN  
Year Ended September 30, 2015**

There were no current year findings. As such, a corrective action plan is not needed.

**LifeWorks Affordable Housing Corporation**

**Corporate Resolution**

**Board of Directors**

**November 30, 2016**

**Authorization to Submit Proposal for Rental Housing Development Assistance Funds**

BE IT RESOLVED that the Board of Directors of LifeWorks Affordable Housing Corporation, do hereby authorize Susan McDowell, to submit a proposal to the City of Austin - Austin Housing Finance Corporation for Rental Housing Development Assistance funds for the purpose of constructing an affordable rental project at 2800 Lyons Rd. in Austin, TX.

Adopted by the Board of Directors at a meeting held on November 30, 2016.



Susan McDowell

President

Date: 12/16/16

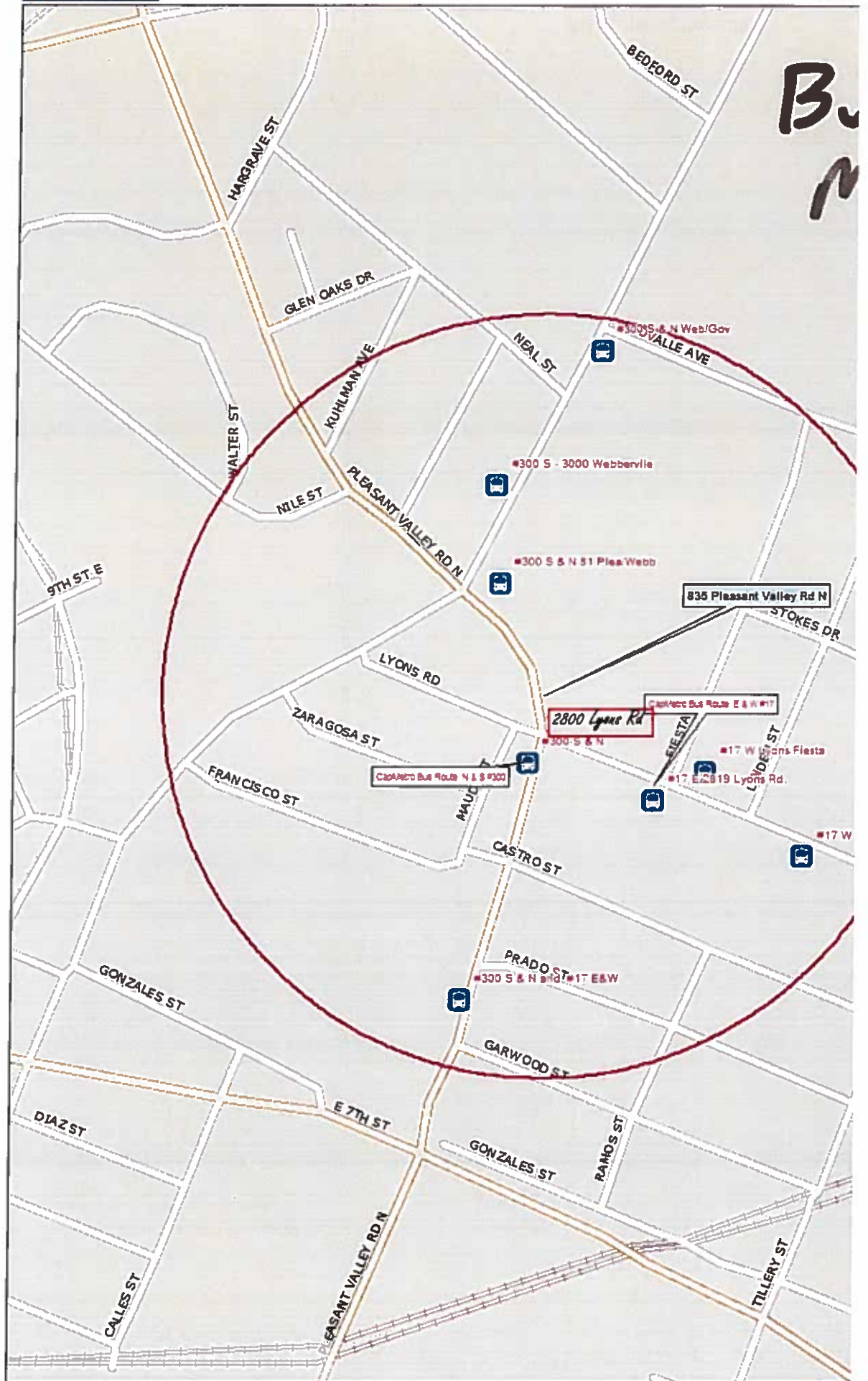


Jim Hopke

Secretary

Date: 12/6/16







## FLOODPLAIN INFORMATION REQUEST FORM

Tax Parcel ID: [REDACTED]	Date Processed: 12/16/2015
Property Address: 2800 LYONS RD, AUSTIN, TX, 78702	
<b>FEMA Flood Insurance Information:</b>	<b>City of Austin Regulatory Information:</b>
Flood Zone*: X	25-Year Flood Elevation**:
Community Number: 480624	100-Year Flood Elevation**:
Panel Number: 48453C0465H	
Effective Date: 9/26/2008	
Base Flood Elevation*: 452.87	
All elevations are in feet above mean sea level; Datum for all elevations is NAVD88	

*Additional Questions? Please contact the Floodplain Office*

**Phone Hotline:** 512-974-2843

**Fax:** 512-974-3584

**E-mail:** floodpro@austintexas.gov

**Mailing Address:** Attention: Floodplain Office, Watershed Protection Department-12th Floor, PO BOX 1088  
Austin, TX 78767-1088

- \* The flood zone determination is based solely on a graphical interpretation of the FEMA Flood Insurance Rate Map (FIRM). Parcels with flood zones A, AE, AO, or AH are located or partially located within the FEMA Special Flood Hazard Area designated 1% annual chance flood hazard (100-year floodplain). Parcels with flood zone 0.2% annual chance flood hazard (500-year floodplain) are located or partially located within the shaded zone X portion of the FIRM. Parcels with flood zone X Protected by Levee are located within in an area protected by a levee from the 1% annual chance flood hazard. Parcels with flood zone X are located outside the 0.2% annual chance flood hazard. The 1% annual chance flood hazard is the base flood and is used to determine the base flood elevation (BFE) for flood insurance purposes. BFEs must be determined using the flood profiles contained in the effective Flood Insurance Study (FIS). The FEMA 1% annual chance floodplains *may differ* from the City of Austin regulatory floodplains.
- \* \* The City of Austin uses the fully developed 25-year and 100-year floodplains to regulate development within the full purpose and extra territorial jurisdiction (ETJ) as established in the Land Development Code. The City of Austin regulatory floodplains *may differ* from the FEMA 1% annual chance floodplains.

The City provides the information on this form using the best available engineering and topographic data. Floodplain elevations to be used for development applications must be determined by a Texas Registered Professional Engineer. The official determination of a parcel's floodplain status may necessitate a comparison of the floodplain elevations to an on-the-ground topographic survey by a registered design professional.

**DISCLAIMER:** The City of Austin provides this information on request as a courtesy to our citizens. Any use of this information is at the sole discretion of the user. The City of Austin makes no warranty, expressed or implied, for the accuracy, completeness, or applicability of the information provided in this form.

THIS FORM IS NOT A PERMIT FOR DEVELOPMENT. For information about development permitting, call the City of Austin Development Assistance Center at 512-974-6370. THIS FORM IS NOT A SUBSTITUTE FOR FEMA FORM 81-93, STANDARD FLOOD HAZARD DETERMINATION. Private flood hazard determination companies may provide Form 81-93. For more information on the National Flood Insurance Program and how to find a flood insurance agent, please visit <http://www.floodsmart.gov/floodsmart/>

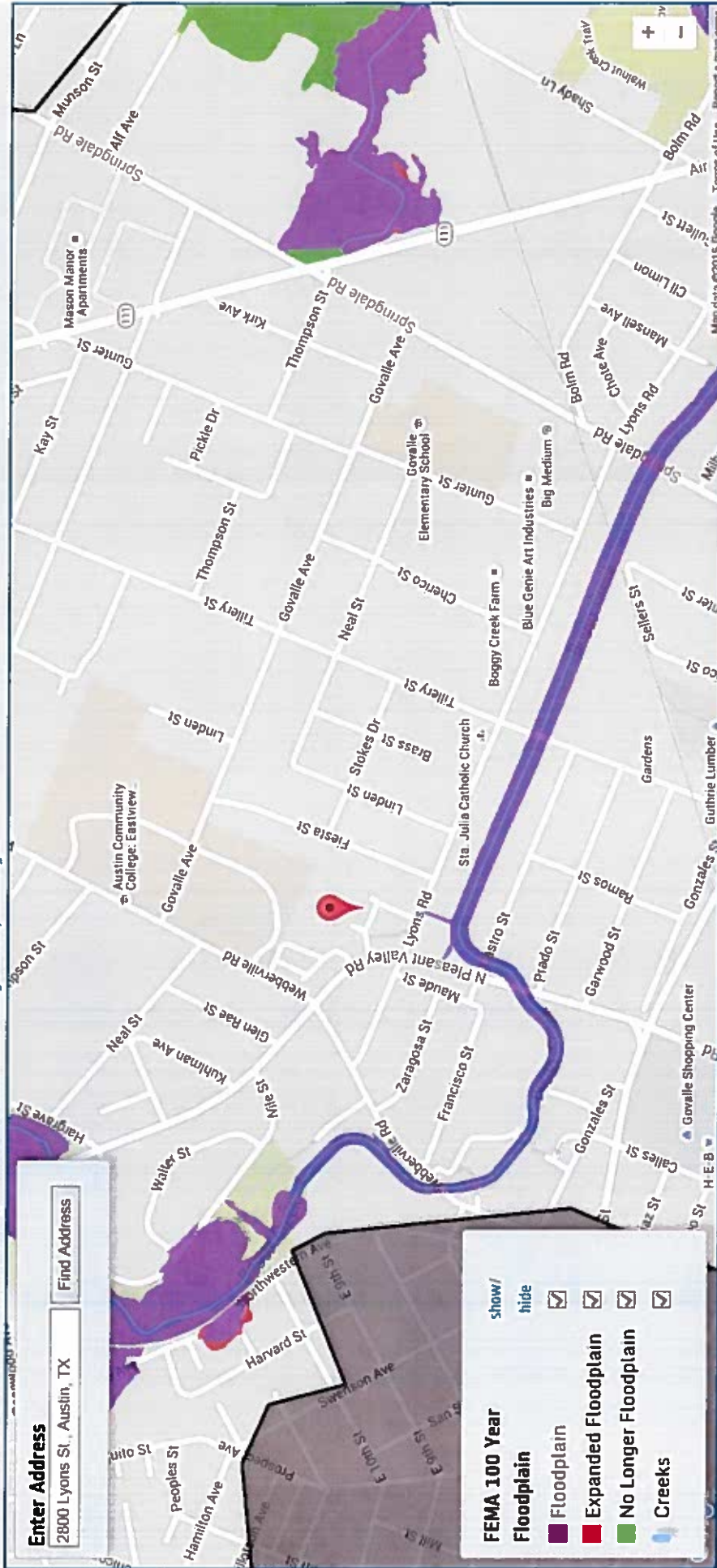


# City of Austin Floodplain Changes

## Proposed changes to FEMA's 100-Year floodplains for selected watersheds in the City of Austin

Find out more information about the floodplain studies at [www.austintexas.gov/floodplainchanges](http://www.austintexas.gov/floodplainchanges)

Enter Address  
2800 Lyons St., Austin, TX  
Find Address





ORIGINAL  
FILED FOR RECORD

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

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS     §  
                                      §     KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF TRAVIS     §

THAT the undersigned, Youth and Family Alliance, a Texas nonprofit corporation (the "Grantor"), whose mailing address is 3700 South 1<sup>st</sup> Street, Austin, TX 78704, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has, subject to the exceptions hereinafter set forth, GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY, unto Lifeworks Enterprises, L.L.C., a Texas limited liability company ("Grantee"), all that certain lot, tract or parcel of land, located in Travis County, Texas (the "Land"), to-wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES,

together with all improvements lying and situated on the Land, all easements, hereditaments and appurtenances belonging to or inuring to the benefit of the Grantor and pertaining to the Land, if any, and all right, title and interest of the Grantor in and to any land lying in the bed of any street, road or access way, open or proposed, in front of, at a side of or adjoining the Land to the centerline thereof (such Land, improvements and other interests being collectively referred to as the "Property").

THIS CONVEYANCE IS MADE by the Grantor and accepted by the Grantee subject to any and all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any, as well as those certain restrictions, covenants, or other items of record listed on EXHIBIT B, attached hereto and made a part hereof for all purposes. The current ad valorem taxes on the Property having been prorated, the Grantee assumes payment of all taxes for the current year.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto the Grantee, its heirs, executors and administrators or successors and assigns, as the case may be, forever; and the Grantor does hereby bind itself and its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the Property unto the Grantee, its heirs, successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part hereof, by, through or under Grantor, but not, otherwise.

WHEN this Deed is executed by more than one (1) person, or when the word Grantor or Grantee is more than one (1) person, this instrument shall read as though pertinent verbs, nouns and pronouns were changed correspondingly, and reference to any gender shall include either gender and in the case of a legal entity other than a natural person, shall include the neuter gender, all as the case may be.

EXECUTED on October 25, 2011 to be effective November 1, 2011.

YOUTH AND FAMILY ALLIANCE, a Texas nonprofit corporation

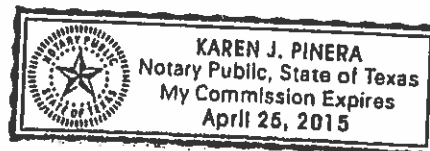
By   
Susan McDowell, Executive Director

THE STATE OF TEXAS   §  
  §  
COUNTY OF TRAVIS   §

This instrument was acknowledged before me on Oct. 25, 2011, by (name) Susan McDowell (title) Executive Director of Youth and Family Alliance, a Texas nonprofit corporation, on behalf of said Texas nonprofit corporation.

  
Notary Public, State of Texas

Address of Grantee:  
LifeWorks Austin  
3700 South 1st Street  
Austin, TX 78704  
Attn: Executive Director



[Signature Page to Special Warranty Deed]

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

Lot 1, Block "A" of LIFEWORKS SUBDIVISION, a subdivision in Travis County Texas, according to the map or plat thereof, recorded under Document No. 201000007 of the Official Public Records of Travis County, Texas.

## **Exhibit B**

1. **Document No. 201000007 of the Official Public Records of Travis County, Texas.**
2. **Sanitary sewer easement granted to the City of Austin by instrument dated July 10, 1961, recorded in Volume 2368, Page 80 of the Deed Records of Travis County, Texas; the same, or a portion thereof, is shown on the plat recorded under Document No. 201000007 of the Official Public Records of Travis County, Texas.**
3. **Open drainage ditch or enclosed storm sewer easement granted to the City of Austin by instrument dated July 10, 1961, recorded in Volume 2368, Page 84 of the Deed Records of Travis County, Texas; the same, or a portion thereof, is shown on the plat recorded under Document No. 201000007 of the Official Public Records of Travis County, Texas.**
4. **Open drainage ditch easement granted to the City of Austin by instrument dated September 4, 1974, recorded in Volume 5013, Page 47 of the Deed Records of Travis County, Texas; the same, or a portion thereof, is shown on the plat recorded under Document No. 201000007 of the Official Public Records of Travis County, Texas.**
5. **Critical water quality zone as shown on the plat recorded under Document No. 201000007 of the Official Public Records of Travis County, Texas.**
6. **Drainage easement as shown on the plats recorded in Volume 36, Page 40 and Volume 55, Page 94 of the Plat Records of Travis County, Texas.**
7. **Blanket electric utility easement granted to the City of Austin, by instrument dated April 15, 2011, recorded under Document No. 2011062605 of the Official Public Records of Travis County, Texas.**
8. **Vendor's Lien retained in Deed dated November 18, 2009, recorded under Document No. 2009193276 of the Official Public Records of Travis County, Texas, executed by Pleasant Lyons Properties, LLC to Youth and Family Alliance, d/b/a LifeWorks securing one promissory note in the original principal amount of \$500,000.00, payable to the CITY OF AUSTIN; said note being additionally secured by Deed of Trust of even date to Marc A. Ott, Trustee, and being further subject to all terms, conditions and stipulations contained therein, including any additional indebtedness secured thereby, recorded under Document No. 2009193279 of the Official Public Records of Travis County, Texas.**

**Said Deed of Trust being subject to (i) Subordination Agreement recorded under Document No. \_\_\_\_\_, (ii) Agreement Regarding Release of Unimproved Real Estate recorded under Document No. \_\_\_\_\_, (iii) Consent to Assignment and Assumption recorded under Document No. \_\_\_\_\_, all of the Official Public Records of Travis County, Texas.**

9. **Option to purchase in favor of Youth and Family Alliance evidenced by that certain Memorandum of Option to Purchase dated November 1, 2011, by and between Lifeworks Enterprises, L.L.C., as Optionor and Youth and Family Alliance as Optionee recorded under Document No. \_\_\_\_\_ of the Official Public Records of Travis County, Texas.**

10. Terms, conditions and stipulations as set out in that certain Premises Lease dated November 1, 2011, executed by and between Lifeworks Enterprises, L.L.C., as Borrower and Youth and Family Alliance, as Tenant, as evidenced by Subordination, Attornment, and Non-Disturbance Agreement recorded under Document No. \_\_\_\_\_ of the Official Public Records of Travis County, Texas.
11. Terms, conditions and stipulations as set out in that certain Commercial Lease Agreement dated \_\_\_\_\_, 2011, executed by and between Youth and Family Alliance, as Landlord and Central Texas Literacy Coalition, as Tenant, as evidenced by Subordination, Attornment, and Non-Disturbance Agreement recorded under Document No. \_\_\_\_\_ of the Official Public Records of Travis County, Texas.
12. Terms, conditions and stipulations as set out in that certain Commercial Lease Agreement dated August 16, 2011, executed by and between Youth and Family Alliance, as Landlord and Capital IDEA, as Tenant, as evidenced by Subordination, Attornment, and Non-Disturbance Agreement recorded under Document No. \_\_\_\_\_ of the Official Public Records of Travis County, Texas.

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

Nov 01, 2011 04:44 PM

2011160105

HAYWOODK: \$32.00

Dana DeBeauvoir, County Clerk  
Travis County TEXAS



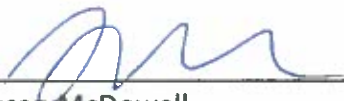
**LifeWorks Affordable Housing Corporation**

**Corporate Resolution  
Board of Directors  
November 30, 2016**

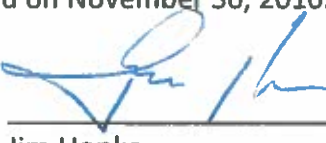
**Authorization to Negotiate Contract for Lease of Land**

BE IT RESOLVED that the Board of Directors of LifeWorks Affordable Housing Corporation, do hereby authorize Susan McDowell, President, to negotiate a contract and take all actions necessary to execute and deliver such contracts consistent with the discussions in the Board of Directors meeting for the lease of an approximate .5-acre site at a mutually agreeable price, based on a fair market appraisal and a metes and bounds description of the identified parcel from LifeWorks Enterprises.

Adopted by the Board of Directors at a meeting held on November 30, 2016.

  
\_\_\_\_\_  
Susan McDowell  
President

Dated: 12/6/16

  
\_\_\_\_\_  
Jim Hopke  
Secretary

Dated: 12/6/16

## **REAL ESTATE APPRAISAL**

**PROPERTY:** 0.5 ACRES OF LAND OUT OF LOT 1

**PROPERTY ADDRESS:** 835 N. PLEASANT VALLEY ROAD, AUSTIN, TEXAS 78702

**TCAD PARCEL(S):** 819544 (PARENT PARCEL LOT 1 - 3.468 ACRES)

**OWNER(S):** LIFEWORKS ENTERPRISES, LLC

**OWNER'S ADDRESS:** 3700 SOUTH 1<sup>ST</sup> STREET, AUSTIN, TEXAS 78704



### **Appraisal Prepared For:**

**Mr. Mitch T. Weynand,  
Chief Operating Officer, Lifeworks  
3700 South 1<sup>st</sup> Street  
Austin, Texas 78704**

### **As Of:**

**December 8, 2015**

### **Prepared By:**

**Lone Star Appraisals & Realty, Inc.  
Chris P. Griesbach, MAI  
State Certified General Real Estate Appraiser**

Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



## LONE STAR APPRAISALS & REALTY, INC.

December 11, 2015

Mr. Mitch T. Weynand  
Chief Operating Officer  
Lifeworks  
3700 South 1st Street  
Austin, Texas 78704

RE: Appraisal update of the 0.5 acres of land, out of Lot 1 located at 835 N. Pleasant Valley Road, Austin, Travis County, Texas 78702; LSAR File #5541c.cpg/csg.

Dear Mr. Weynand:

At your instructions, we have prepared an appraisal of the above referenced property. The appraisal has been presented herein in a narrative format at your request. We have inspected the subject property described above and have completed a drive by of the sales comparables.

For the purposes of this appraisal, the subject property is described as follows: 0.5 acres of vacant land (Out of Parent Parcel, Lot 1) located at 835 N. Pleasant Valley Road within the city of Austin, Texas. The subject property is part of lot 1, which consists of 3.468 acres of land, including the subject 0.5 acre tract. The subject property is part of a commercial site, with Lot 1 being improved with an office building. Although Lot 1 is partially improved, the appraiser is only appraising a 0.5 acre portion of unimproved land for the sake of this appraisal.

**The appraiser has previously appraised the subject property on September, 24, 2010, February 16, 2011, April 4, 2012, and November 30, 2012.**

This report was prepared in accordance with the assumptions and limiting conditions stated in this report and the report is intended to comply with the Uniform Standards of Professional Appraisal Practice as promulgated by The Appraisal Foundation. At your request, we have provided you with an "As Is" market value estimate of the subject property.

Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

The research and analyses necessary to furnish you with a market value recommendation for the subject property has been completed. Market Value is defined within the body of this report. Based upon the investigation and analysis of the data, the following represents our estimate of the fee simple market value, as of **December 8, 2015**.

**Property – 0.5 Acres of Land, Out of Lot 1, 835 N. Pleasant Valley Road, Austin, Texas**

**“As Is”**

**SIX HUNDRED NINETY SEVEN THOUSAND DOLLARS**

**(\$697,000)**

Your attention is directed to the following pages, which contain an analysis of the subject property, in addition to information regarding the data utilized and the analysis of the appraisers in formulating the conclusions reported herein.

If you should have any questions or need additional information, please inform us of such. We appreciate the opportunity to be of service to you.

Respectfully submitted,  
LONE STAR APPRAISALS & REALTY, INC.  
Valuation Consultants



Chris P. Griesbach, MAI  
Principal  
State Certified (Texas)  
TX-1321135-G

TABLE OF CONTENTS

Title Page  
Letter of Transmittal. . . . . i  
Table of Contents . . . . . iii  
Summary of Salient Facts and Conclusions . . . . . iv  
Subject Photographs. . . . . a  
Subject Maps. . . . . g

**DESCRIPTIONS AND ANALYSES**

The Appraisal Process.....1  
Purpose and Function of the Appraisal.....2  
Scope of Work.....6  
Definition of Market Value . . . . .8  
Regional and Area Market Data . . . . .9  
Neighborhood Analysis . . . . .16  
Site Analysis.....17  
Definition of Highest and Best Use.....20

**VALUATION METHODS**

Sales Comparison Approach.....23  
Conclusion of Market Value Estimate . . . . .26

**CERTIFICATE AND FINAL VALUE ESTIMATES** . . . . .28

Limiting Conditions and Assumptions . . . . .30  
Qualifications of the Appraiser . . . . .38

**ADDENDUM**

Land Sales Comparables  
Travis Central Appraisal District Tax Data Information  
Engagement Document

## **SUMMARY OF SALIENT FACTS AND CONCLUSION**

TCAD Parcel Number(s):	819544 (parent parcel number for Lot 1), by Travis Central Appraisal District.
Property Owner(s):	Lifeworks Enterprises, LLC
Location/Address:	The subject property is located within the city limits of Austin, Texas at the intersection of Lyons Road and Pleasant Valley Road. The physical address, according to the tax record is: 835 N. Pleasant Valley Road, Austin, Travis County, Texas 78702
Subject Property Land Area:	0.5 acres of land - Out of Lot 1
Subject Improvements:	N/A; the subject property is unimproved vacant land.
Present Zoning:	GR-MU-CO-NP; Community Commercial-Mixed Use-Combining District-Conditional Overlay
Effective Date of Appraisal:	December 8, 2015
Property Rights Appraised Whole Property:	Fee Simple
Highest and Best Use:	As Vacant: Mixed Use Development
Highest and Best Use:	As Improved: Not applicable – vacant land

Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## **SUBJECT PHOTOS**



Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



**View of Subject Looking North**



**View of Subject Looking North**



Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



**View Looking Southwest Across Property**



**View Looking Southeast Across Property**

Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



**View Looking West on Lyons Road**



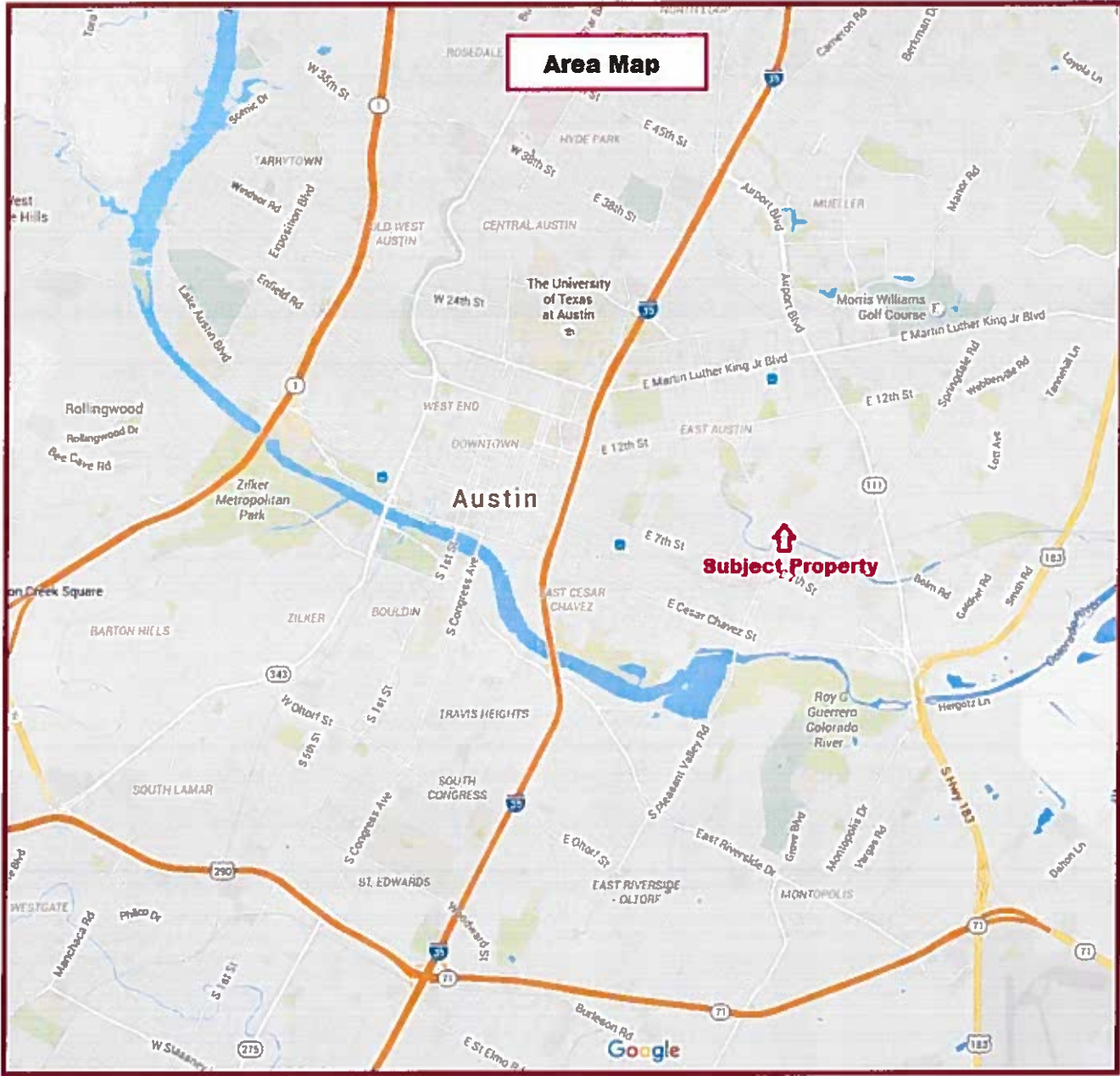
**View Looking East on Lyons Road**

Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

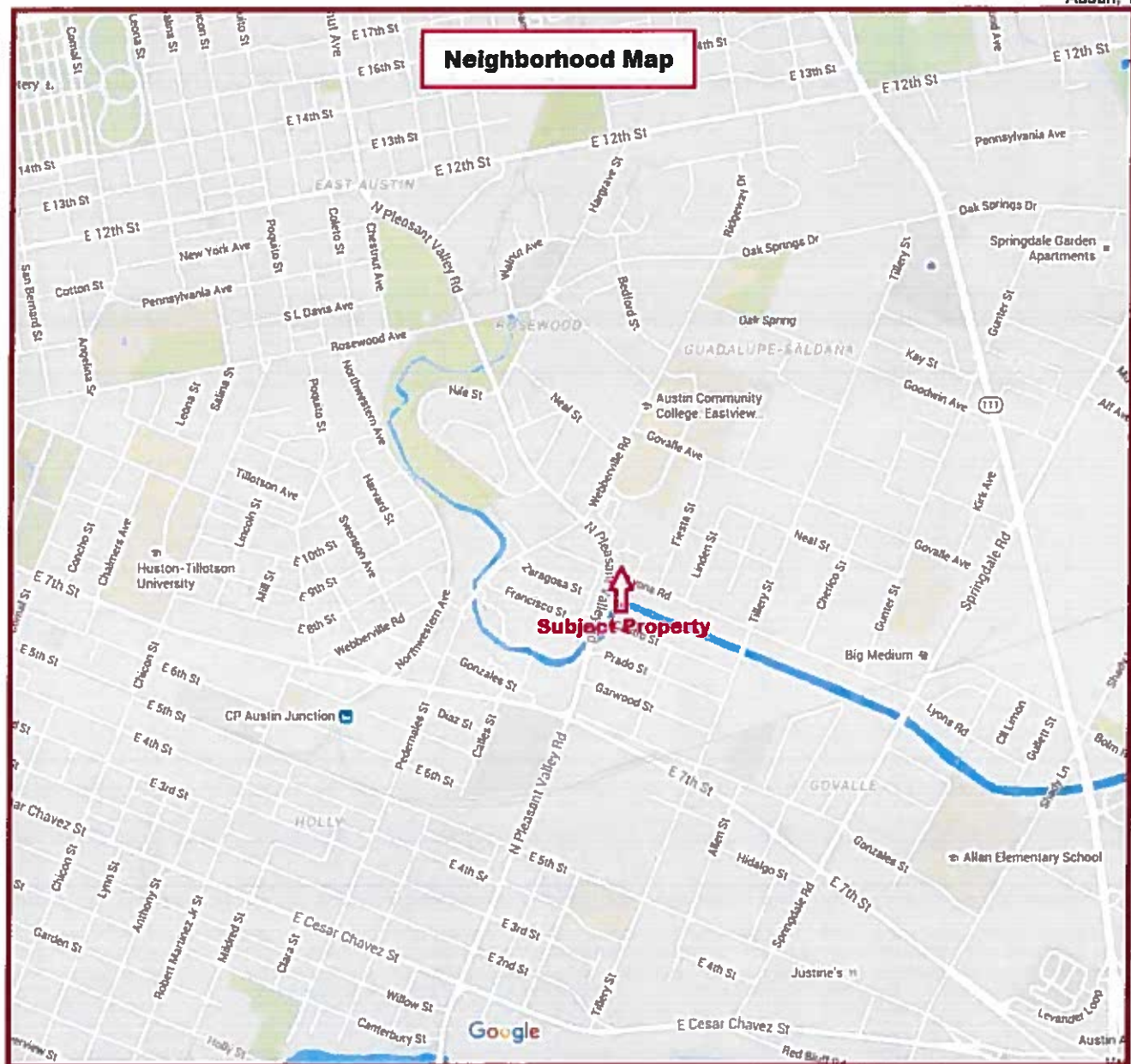
**MAPS**



Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



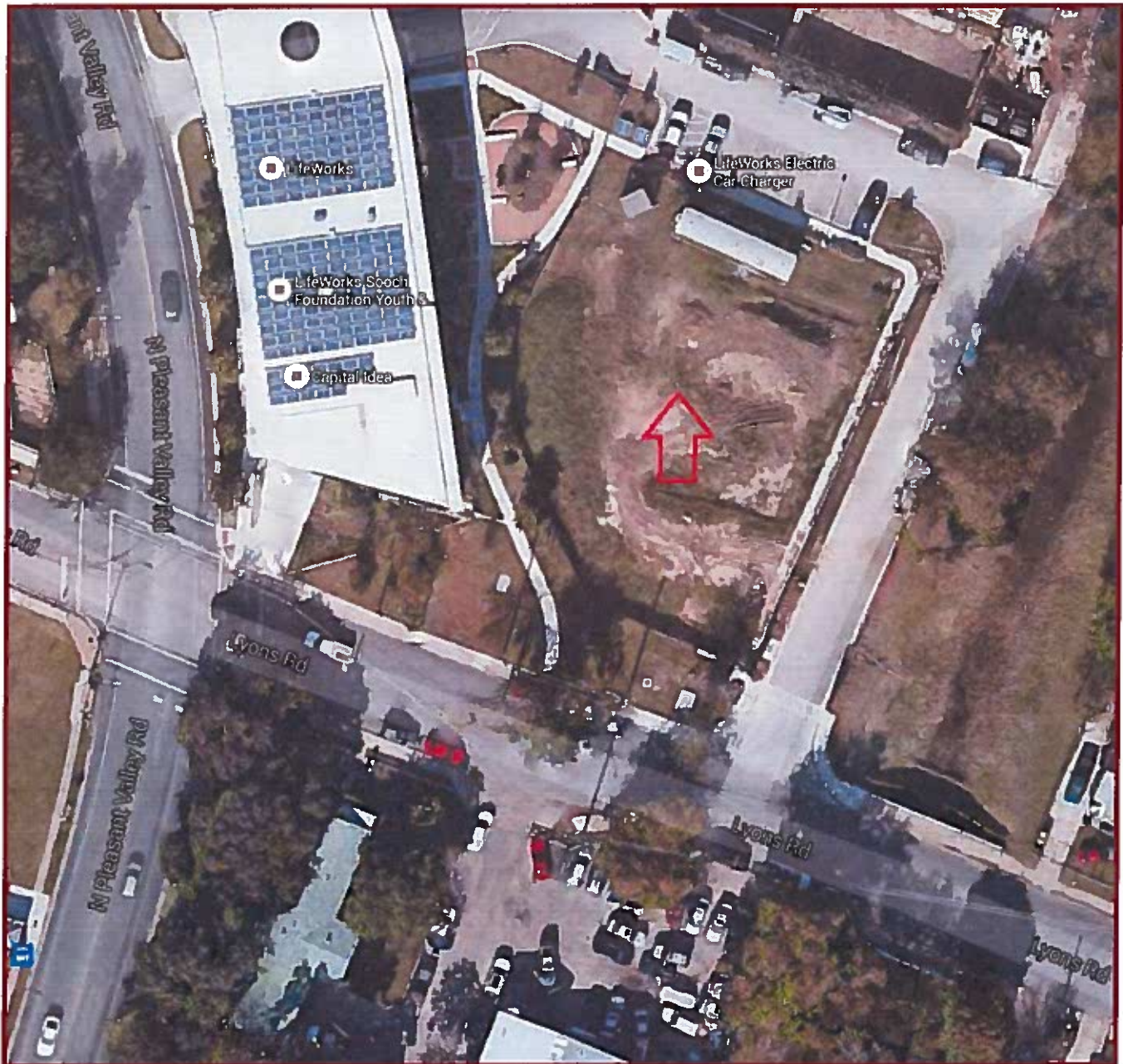
**Lifeworks Enterprises, LLC**  
**0.5 Acres of Land – Out of Lot 1**  
**835 N. Pleasant Valley Road**  
**Austin, Texas**





Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Aerial Map



## Survey Maps



**WEBBERVILLE RD**  
(R.O.W. VARIES)

**LOT B**  
PLEASANT VALLEY SEC. 3  
VOL. 70, PG. 89

**LOT 1**  
**3488 ACRES**

**LOT 2**  
**2421 ACRES**

**BLOCK A**

**N. PLEASANT VALLEY ROAD**  
(R.O.W. VARIES)

**ROSEWOOD 1**  
SENIOR HOUSING COMMUNITY  
DOC. NO. 2003086538

**DRAINAGE ESMIT.**  
VOL. 5013, PG. 47

**SANITARY SEWER ESMIT.**  
VOL. 2360, PG. 80

**CRITICAL WATER QUALITY ZONE**

**SPREWALK ESMIT.**  
DOC. NO. 2011180520

**PLEASANT VALLEY - BLOCK B**  
VOL. 55, PG. 94

**DRAINAGE ESMIT.**  
VOL. 2368, PG. 84

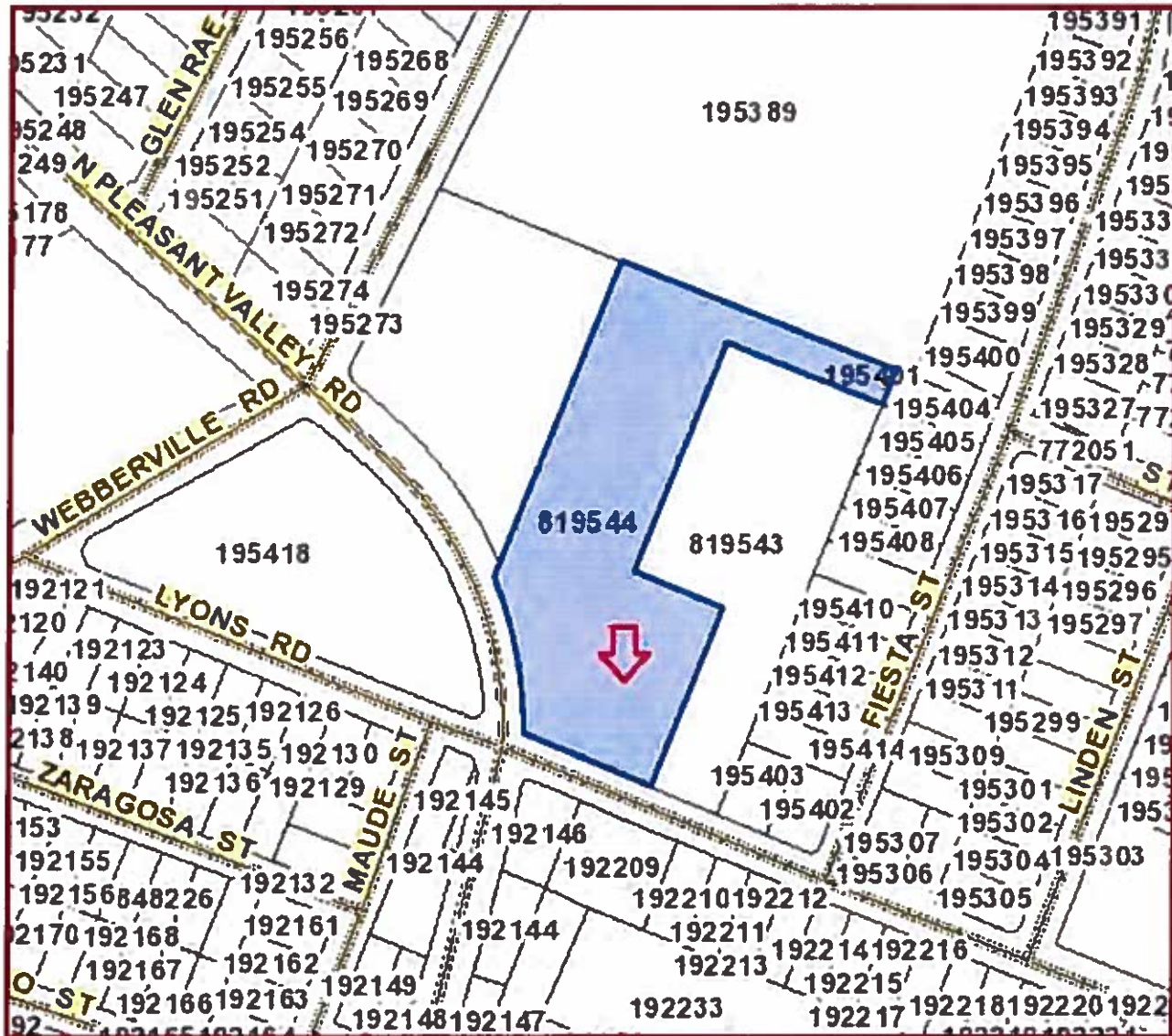
**PISTA STREET**  
(50' R.O.W.)

**LYONS ROAD**  
(R.O.W. VARIES)

7	8	9	10	11	12	13
<b>BLOCK 1</b>						<b>BLOCK 2</b>
<b>I.P. JONES</b>						<b>CHERNOSKY SUBDIVISION</b>
<b>DOC. NO. 2003086538</b>						<b>NO. 4</b>

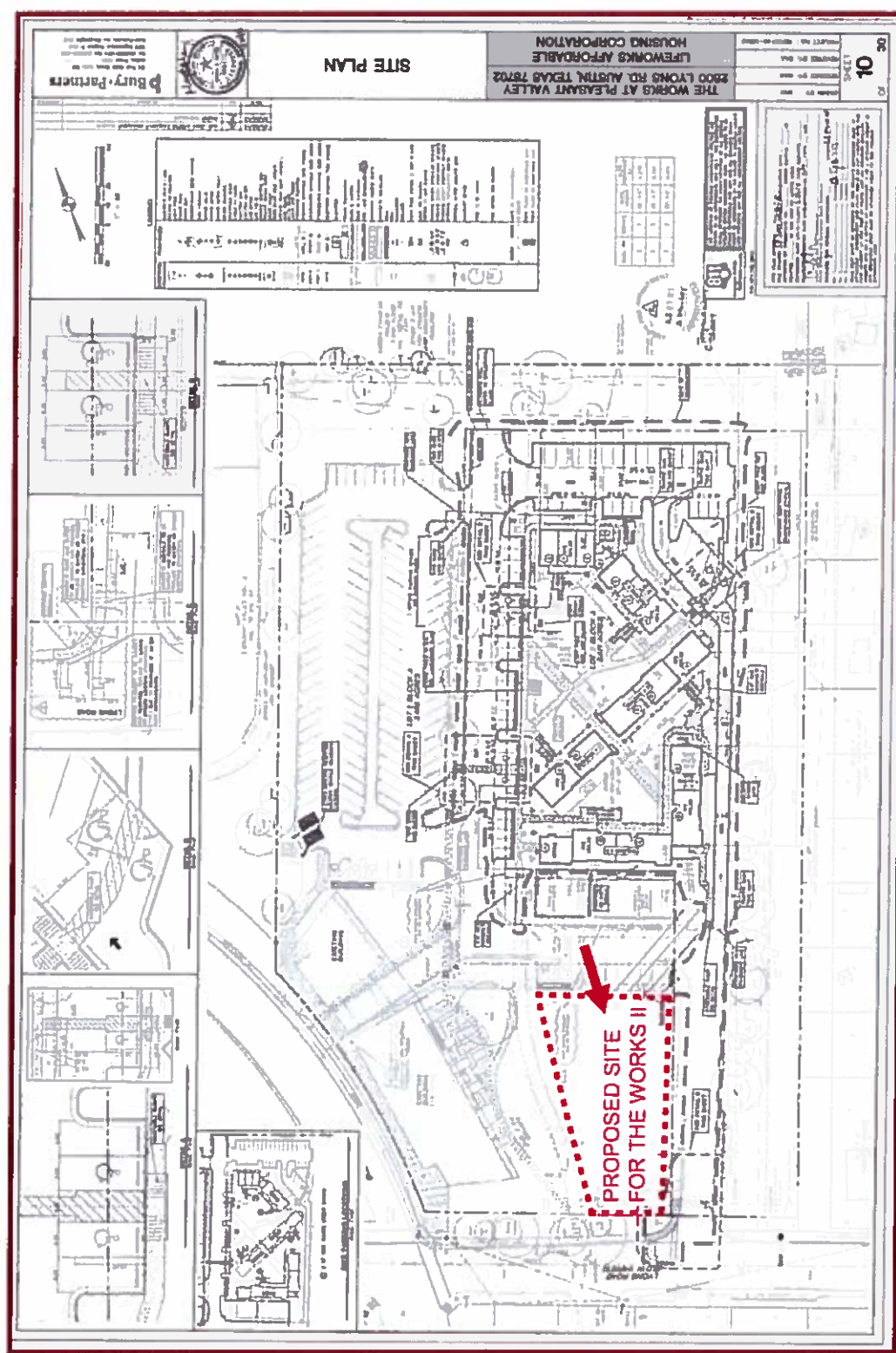


**Plat Map**



Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Site Plans



Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Zoning Map





Lifeworks Enterprises, LLC  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Flood Map

InterFlood

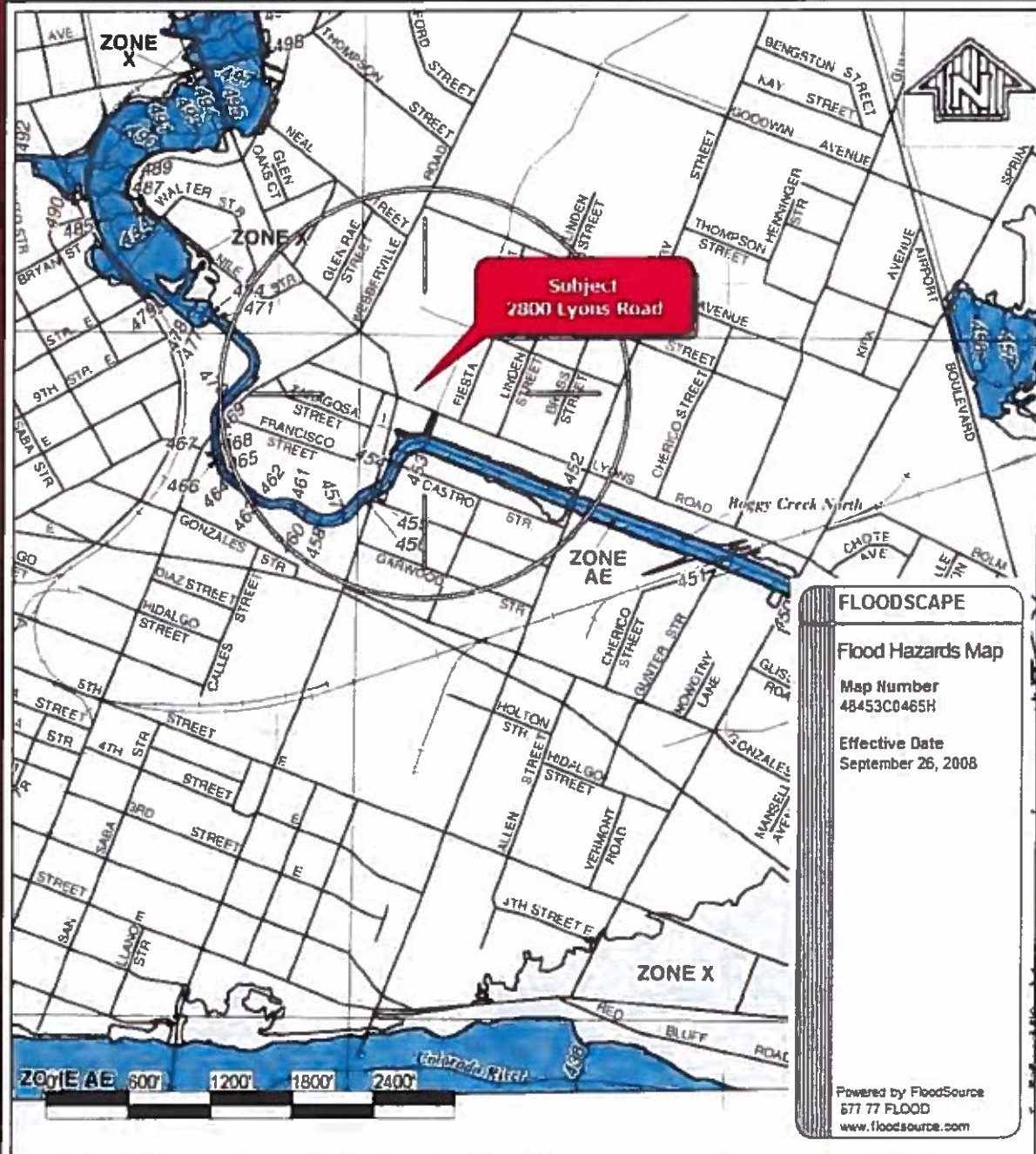


www.interflood.com • 1-800-252-6633

### Prepared for:

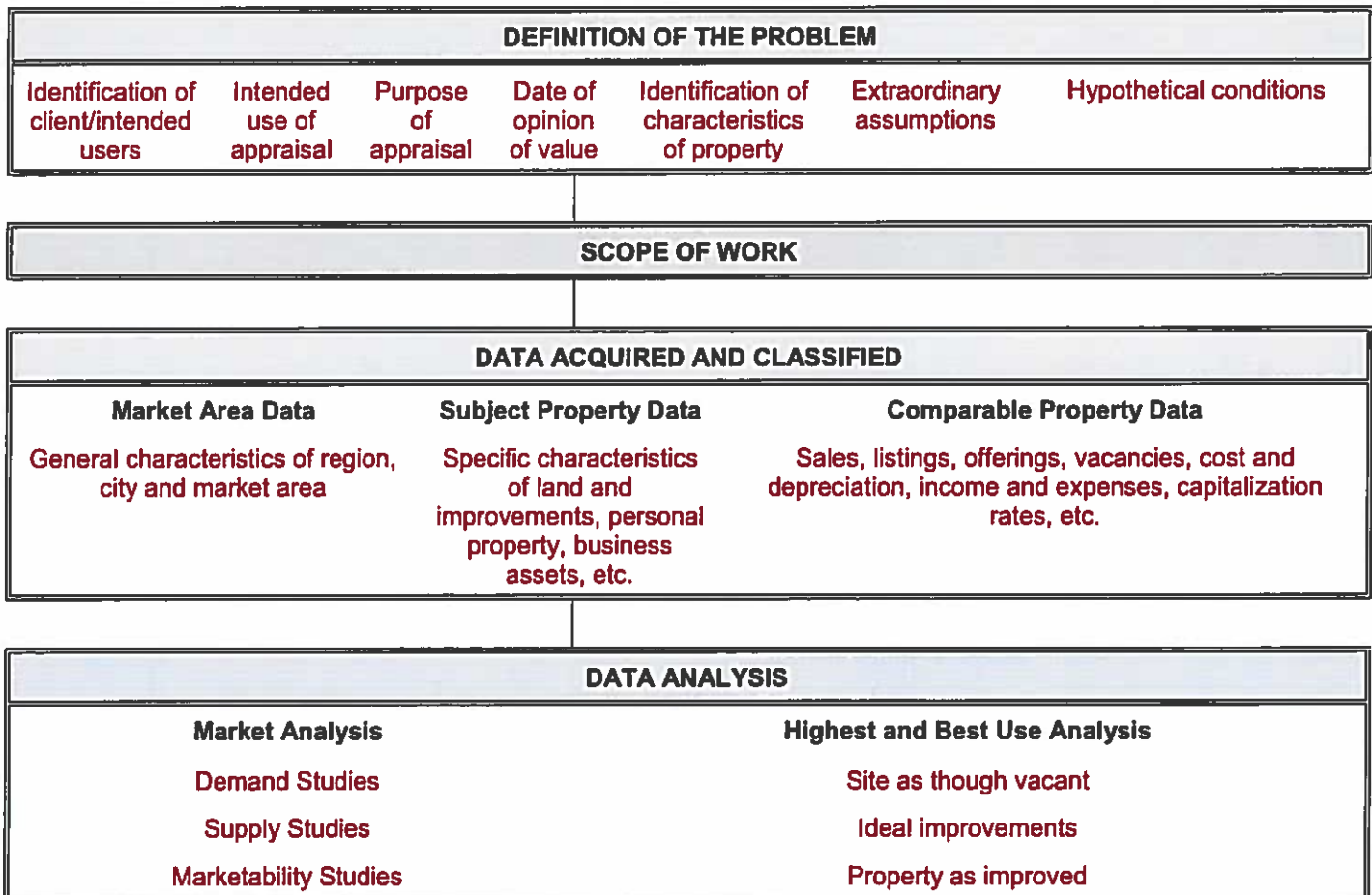
Lone Star Appraisals & Realty, Inc.

835 N. Pleasant Valley Road  
Austin, TX 78702



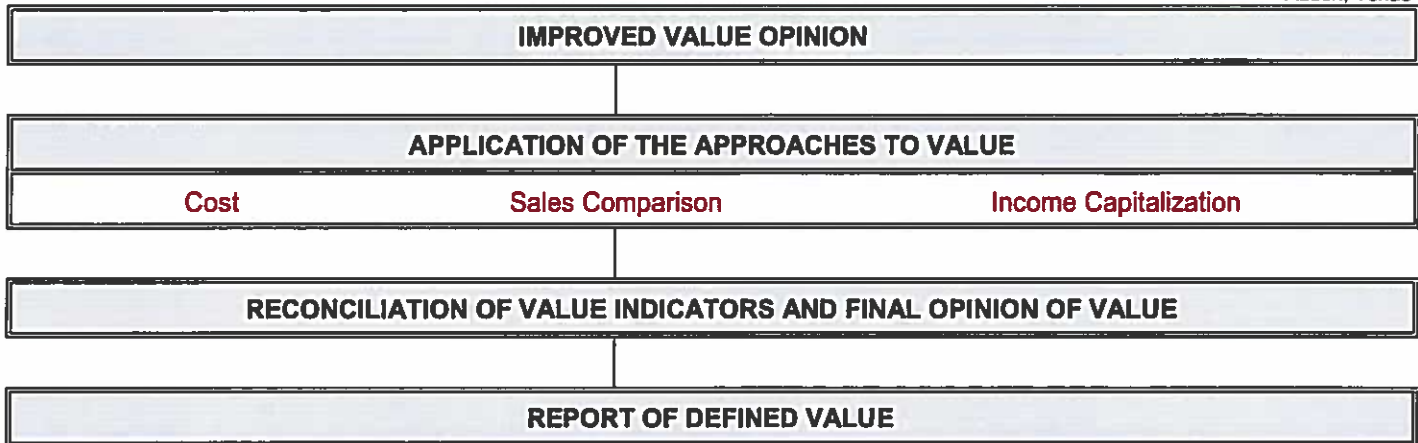
## THE APPRAISAL PROCESS

In describing the appraisal process, it is first necessary to define an appraisal. An appraisal is defined as, "the act or process of estimating value."<sup>1</sup> An appraisal is based on selective research into appropriate market areas, assemblage of pertinent data, the application of appropriate analytical techniques, and the knowledge, experience and professional judgment necessary to develop an appropriate solution to a problem." The appraisal process is defined as the: "systematic analysis of the factors that bear upon the value or utility of real estate". An orderly program by which the problem is defined, the work necessary to solve the problem is planned, and the data involved are acquired, classified, analyzed, and interpreted into a final opinion or conclusion."<sup>2</sup> These two definitions as to what an appraisal is and the process by which it is completed provide the basic framework for all appraisal assignments. A schematic of the appraisal process can be listed as follows:



<sup>1</sup>The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice* "Definitions" and Appraisal Institute, *Supplemental Standards of Professional Appraisal Practice* "Definitions Problems."

<sup>2</sup>The Appraisal Institute, *The Appraisal of Real Estate*, 12<sup>th</sup> Edition, (Chicago: Appraisal Institute, 2001), 69.



In the valuation of real property, each is unique and many types of value conclusions can be estimated for the property. Typically, the appraisal estimates the market value of the property; however, the valuation process contains the information necessary to provide any other defined value. The appraisal process while not an exact science does provide a logical and supportable process for which real property can be valued.

### **DEFINITION OF THE PROBLEM**

#### **Identification of Client/Intended User(s)**

This appraisal is intended for the use of the client, the client's advisors and relevant and regulatory authorities. The authorized intended user is also TDHCA. The client for this report is:

Mr. Mitch T. Weynand,  
Chief Operating Officer  
Lifeworks Enterprises, LLC  
3700 South 1st Street  
Austin, Texas 78704

This appraisal may not be relied upon by any other financial lender. The appraisal has not and cannot be re-addressed. This report is not intended for any other user(s).

#### **Intended Use of Appraisal**

The intended use of this appraisal is for financing decisions and mortgage underwriting. This report is not intended for any other user(s).

#### **Purpose of Appraisal**

The purpose of this appraisal is to estimate the market value of the subject property.

## **Definition of Property Rights Appraised**

### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>3</sup>

## **Date of Opinion of Value**

The effective date of this appraisal including all analyses, the physical inspection, and value conclusion is December 8, 2015. **The appraiser has previously appraised the subject property on September, 24, 2010, February 16, 2011, April 4, 2012, and November 30, 2012.**

## **Identification of Characteristics of Property**

The subject property is identified as follows:

Property Type:	Commercial Land
Property Name:	0.5 Acres of Land - Lot 2
Address:	835 N. Pleasant Valley Road, Austin, Texas 78702
Legal Description:	"Lot 1, Block A, Lifeworks Subdivision, City of Austin, of the official public records of Travis, County, Texas".
Tax ID Number(s):	819544 (parent parcel Lot 1) by Travis County

## **Occupancy and Use of the Subject Property**

The subject property was an unoccupied vacant tract of land, as of December 8, 2015, the date of the inspection and the effective date of this appraisal.

## **Property Ownership History Analysis**

A brief description of transactions involving the subject property is included to aid the reader in following the chain of title. A sales history analysis dating back three years is included to meet the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property is currently owned by Lifeworks Enterprises, LLC. No other transactions have been recorded in the previous three years.

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<sup>3</sup> The Appraisal Institute, The Dictionary of Real Estate Appraisal, 4<sup>th</sup> Edition, (Chicago: Appraisal Institute, 2002), 113.

### **Historic Sales Transactions**

A title policy was not provided to the appraisers. To aid the reader in the chain of ownership, the appraisers present the following historic transactions. According to the Travis Central Appraisal District tax records, the current owner of the subject property is Lifeworks Enterprises, LLC. A search of the Official Travis County Deed records revealed that no other transactions were noted within the required three year search period.

### **Current "For Sale" Listing Agreement(s)**

The subject property is not currently being marketed "For Sale".

### **Earnest Money Contract Agreement(s)**

The appraiser is not aware of any earnest money agreements.

### **Owner of Record**

The owner of record or title to the subject property as of the effective date of this appraisal appears to be vested in: Lifeworks Enterprises, LLC.

### **Competency Provision**

The appraiser has read and reviewed section §10.304. of Appraisal Rules and Guidelines. This report complies with the stated rules and regulations of section §10.304.

The report contained herein was completed by Chris P. Griesbach, MAI. Mr. Griesbach is a state certified "General Appraiser" in the state of Texas, and he has been awarded the MAI designation by the Appraisal Institute. The appraiser has completed assignments regarding the valuation of properties such as the subject and has the experience and ability to complete the appraisal in a competent manner. The appraiser recognizes and complies with the laws and regulations that apply to this assignment. For a complete description of Mr. Griesbach's qualifications and education background, your attention is invited to the "Qualifications" section of this report.

### **Statement of Environmental Issues**

The appraiser has not made any special effort to discover any adverse environmental conditions and therefore does not accept any responsibility for such discovery. No readily apparent, adverse environmental conditions were observed during the normal course of the property inspection or visit and it is assumed that none exist. If any adverse environmental conditions are discovered, the appraiser should be notified, as the opinion of market value will likely require modification.

As noted in the "Assumptions and Limiting Conditions" contained within this report, the appraiser does not have special expertise regarding environmental hazards, and this report must not be considered as an environmental assessment of the property.



Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

**Extraordinary Assumptions**

The subject has access to Lyons Road.

**Hypothetical Conditions**

None

## SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to determine the appropriate scope of work. USPAP defines the scope of work as:

The amount and type of information researched and the analysis applied in an assignment. Scope of work includes, but is not limited to, the following:

- the degree to which the property is inspected or identified;
- the extent of research into physical or economic factors that could affect the property;
- the extent of data research; and
- the type and extent of analysis applied to arrive at opinions or conclusions.

---

<b>Appraisal &amp; Report Type:</b>	This appraisal includes sufficient narrative description for the reader to ascertain the estimated value(s) and rationale for the estimate and, provides detail and depth of analysis that reflects the complexity of the real estate appraised. This is a summary appraisal report.
-------------------------------------	--

<b>Property Identification and Inspection:</b>	The subject has been identified and inspected by the appraiser(s) as follows:
--	---

An inspection of the subject was made, and photographs were taken. The property description was provided by information gathered at the inspection by the appraisers, plans and specifications, and county tax records.

<b>Analysis of Physical Factors:</b>	All pertinent physical factors were analyzed.
--------------------------------------	---

The source of the site size measurements was: Survey

A survey of the property was available. A title commitment/policy was not available.

<b>Analysis of Economic Factors:</b>	All pertinent economic factors were analyzed.
--------------------------------------	---

<b>The Extent of Data Research:</b>	The appraiser(s) maintain a current and comprehensive database of land sales and listings for the greater Austin market area. In addition to market data developed in the course of previous appraisal work and retained in the appraiser(s) work files, other sources of information include:
-------------------------------------	--

- LSAR, Inc. Database
- LoopNet & Co-Star
- Austin Board of Realtors Multiple Listing Service
- Area Brokers

Where warranted, market data has been confirmed by a party to the transaction, or other reliable source.

**The Type and Extent of Analysis:** Cost Approach: This approach is not applicable and has not been developed or utilized as the subject property is vacant land.

Sales Comparison Approach: This approach is applicable, necessary and has been fully developed for the market value estimate.

Income Approach: This approach is not applicable and has not been developed or utilized as the subject property is vacant land.

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## **DEFINITION OF MARKET VALUE**

The definition of "Market Value", as defined by the Office of the Comptroller of Currency (OCC) under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions, the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation in compliance with Title XI of FIRREA, as well as by the Uniform Standards of Appraisal Practice as promulgated by the Appraisal Foundation, is as follows.

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby,

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and are acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

## **REGIONAL AND AREA MARKET DATA**

Regional and area analyses are included to provide background information relevant to the valuation of the subject property.

### **Defining the Market Area**

The subject region is identified as the Austin-Round Rock-San Marcos Metropolitan Statistical Area, which includes the counties of Travis, Williamson, Hays, Bastrop, and Caldwell. The Austin area is in the south-central part of Texas, within the Interstate Highway 35 Growth Corridor; Austin is approximately 200 miles south of Dallas-Fort Worth, 80 miles north of San Antonio, and 160 miles west of Houston.

### **Life Cycle of the MSA**

The Metro Business-Cycle Index released by the Federal Reserve Bank of Dallas suggests that Austin's economy has been one of the fastest-growing economies in the state. This current growth parallels the growth experienced prior to the recession. According to data from the Federal Reserve Bank of Dallas, the Austin-Round Rock Metro Business-Cycle Index steadily declined from early 2008 to mid-2010, with the index rising from 2010 to the present. The Austin area has continuously been ranked as one of the best places for businesses and careers among 150 metropolitan areas throughout the country. According to the Marcus & Millichap Market Overview, an estimated 33,700 jobs were created in 2013 and the Austin MSA will have an estimated 100,000 more jobs than were present before the recession. Almost all employment sectors are contributing to these numbers. However, the booming technology industry is largely responsible for this growth. All in all, the Austin MSA is in a pattern of growth.

### **Population**

The Austin-Round Rock-San Marcos MSA population grew to more than 1.7 million in 2010, with an average annual increase of 3.5% over the last 10 years, according to the Real Estate Center at Texas A&M University. The city of Austin had a population of 842,750 as of January 2013, which represents a 28.4% increase over the population in 2000. Population projections by the Real Estate Center at Texas A&M University show the Austin-Round Rock-San Marcos MSA to have a population of 2.3 million in 2020 and 3.9 million in 2040, with an annualized projected growth rate between 2.5% and 3.25%. The city of Austin is projected to reach 1 million in 2025.

## Austin Area Population Histories and Forecasts

Year	City of Austin Total Area Population	Annualized Growth Rate	City of Austin Full Purpose Population	City of Austin Limited Purpose Population	Travis County	Annualized Growth Rate	Five County MSA(1)	Annualized Growth Rate
1940	87,930				111,053		214,603	
1950	132,459	4.2%			160,980	3.8%	256,645	1.8%
1960	186,545	3.5%			212,136	2.8%	301,261	1.6%
1970	251,808	3.0%			295,516	3.4%	398,938	2.8%
1980	345,890	3.2%			419,573	3.6%	585,051	3.9%
1990	465,622	3.0%			576,407	3.2%	846,227	3.8%
2000	656,562	3.5%	639,185	17,377	812,280	3.5%	1,249,763	4.0%
2001	669,693	2.0%	654,019	15,674	830,150	2.2%	1,314,344	5.2%
2002	680,899	1.7%	667,705	13,194	844,263	1.7%	1,353,122	3.0%
2003	687,708	1.0%	674,382	13,326	856,927	1.5%	1,382,675	2.2%
2004	692,102	0.64%	678,769	13,333	874,065	2.00%	1,419,137	2.6%
2005	700,407	1.20%	687,061	13,346	893,295	2.20%	1,464,563	3.2%
2006	718,912	2.64%	707,952	10,960	920,544	3.05%	1,527,040	4.3%
2007	735,088	2.25%	724,117	10,971	948,160	3.00%	1,592,590	4.3%
2008	750,525	2.10%	739,543	10,982	978,976	3.25%	1,648,331	3.5%
2009	774,037	3.13%	765,957	8,080	1,008,345	3.00%	1,708,022	3.50%
2010	790,390	2.11%	777,953	12,437	1,024,266	1.58%	1,716,289	0.60%
2011	812,025	2.74%	799,578	12,447	1,049,873	2.50%	1,763,487	2.75%
2012	824,205	1.50%	811,746	12,459	1,076,119	2.50%	1,811,983	2.75%
2013	842,750	2.25%	830,278	12,472	1,108,403	3.00%	1,870,872	3.25%
2014	859,605	2.00%	847,121	12,484	1,138,884	2.75%	1,926,998	3.00%
2015	874,648	1.75%	862,151	12,497	1,170,203	2.75%	1,984,808	3.00%
2016	889,954	1.75%	877,445	12,509	1,202,384	2.75%	2,044,353	3.00%
2017	905,529	1.75%	893,007	12,522	1,238,456	3.00%	2,110,794	3.25%
2018	921,375	1.75%	908,841	12,534	1,275,609	3.00%	2,179,395	3.25%
2019	937,499	1.75%	924,953	12,547	1,313,878	3.00%	2,250,225	3.25%
2020	951,582	1.50%	939,002	12,559	1,350,009	2.75%	2,317,732	3.00%
2025	1,025,102	1.50%	1,012,484	12,618	1,546,129	2.75%	2,686,887	3.00%
2030	1,104,326	1.50%	1,091,695	12,631	1,749,304	2.50%	3,077,220	2.75%
2035	1,175,094	1.25%	1,162,450	12,644	1,955,158	2.25%	3,481,592	2.50%
2040	1,235,036	1.00%	1,222,379	12,656	2,158,652	2.00%	3,939,101	2.50%
2045	1,298,035	1.00%	1,285,366	12,669	2,325,481	1.50%	4,349,086	2.00%

**SOURCE: Ryan Robinson, City Demographer, Department of Planning, City of Austin, January 2013.**

**NOTES:** 1) The Five County Austin-Round Rock MSA wholly includes these counties: Bastrop, Caldwell, Hays, Travis and Williamson.

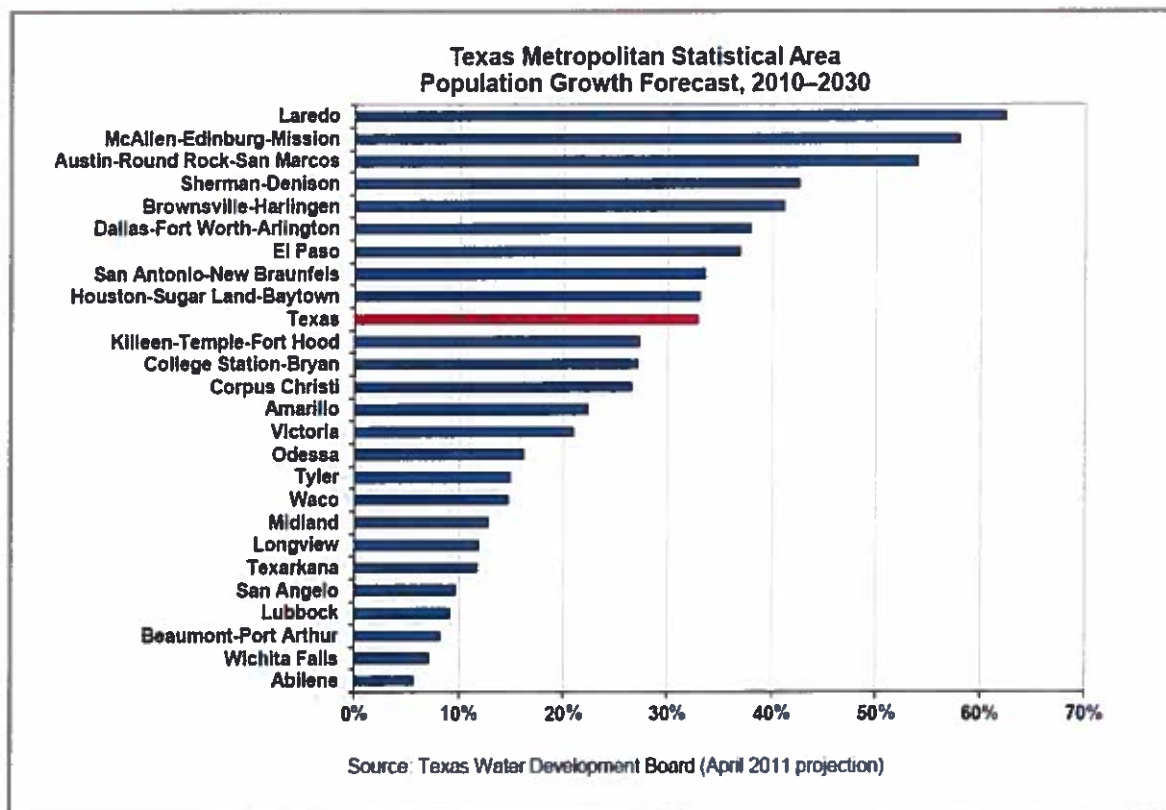
2) Population figures are as of April 1 of each year.

3) Historical and current period population figures for the City of Austin take into account annexations that have occurred.

4) Forecasted population figures for the City of Austin do not assume any future annexation activity.



Population			
Select Area Cities			
City	2000	2010	Growth 2000–2010 (in percent)
Austin	656,562	790,390	20.4
Cedar Park	26,049	48,937	87.9
Georgetown	28,339	47,400	67.3
Lockhart	11,615	12,698	9.3
Pflugerville	16,335	48,936	187.3
Round Rock	61,136	99,887	63.4
San Marcos	34,733	44,894	29.3
Taylor	13,575	15,191	11.9
Source: U.S. Census Bureau			

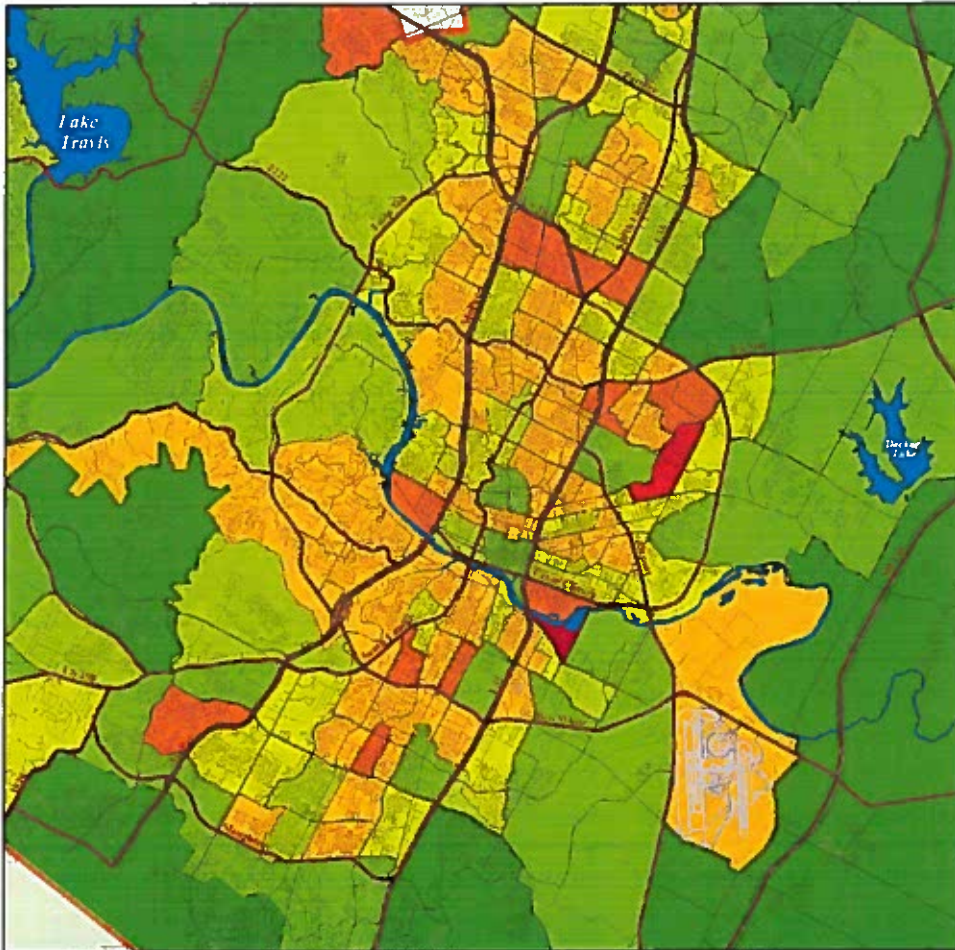
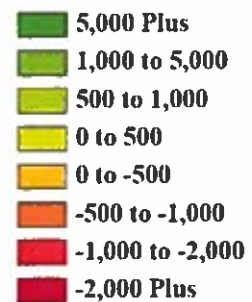


Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Population Growth and Decline: 2000 to 2010

**Travis County**  
Decennial data from  
the US Census Bureau

Change in a Census  
Tract's Total Population  
from 2000 to 2010  
at the 2000 tract-level



Map prepared by: Ryan Bateman, City Cartographer, Department of Planning, City of Austin, January 2011

Data source: Census 2000 SFL, Census 2010 Redistricting File



## Austin Employment



Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas



Top 100 Employers  
Winter 2013

Company	Employees	Company	Employees
3M	1,000	Image Microsystems	500
Accenture	790	Intel Corp.	1,100
ACS State Healthcare	780	JPMorgan Chase & Co.	1,300
Activision Blizzard	1,200	KST Electric*	550
Aditya Birla Minacs	500	Lower Colorado River Authority	2,255
Advanced Micro Devices	2,450	Luminex Corp.	380
AlrBorn*	375	Maximus	918
American Achievement Corp.	520	Michael Angelo's Gourmet Foods	500
American Cancer Society	500	National Instruments	2,534
Apple	3,500	National Oilwell Varco	429
Applied Materials	2,000	NetScend	408
AT&T	3,450	OneWest Bank (formerly Indymac)	1,100
Austin American-Statesman	565	Oracle	550
Austin Community College	5,682	Overwatch Texttron Systems	411
Austin Energy	1,700	Pearson Educational Measurements	600
BAE Systems	534	PPD Development	1,050
Bank of America	650	Progressive Insurance Co.	1,211
Bazaarvoice	551	Rackspace Managed Hosting	403
BBVA Compass	498	Samsung Austin Semiconductor	2,500
CFAN*	550	Sears Customer Care	1,500
Charles Schwab	1,100	Seton Healthcare Family	12,606
Cirrus Logic	523	Silicon Laboratories	600
Cisco Systems	680	SolarWinds	370
Clinical Pathology Laboratories	972	Southwestern University*	475
Coldwell Banker	386	Spanion	907
Concordia University Texas	727	St. David's Healthcare Partnership	7,500
CSC Financial Services Group	420	St. Edward's University	1,508
Dell	14,000	Starwood Hotels & Resorts	604
Deloitte	405	State Farm Insurance Co.	2,000
Dynamic Systems	500	State of Texas	70,863
eBay/PayPal	650	Stock Building Supply of Texas	500
Electric Reliability Council of Texas*	670	Teacher Retirement System of Texas	517
Electronic Arts (BioWare Div. & EA Sports Div.)	600	TECO-Westinghouse Motor Co.*	370
Emerson Process Management	750	teleNetwork*	600
EZCorp	400	Temple-Inland	450
Farmers Insurance Group	1,500	Texas Gas Service	388
Field Asset Services	450	Texas Guaranteed Student Loan Corp.	620
Flextronics (formerly Solectron)	2,113	Texas Mutual Insurance Co.	522
Freescale Semiconductor	5,000	Texas State University-San Marcos*	6,304
General Motors	500	Time Warner Cable Co.	1,161
Gila Corp.	370	U.S. Dept. of Veterans Affairs	750
Girling Health Care	2,225	U.S. Internal Revenue Service	4,500
Goodwill Industries of Central Texas	1,050	University Federal Credit Union	425
Grande Communications*	626	University of Texas at Austin	25,974
GSD&M Idea City	439	URS Corp.	930
Harte-Hanks Response Management	1,500	Visa	794
Hewlett-Packard	719	VMWare	500
Home Depot Technology Center	500	Wayne (formerly Dresser Wayne)	475
HomeAway	510	Wells Fargo Bank Texas	1,400
Hospira	1,200	Whole Foods Market	2,166
Hunter Industries*	400	Yodle (formerly ProfitFuel)	400
IBM Corp.	6,239		

\*These employers are in metro area communities beyond the map extent. Airborn and Southwestern are in Georgetown, TECO-Westinghouse Motor Co. is in Round Rock, and the Electric Reliability Council is in Taylor, each of these cities are in Williamson County. CFAN, Grande Communications, Hunter Industries, teleNetwork, & Texas State University in Hays County. KST Electric is located in Manor in Travis County.

List excludes hospitals and other care providers, school districts, and other local government agencies.

## **Analysis of Real Estate**

The value influences that affect different types of real estate e.g., residential and commercial, are the same as those affecting the larger, more diverse market area, but the emphasis and relative importance of the factors change with the type of real estate being analyzed. The revival of the Austin-Round Rock-San Marcos MSA business community has consequently seen a revival of the commercial and real estate markets as well. One of the major characteristics of the Austin area commercial and residential markets is the tendency to react quickly to overall market conditions in the region and in the nation.

## **Conclusions**

The Austin-Round Rock-San Marcos MSA has a growing population which is complemented by a workforce that is composed of employees in the ideal "18-44" age with the majority having some college experience. These facts, in combination with the high quality of life, make this region enticing to prospective employers wanting to do business in this MSA. The economic outlook in the market is currently optimistic. The higher median and mean household income for the MSA has been a key factor for a strong real estate market. The low vacancy rate for housing units points to a continuous strong housing market. Having such a low vacancy rate continues to fuel development and construction in this region.

Texas as a whole has a lower tax burden compared to other states. Tax incentives, governmental financing, and bond programs further entice business to the state and the Austin-Round Rock-San Marcos MSA in particular. All the governmental regulations on the state and local level are favorable for various industries wanting to conduct business in this MSA. All the factors previously mentioned lend themselves to bolster the growing economy of this region. Single-family and multi-family real estate continues growing slowly from which a stable commercial market follows. Industrial and commercial properties for the MSA have recently experienced high vacancy and low absorption rates; however, those rates appear to be on a downward trend at this time.

Overall the region is characterized as being well balanced and desirable. The steady growth in the economy is encouraging growth in the commercial and residential real estate markets. As previously stated, the Austin-Round Rock-San Marcos MSA real estate market tends to react quickly to economic changes and this has resulted in dramatic changes in demand levels from year to year. These current trends are expected to continue based on overall economic conditions.

## **NEIGHBORHOOD ANALYSIS**

The purpose of the Neighborhood Analysis is to examine the patterns of urban growth, structure, and change that may affect property values.

### **A neighborhood is defined as:**

"a portion of a larger community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest. Neighborhood boundaries may consist of well-defined natural or man-made barriers, or they may be more or less well-defined by a distinct change in land use or in the character of the inhabitants." (*Real Estate Appraisal Terminology*, 1981)

### **BOUNDARIES**

The designation of neighborhood boundaries is based upon the appraiser's evaluation of physical and man-made influences affecting the relative values, desirability, and trends in properties surrounding the subject property.

The subject property is located at 835 N. Pleasant Valley Road in the city of Austin in the central portion of Travis County. Its neighborhood boundaries are described as:

Martin Luther King Blvd. (FM 962) to the North  
Lady Bird Lake to the South  
Highway 183 to the East  
Interstate Highway 35 to the West

This boundary description is supported by similar social, economic, governmental, and environmental forces which influence property values in this neighborhood.

### **PREDOMINANT LAND USE**

The subject is located in the eastern portion of the city of Austin and in the central portion of Travis County. The area is predominantly developed with single family residential uses along secondary arteries on standard sized lots and commercial uses along primary neighborhood roadways. The area is transitioning from vacant land to commercial use and redevelopment is occurring on mature properties. From Interstate Highway 35 traveling east, the area is developed with a mixture of commercial retail, office, multi-family and mixed use developments along primary neighborhood arteries and near lighted intersections. Utility services include electricity, water, waste water, gas, and telephone services throughout the area. The City of Austin supplies water and wastewater services. The immediate market area is approximately 75% developed with vacant land tracts still available. The terrain in east Austin is basically level to slightly sloping. Overall, the neighborhood is urban in nature, with expanding commercial and redevelopment, and is considered to be an attractive area for investment over the long term.

## **SITE ANALYSIS**

### **0.5 Acres of Land, Lot 2, 835 N. Pleasant Valley Road, Austin, Texas**

The subject property is located at 835 N. Pleasant Valley Road in the city of Austin with a commercial zoning designation. The subject property consists of 0.5 acres of land (Out of Lot 1, being 3.468 acres).

The subject property currently shares the address, 835 N. Pleasant Valley Road, with the parent lot (Lot 1). Lot 1 has access to both N. Pleasant Valley Road and Lyons Road. Although, subject property does not have any frontage along N. Pleasant Valley Road.

#### **Topography:**

Judging from a visual inspection, the site is basically level to slightly sloping. According to the Flood Insurance Rate Map# 48453C0465H, with an effective date of September 26, 2008, from the Federal Emergency Management Agency (FEMA), the subject property does not appear to be within a flood hazard area. The site appears to have adequate drainage for commercial development.

#### **Soil and Sub-Soil Conditions:**

The appraisers were not furnished with a soils report. Consequently, we do not express an opinion as to the quality of the soil. Based on surrounding developments and improvements, it would appear the soil is suitable for development. However, the appraiser recommends that a professional engineering report addressing soil stability, toxic waste, and hazardous materials be completed prior to encumbrance, transfer of ownership, or further development.

#### **Environmental Issues:**

The appraiser has not made any special effort to discover any adverse environmental conditions and therefore does not accept any responsibility for such discovery. No readily apparent, adverse environmental conditions were observed during the normal course of the property inspection or visit and it is assumed that none exist. If any adverse environmental conditions are discovered, the appraiser should be notified, as the opinion of market value will likely require modification.

As noted in the "Assumptions and Limiting Conditions" contained within this report, the appraiser does not have special expertise regarding environmental hazards, and this report must not be considered as an environmental assessment of the property.

#### **Utilities Services:**

The subject site has City of Austin electric, water, and waste water. Other utilities include natural gas and phone services. The site appears to have adequate utility services to support most commercial development.



**Streets, Curbs, Sidewalks, Access:**

The subject property is located at 835 N. Pleasant Valley Road within the city of Austin. It is located just east of the intersection of N. Pleasant Valley Road and Lyons Road. Both roads are secondary asphalt paved roadways that have one lane in each direction. Both roadways have concrete curbs and sidewalks with open drainage. The subject has access to Lyons Road. The parent lot, Lot 1, has access to both Pleasant Valley Road and Lyons Road.

**Zoning, Restrictions:**

The subject property is located within the city limits of Austin with a zoning designation of GR-MU-CO-NP; Community Commercial-Mixed Use Combining District-Conditional Overlay. This zoning district allows office, neighborhood retail, multi family and mixed use development.

**GR – Community Commercial -**

"Community Commercial district is the designation for an office or other commercial use that serves neighborhood and community needs and that generally is accessible from major traffic ways."

**-MU - Mixed Use Combining District –**

"Mixed Use combining district is intended for combination with selected base districts, in order to permit any combination of office, retail, commercial, and residential uses within a single development. Allows development of all types of residential uses, including single-family residential, multifamily residential, and town-homes.

**Base Districts:** The MU combining district may be combined with the commercial base districts listed below. The MU combining district may not be used with a residential base district."

**-CO - Conditional Overlay Combining District –**

**Purpose:** "The purpose of the conditional overlay (CO) combining district is to modify use and site development regulations to address the specific circumstances presented by a site. Use and site development regulations imposed by a CO combining district must be more restrictive than the restrictions otherwise applicable to the property."

**-NP - Neighborhood Plan Combining District**

**Purpose:** To allow infill development by implementing a neighborhood plan that has been adopted by the council as an amendment to the comprehensive plan. Below is a list of items that may be added to properties (individual, sub-district or area-wide) within an NP combining district. These options are discussed during the neighborhood planning process and, if chosen, are adopted concurrently with the neighborhood plan. These options may also be added in the future through the rezoning and plan amendment process.

The appraisal assumes that the subject property would be permitted to be developed with a variety of uses, including office and multi family as depicted in the site plan provided.

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

This appraisal and the resultant market value estimate are subject to the assumption that there are no adverse easements, encroachments, and/or deed restrictions.

#### Travis County Assessment and Tax Data:

▼ Values					
(+) Improvement Homesite Value:	+	\$0			
(+) Improvement Non-Homesite Value:	+	\$3,318,420			
(+) Land Homesite Value:	+	\$0			
(+) Land Non-Homesite Value:	+	\$1,510,661	Ag / Timber Use Value		
(+) Agricultural Market Valuation:	+	\$0		\$0	
(+) Timber Market Valuation:	+	\$0		\$0	
<hr/>					
(=) Market Value:	=	\$4,829,081			
(-) Ag or Timber Use Value Reduction:	-	\$0			
<hr/>					
(=) Appraised Value:	=	\$4,829,081			
(-) HS Cap:	-	\$0			
<hr/>					
(=) Assessed Value:	=	\$4,829,081			
▼ Taxing Jurisdiction					
Owner:	LIFEWORKE ENTERPRISES LLC				
% Ownership:	100.000000000000%				
Total Value:	\$4,829,081				
Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
01	AUSTIN ISD	1.202000	\$4,829,081	\$0	\$0.00
02	CITY OF AUSTIN	0.458900	\$4,829,081	\$0	\$0.00
03	TRAVIS COUNTY	0.416900	\$4,829,081	\$0	\$0.00
0A	TRAVIS CENTRAL APP DIST	0.000000	\$4,829,081	\$0	\$0.00
2J	TRAVIS COUNTY HEALTHCARE DISTRICT	0.117781	\$4,829,081	\$0	\$0.00
68	AUSTIN COMM COLL DIST	0.100500	\$4,829,081	\$0	\$0.00
Total Tax Rate:		2.296081			
				Taxes w/Current Exemptions:	\$0.00
				Taxes w/o Exemptions:	\$110,879.61

The subject property does not currently have it's own plat. The above assessed values are based on the subject property's parent lot - Lot 1.

## DEFINITION OF HIGHEST AND BEST USE

"Highest and Best Use" is a basic premise of value. As with value, "Highest and Best Use" is not an absolute fact; it reflects an appraiser's opinion of the best use of a property based on an analysis of prevailing market conditions. The term "Highest and Best Use", as used in this appraisal report, is defined as, "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value." (From The Appraisal of Real Estate, Twelve Edition, prepared by the Appraisal Institute)

A study of the "Highest and Best Use" of a property is the most important, fundamental and critical section in the valuation process. As background for this conclusion, the appraiser will analyze the subject property, the community, the neighborhood in which the property is located and lastly, the basic principles of land utilization.

In this type of analysis, the appraiser will actually conduct two separate studies:

1. An analysis of the site AS VACANT
2. An analysis of the site AS IMPROVED

In estimating the "Highest and Best Use", there are essentially four stages of analysis:

1. **LEGALLY PERMISSIBLE USE:** What uses are permitted by zoning, deed restrictions and other governmental controls on the site in question?
2. **PHYSICALLY POSSIBLE USE:** What uses of the site in question are physically possible?
3. **FINANCIALLY FEASIBLE USE:** What physically possible and legally permissible use will produce a positive net return or the highest present worth?
4. **MAXIMALLY PRODUCTIVE USE:** Among the feasible uses, which use will produce the highest net return for the longest period of time?

The following tests must be met in estimating the "Highest and Best Use": the use must be legal, the use must be probable and not speculative or conjectural, there must be a profitable demand for such use, and finally the use must return the highest net return for the longest period of time.



## **HIGHEST AND BEST USE “AS VACANT”**

### **LEGALLY PERMISSIBLE USE**

Legal restrictions, as they apply to the subject, are both public zoning ordinances and private deed restrictions. This is the appraiser's first step in the “Highest and Best Use” since it can narrow down the uses which could be built on a particular site. If a particular use is not legally permissible, then the use is only speculative since it would require a zoning change or variance etc.

The subject site is located within the Austin city limits and is subject to zoning restrictions. The site is zoned for a commercial use. Given the location, access, exposure and visibility, the subject could be developed with a mixed use or any other suitable use which would be legally permissible on the site.

### **PHYSICALLY POSSIBLE USE**

The Physically Possible constraint imposed on the subject property is dictated by the physical aspects of the site itself. In general, the larger the site, the greater it's potential to achieve the economies of scale and flexibility in development.

The subject property has to both Lyons Road. The topography of the site is basically level to slightly sloping, and there are not any noticeable erosion patterns or significant terrain problems that would affect the utility of the site. The subject site has all utilities available to the site. Overall, the subject site appears to adequately allow development of most any use which would be legally permissible on the site, including a mixed use development.

### **FINANCIALLY FEASIBLE USE**

In order to satisfy this constraint the use must produce an acceptable income, or return, in comparison to the operating expenses, financial expenses, and capital amortization. To be financially feasible it must be able to generate an income stream which will support the debt service and operating expenses, as well as provide a reasonable return to the equity dollars invested.

The subject site consists of one .5 acre lot. The location and access to the lot allows for multiple uses. The whole site has a corner configuration with good access and appears to be suited for commercial development. Additionally, both commercial and residential development is taking place in the neighborhood, thus, a commercial development would be financially feasible at this time.

### **MAXIMALLY PRODUCTIVE**

Based on an analysis of market rental rates, occupancy rates, and absorption rates, it is my opinion that, “as vacant”, commercial development of the subject site would be financially feasible at this time. Thus, the maximally productive use would be for development with a mixed use.

In the final analysis, a determination must be made as to the “Highest and Best Use” of the subject site, “as vacant”. Consequently, it is our opinion that the “Highest and Best Use”, “as vacant”, i.e. “maximally productive”, would be for a commercial mixed use development.

## **SUMMARY**

The subject property is a vacant land site. The property is located within the city limits of Austin, which legally permits a commercial mixed use development. A mixed use development is physically possible. Based on the analysis of the neighborhood market and the residential and commercial development taking place within the subject neighborhood, commercial development of the subject site is financially feasible. Therefore, the "Highest and Best Use" of the subject site, "as vacant", is for development with a mixed use.

## **HIGHEST AND BEST USE "AS IMPROVED"**

The "Highest and Best Use" of the subject site, "as improved", is not applicable due to the fact that the subject property is vacant land.

## **SALES COMPARISON APPROACH**

### **ANALYSIS AND VALUATION OF THE SUBJECT PROPERTY:**

The appraisers estimated the market value of the subject property by the Sales Comparison Approach. The underlying premise of this approach is that a prudent purchaser would pay no more for a property than the cost of acquiring an equally desirable substitute site in the open market. Several sales were available within the immediate area, which provided strong market support for the subject property.

Your attention is now directed to the adjustment grid, which shows the adjustments, required to the comparable land sales in estimating the market value of the subject property. An analysis follows the adjustment grid, which explains the adjustments, applied to each of the comparable sales. In addition, a detailed write-up of each of the comparable sales utilized has been included within the addenda of this report.

## Land Sales Grid with Adjustments

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Address	835 N. Pleasant Valley Road	928 Shady Lane	1036 Springdale Road	2305 Coronado Street	2308 Coronado Street	1129 Salina Street
City	Austin	Austin	Austin	Austin	Austin	Austin
State	Texas	Texas	Texas	Texas	Texas	Texas
Contract/Sale Date	N/A	6/26/2014	1/8/2015	4/28/2014	5/27/2014	6/4/2015
Sale Price	N/A	\$ 225,000	\$ 546,000	\$ 255,000	\$ 475,000	\$ 189,375
Land Area SF	21,780	9,540	19,602	7,501	12,776	4,792
Land Area (Acres)	0.500	0.2190	0.4500	0.1722	0.2933	0.1100
Price/SF		\$ 23.59	\$ 27.85	\$ 34.00	\$ 37.18	\$ 39.52
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Percent Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$ 23.59	\$ 27.85	\$ 34.00	\$ 37.18	\$ 39.52
Financing Terms		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Percent Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$ 23.59	\$ 27.85	\$ 34.00	\$ 37.18	\$ 39.52
Conditions of Sale		Normal Market	Normal Market	Normal Market	Normal Market	Normal Market
Percent Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Price		\$ 23.59	\$ 27.85	\$ 34.00	\$ 37.18	\$ 39.52
Time/Market Conditions		6/26/2014	1/8/2015	4/28/2014	5/27/2014	6/4/2015
Appraisal Date	12/8/2015					
Months Elapsed		18	11	20	19	6
Annual % Adj.	6.00%					
Percent Adjustment		9.0%	5.5%	10.0%	9.5%	3.0%
Dollar Adjustment		\$ 2.12	\$ 1.53	\$ 3.40	\$ 3.53	\$ 1.19
Adjusted Price		\$ 25.71	\$ 29.38	\$ 37.40	\$ 40.71	\$ 40.71
Adjustment For						
Location		0%	0%	0%	0%	0%
Land Size		-5%	0%	-5%	0%	-10%
Frontage/Corner		0%	-10%	0%	-10%	0%
Percent Adjustment		-5.0%	-10.0%	-5.0%	-10.0%	-10.0%
Adjusted Price		\$ 24.42	\$ 26.44	\$ 35.53	\$ 36.64	\$ 36.64
Net Percent Adjustment		-5.0%	-10.0%	-5.0%	-10.0%	-10.0%
Adjusted Price/SF		\$ 24.42	\$ 26.44	\$ 35.53	\$ 36.64	\$ 36.64
Weight		1x	1x	1x	1x	1x
<b>Price/Gross Area Comparison</b>						
# of Comps	5	ated Subject Value				
Maximum	\$ 36.64	Gross Area (SF)	21,780			
Mean (avg.)	\$ 31.93	Indicated Subject Value Per SF	\$ 32.00			
Minimum	\$ 24.42	Indicated Subject Value	\$ 696,960			
		Indicated Value Rounded To	\$ 697,000			

### **ADJUSTMENTS TO COMPARABLES**

**Property Rights Conveyed:** All sales were transfers of fee simple rights of ownership; therefore, adjustments were not warranted for property rights conveyed.

**Financing Terms:** All of the sales were either sold for cash or its equivalent and thus adjustments were not warranted for financing.

**Conditions of Sale:** All comparable sales were analyzed to determine if the sales price was influenced by the condition, or motivation, of either the buyer or seller.

All sales were arms-length transactions and were purchased without any undue pressure on the buyer or seller, therefore, no further adjustments were warranted for motivation or conditions of the sale.

**Market Condition:** Based on an analysis of the real estate market for land, the appraiser has estimated the changes in the market for such properties.

All closed sales utilized occurred between April of 2014 and June of 2015. A review of comparable land sales in the subject area indicate that values for similar vacant tracts of land were relatively flat through 2012 and have appreciated (.5%) half-percent each month or 6% annually from January 2013 to the present. Thus, all comparable sales were adjusted upwards accordingly between 3-10%.

**Location:** The subject property is located at 835 N Pleasant Valley Road, Austin, Travis County, TX 7870.

All comparable sales comparables are considered to have a similar location when compared to the subject property, thus no adjustments were warranted.

**Utilities:** The subject has access to all public utilities, as do all of the comparables; therefore adjustments were not warranted for utilities.

**Site Size:** The size of vacant tracts does have an impact on its sales price. Smaller sized tracts typically sell for more per square foot, while larger tracts typically sell for less per square foot.

The subject's property contains +/- 0.5 acres or 21,780 square feet of land area. Comparable sales one, three, and five are smaller tracts when compared to the subject property and were adjusted downward accordingly. Comparable sales two and four are slightly smaller in size when compared to the subject property, yet are similar enough to not warrant any adjustments.

**Frontage/Corner:** The subject's property has an interior configuration and has frontage along Lyons Road . The subject property has +/- 85 linear feet of frontage along the north side of Lyons Road.

Comparable sales two and four are corner configured lots, thus they were adjusted downwards for their superior frontage when compared to the subject property. Comparable sales one, three, and five have similar frontage when compared to the subject property and did not warrant any adjustments.

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

### **VALUATION CONCLUSION OF THE SUBJECT**

The appraisers analyzed sales and listings which had occurred in the subject's competing marketplace. All sales comparables were given equal weight in the final valuation. The adjusted values ranged from \$24.42 to \$36.64 per square foot, with a mean of \$31.93 per square foot, rounded to \$32.00. In the final analysis, the indicated value concluded by the appraisers is \$32.00 per square foot. Based on the valuation analysis of the site "as is", the appraisers have estimated the market value as follows:

**21,780 square feet x \$32.00/SF = \$696,960 rounded to \$697,000**

**SIX HUNDRED NINETY SEVEN THOUSAND DOLLARS**

**(\$697,000)**

## **ESTIMATED EXPOSURE TIME**

The definition of Market Value assumes adequate time is allowed for exposure on the open market. The estimated exposure time for the subject property was based on several related factors. The appraiser has considered the following in making his estimate of exposure time.

- 1) The appraiser has considered the available land for sale and/or lease in the marketplace as well as the demand for that land over the past five years: the supply of and demand for comparable properties will affect the time it will take for the subject property to be absorbed by the market.
- 2) The physical and locational characteristics of the subject property and their relationship to the available comparable properties. The characteristics of the property are considered to determine the marketability of the property.
- 3) The appraiser has considered the strengths and weaknesses of the subject market and/or the local area market and how it relates to the overall regional market.
- 4) A survey was conducted of local brokers to get their opinion as to the marketing period for the subject property as well as comparable properties in the area market.

In conclusion, the subject lot is considered to be typical of similar tracts in the subject's market area and to be marketable to sell. The location, surrounding demographics and access to the property are considered to be average as compared to the competition. It is our opinion that if the subject property was listed for sale as of the effective date of this report, at or near the market value estimate concluded within this report, and if it were properly marketed, the property should sell within a **six month** exposure period.

## **CERTIFICATE AND FINAL VALUE ESTIMATE**

**CERTIFICATION:** I hereby certify:

That as of **December 8, 2015**, it is my opinion the market value of the subject property is **\$697,000**. The valuation is based upon my independent appraisal and the exercise of my professional judgment; That I personally inspected the property herein appraised; That to the best of my knowledge and belief, the statements contained herein are true and the information upon which the opinions expressed therein are based is correct, subject to limiting conditions set forth in this real estate appraisal;

This appraisal is made in conformance with appropriate State laws, regulations and policies applicable to appraisal for the acquisition of whole properties; That neither my employment nor my compensation for making this appraisal are in any way connected upon the values reported herein;

That I have no direct or indirect present or future personal interest in such property or in any way benefit from the acquisition of such property appraised;

The appraisal was made and the appraisal report prepared in conformity with the Uniform Appraisal Standards of Appraisal Practice. The analysis and conclusion was prepared by Mr. Chris P. Griesbach.

The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's Uniform Standards for Professional Appraisal Practice.

The undersigned do hereby certify that, to the best of my knowledge and belief:

-The statements of fact contained in this report are true and correct.

-My engagement in this assignment was not contingent upon or reporting predetermined results.

-The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.

-I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

-My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.

-Mr. Chris P. Griesbach made a personal inspection of the property that is the subject of this report.

-I have not appraised the subject property within three years from the effective date of this report.

-My analysis, opinions, and conclusions were developed, and this report has been prepared in accordance to the standards and reporting requirements of the Appraisal Institute, the American Society of Appraisers, and the Federal Home Loan Bank Board.



Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

-The Texas Real Estate Appraiser Certification Committee regulates the State Certification of Texas Real Estate Appraisers. Chris P. Griesbach is currently certified through November 30, 2017.

-Mr. Griesbach is currently certified with the Appraisal Institute continuing education program.

-"The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan".

Respectfully submitted,

LONE STAR APPRAISALS & REALTY, INC.  
Valuation Consultants



Chris P. Griesbach, MAI  
Principal  
State Certified (Texas)  
TX-1321135-G

## **LIMITING CONDITIONS AND ASSUMPTIONS**

### **1. Limit of Liability**

The liability of LONE STAR APPRAISALS AND REALTY, INC. and employees is limited to the fee collected. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The Appraisers assume no responsibility for any costs incurred to discover or correct any deficiencies present in the property.

### **2. Copies, Publication, Distribution, Use and Ownership of Report**

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of LONE STAR APPRAISALS AND REALTY, INC. for the use of the client, the fee being for the analytical services only.

The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of LONE STAR APPRAISALS AND REALTY, INC.

### **3. Confidentiality**

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis are set forth in the report which was prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser." No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and firm shall have no responsibility if any such unauthorized change is made.

### **4. Trade Secrets**

This appraisal was obtained from LONE STAR APPRAISALS AND REALTY, INC. or related companies and/or its individuals or related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempt from disclosure under 5 U.S.C. 552 (b)(4). Notify the appraiser(s) signing the report or an officer of LONE STAR APPRAISALS AND REALTY, INC. of any request to reproduce this appraisal in whole or part.

## **5. Information Used**

No responsibility is assumed for accuracy or information furnished by or from others, the client, his designee, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with LONE STAR APPRAISALS AND REALTY, INC., and possibly signing the report, are independent contractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction, or from affidavit or other sources thought reasonable; all are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the client consider independent verification within these categories as a prerequisite to any transaction involving sale, lease, or other significant commitment of subject property, and that such verification be performed by the appropriate specialists.

## **6. Testimony, Consultation, Completion of Contract for Appraisal Services**

The total fee is payable upon fulfillment/completion of the contract for appraisal, consultation or analytical service. The appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at an additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

## **7. Exhibits**

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose. Site plans are not surveys unless shown from separate surveyor.

## **8. Legal, Engineering, Financial, Structural, or Mechanical Nature Hidden Components, Soil**

No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title,

which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the appraisers.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status, and legal marketability (seek legal assistance), and such. The lender and owner should inspect the property before any disbursement of funds; further, it is likely that the lender or owner may wish to require mechanical or structural

inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraisers have inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil, hidden structurally, or other components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm, however subsidence in the area is unknown. The appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment.

If the Appraisers have not been supplied with a termite inspection, survey, or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same, or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

The Appraisers assume no responsibility for any costs or consequences arising due to the need, or the lack of need for flood hazard insurance. An Agent for The Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

## **9. Legality of Use**

The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions for all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority (local, state, federal and/or private entity or organization) have been or can be obtained or renewed for any use considered in the value estimate.

## **10. Component Value**

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

#### **11. Auxiliary and Related Studies**

No environmental or impact study, special market study or analysis, "Highest and Best Use" analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraisers reserve the unlimited right to alter, amend, revise, or rescind any of the statements, findings, opinions, values, estimates, or conclusions upon any subsequent such study, analysis, previous study, factual information as to market or subject, or analysis subsequently becoming known to him.

#### **12. Dollar Value, Purchasing Power**

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

#### **13. Inclusions**

Furnishings and equipment, personal property, or business operations except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined.

#### **14. Existing Improvements, Conditioned Value**

Improvements existing, if any, on or off-site, as well as any repairs required are considered, for purposes of this appraisal, to be completed in a good and workmanlike manner according to information submitted and/or considered by the appraisers. In cases of existing construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is, as of the date shown, existing as if completed and operating at levels shown and projected.

#### **15. Value Change, Dynamic Market, Influences**

The estimated market value is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value, or value in use is a reflection of such benefits and appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic.

The "Estimate of Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

The Appraisers reserve the right to alter the opinion of value on the basis of any information withheld or not discovered in the original normal course of a diligent investigation.

#### **16. Management of the Property**

It is assumed that the property which is the subject of this report is under prudent and competent ownership and management; neither inefficient nor super-efficient.

#### **17. Professional Fees**

The fee for this appraisal or study is for the analytical services rendered and not for the time spent on the physical report or the physical report itself. The physical report(s) remains the property of LONE STAR APPRAISALS & REALTY, INC. under all circumstances.

#### **18. Authenticity**

The authentic copies of this report have a light blue cover with a dark blue type seal utilizing the LONE STAR APPRAISALS & REALTY, INC. logo. Any copy that does not have the above is unauthorized and may have been altered. Please contact LONE STAR APPRAISALS & REALTY, INC. if there is any question regarding authenticity of this report.

#### **19. Insulation and Toxic Materials**

Unless otherwise stated in this report, the appraiser(s) signing this report has no knowledge concerning the presence or absence of toxic materials and/or urea-formaldehyde foam insulation in existing improvements; if such is present the value of the property may be adversely affected and re-appraisal at additional cost necessary to estimate the effects of such.

#### **20. Right To Alter Market Value**

The appraisers and/or officers of LONE STAR APPRAISALS AND REALTY, INC. reserve the right to alter statements, analysis, conclusion or any value estimate in the appraisal if there becomes known to us facts pertinent to the appraisal process which were unknown to us when the report was finished.

#### **21. SPECIAL CONDITIONS**

The appraisers made the assumption that the subject property was free and clear of any environmental nuisances which might affect the market value of the property. The appraisers are not environmental experts and thus they have not rendered an opinion as to the presence or absence of any environmental hazards. The appraisers of LONE STAR APPRAISALS AND REALTY, INC. understand that a professional has conducted an environmental site assessment of the subject property and that the report found the site to be clean. However, the appraisers have not been supplied with a copy of the environmental assessment report.

## **22. Americans With Disabilities Act (ADA)**

The reader should note that the owner may be subject to additional financial expenditures in accordance with the Americans With Disabilities Act (ADA), a Federal law codified at 42 USC Section 12101, et seq. Among other requirements of the ADA that could apply to this property, Title III of the ADA requires owners and tenants of "public accommodations" to remove barriers to access by disabled persons and provide auxiliary aids and services for hearing, vision, or speech impaired persons. The compliance deadline for businesses with more than 25 employees was January 26, 1992 and companies with fewer than 10 employees had until January 26, 1993. It should be noted that churches and private clubs are exempt from the requirements of this Act. The regulations under Title II of the ADA are codified at 28 CFR part 36.

The reader should also note that the appraisers are not qualified experts as to the subject's compliance, or noncompliance, under the ADA. In recognition of this law's recent enactment, some of the requirements may be subject to interpretation. However, a very significant factor is that the Act contains no "grandfather" clause for older buildings. The standards for existing buildings are less than. Those for new construction but the buildings must be made accessible to the extent that this is readily achievable.

"Readily achievable" is open for interpretation by the Department of Justice and involves considerations of cost, size of company, number of employees and the financial ability of the owner. More is expected from those with greater financial ability, while undue hardship for others may be considered. In that the owner's financial capability is the primary consideration with respect to compliance, the real estate appraiser cannot determine, nor should he or she be requested to determine, building compliance.

Compliance determination rests with the Department of Justice which recognizes that immediate and full compliance is unattainable for existing buildings. Owners, however, are well-advised to have an accessibility plan in place to show a "good faith" effort for adhering to the law.

Lending institutions need to recognize and address ADA as it affects properties used as collateral for loans. In a foreclosure situation, the bank as the new owner of a property usually has more financial capability than the bankrupt former owner, and may be made liable for more stringent handicap accessibility.

Real estate appraisers should inform their clients of major barriers to access noted during physical inspection. Since the first priority is getting the handicapped person through the door, those items should be noted first. The next priority is providing access to service areas. The third priority is making the restrooms accessible, followed by the rest of the facility.

In conclusion, the ADA requires places of public accommodation and employment to be equally accessible to all people, and it will have long lasting and far reaching effects on real estate. The client is strongly urged to retain the services of a qualified independent expert concerning the interpretation and application of the ADA and to determine the subject's status. The value reported herein is subject to revision, should it later be determined that additional expenditures are required to comply with this Act.

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

**23. ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES  
ACCEPTANCE OF THE ABOVE CONDITIONS.**



**SPECIAL REPORT CONDITIONS, APPRAISER'S  
LIABILITY LIMITATIONS AND CLIENT AGREEMENTS**

The acceptance of this report and its use by the client in any manner whatsoever or for any purpose is acknowledgement by him that this report is a satisfactory professional product, and that he has personally read the report, and specifically agrees that the data herein is accurate to the best of the appraisers' ability.

The report remains the personal property of the signer and may not be transmitted to a third party without the signer's written permission. Permission is granted to transmit to a third party mortgagee.

LONE STAR APPRAISALS & REALTY, INC. and/or the individual signatories personal responsibility does not extend to a third party under any circumstance whatsoever.

As a part of the Appraiser-Client employment agreement, the client agrees to notify LONE STAR APPRAISALS & REALTY, INC. or it's representative of any error, omission, or invalid data herein within fifteen (15) days of receipt and return the report along with all copies to LONE STAR APPRAISALS INC. for correction prior to any use whatsoever.

UNDER NO CIRCUMSTANCES shall LONE STAR APPRAISALS & REALTY, INC. or individual signatories liability exceed the fee actually collected for this report, and then only in case of a gross error which would have materially affected the appraiser's value opinion as of the date of the valuation.

Thus, by acceptance of this report, you acknowledge that a value opinion is the product of a professionally trained mind but nevertheless is an opinion only; and not a provable fact. As a personal opinion, valuation may vary between appraisers based on the same facts.

Thus, LONE STAR APPRAISALS & REALTY, INC. and individual signatories warrant only that the value conclusion is his best opinion estimate as of the exact day of valuation.

### **QUALIFICATIONS OF CHRIS P. GRIESBACH, MAI**

Chris P. Griesbach graduated from the University of Texas-Austin with a Bachelor of Business Administration degree with his majors being in Real Estate and General Business. He has been active in real estate since 1981 and his experience includes residential and commercial real estate appraising, property management, real estate development, investments, and brokerage. Chris is currently an active member with the Appraisal Institute (MAI), a member of the International Right of Way Association (IRWA), a designated realtor member with the Austin Board of Realtors, a member of the Austin Multiple Listing Service, and a licensed Real Estate Broker in Texas. Additionally, Mr. Chris P. Griesbach is a State Certified General Real Estate Appraiser in the State of Texas. His Certificate Number is: TX-1321135-G.

Chris is an approved appraiser for the State Department of Highways and Public Transportation, the City of Pflugerville, the City of Cedar Park, City of Leander, City of Kyle, the City of Georgetown, Travis County, the City of Austin, Williamson County, and The Lower Colorado River Authority, as well as numerous mortgage and banking institutions. His appraisal experience includes commercial, residential, industrial, office, farm and ranch, mixed-use subdivisions, raw land, and special purpose properties such as drug stores, hotels, postal facilities, and cold storage facilities just to name a few. Chris has specialized in the Eminent Domain field since 1988 and has extensive experience appraising partial acquisitions for right of way and/or easements of all types. Chris also has extensive experience valuing whole property acquisitions for libraries, police stations, detention ponds, lift stations, and other uses. Additionally, Chris regularly performs both appraisals and equity analysis for taxing authorities for tax protests or lawsuits. His appraisal experience is extensive being that he has been an active full time real estate appraiser from 1983 to the present. Chris is the Principal owner of *LONE STAR APPRAISALS & REALTY, INC.* which has been in business since 1988.

A partial resume of specific qualification is outlined below:

#### **Professional Education:**

Real Estate courses from the University of Texas:

- Introduction to Real Estate
- Real Estate Appraisal Theory & Methods
- Real Estate Finance
- Real Estate Law
- Real Estate Investments & Feasibility Analysis
- Real Estate Finance & Syndication

Other courses:

- Technical Report Writing
- Business Finance & Integrative Finance
- Business Law
- Tax Accounting & Fundamentals of Financial Accounting (1 & 2)
- Finance - Money, Banking and Economic Conditions
- Finance - Savings Institutions

#### **Professional Organizations Courses and Exams Completed:**

Online Comparative Analysis - (AI)

Eminent Domain Strategies for Appraiser, Attorneys, and Land Planners - (AI)  
Overview of Real Estate Planning Principles (AI)  
Supervisor-Trainee Course for Texas  
2014-2015 7-hour National USPAP Update Course  
Appraising FHA Today  
Course 1400N - USPAP Update - Standards and Ethics for Professionals (AI)  
Course - Rates and Ratios - Making Sense of GIMs, OARs, and DCFs (AI)  
Course 1A-1/8-1 Real Estate Appraisal Principles (AI formerly AIREA)  
Course 1-A-2 Basic Valuation Procedures (AIREA)  
Course 1B-A Capitalization Theory & Tech Part A (AIREA)  
Course 1B-B Capitalization Theory & Tech Part B (AIREA)  
Course 2-1 Case Studies in Real Estate Valuation (AIREA)  
Course 2-2 Valuation Analysis and Report Writing (AIREA)  
Course 2-3 Standards of Professional Practice (AIREA)  
Course 1-1 The Principles of Appraisal Practice and Code of Ethics (AIREA)  
Demonstration Report as required by the Appraisal Institute for the MAI  
Comprehensive Exam - Appraisal Institute for the MAI designation in 1991.  
Exp. Credits for the MAI designation in 1991.  
Exam State Certification Exam "General Real Estate Appraiser"  
(Texas Real Estate Commission)

**Professional Memberships:**

**Appraisal Institute (MAI):**

Member - Appraisal Institute  
Member Number - 9200

**International Right of Way Association (IRWA):**

Member - IRWA Chapter #74  
Member Number - 07443683

**Austin Board of Realtors:**

Member - Designated Realtor  
Member Number - 10263

**Seminars Attended:**

The Challenges of Reviewing Appraisals  
AI Connect - Day One, Two, and Three  
Senate Bill 18: When is Direct Access Materially Impaired?  
Eminent Domain - Laws & Legal Aspects  
National Uniform Standards of Professional Appraisal Practice  
Legal Aspects of Easements  
Current Eminent Domain Issues  
Environmental Issues in Real Estate - Maxim Engineers, Inc.  
An Overview of the Role of the Federal Home Loan Bank Board  
A Guide to the Federal Home Loan Bank Board  
Non-Residential Report Writing

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

Comprehensive Appraisal Workshop  
Eminent Domain Compensation Seminar  
Property Management/Leasing  
ADA - Real Estate  
The Law, Money, and You  
Real Estate Insurance  
Understanding Real Estate Laws  
The New Uniform Residential Appraisals  
Rates and Ratios; Making sense of GIM's, OAR's, and DCF's  
USPAP Update - Standards and Ethics for Professionals  
Current Legal's Issues in Right of Way  
Legislative Issues Impacting Texas Appraisers  
Legal Issues

**Professional Certification:**

Member - Appraisals Institute; Member Number - 9200  
Texas Real Estate Brokers License #343653-19  
Member - Austin Board of Realtors #10263  
Former Senior Member - American Society of Appraisers (Real Property-Urban) Member #3270

Texas Real Estate Appraiser Licensing and Certification Board  
State Certified - General Real Estate Appraiser  
Certification Number: TX-1321135-G  
Certification Expiration Date: November 30, 2017

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

### **DISCLOSURE**

Disclosure of the contents of this report is governed by the By-Laws and Regulations of The American Society of Appraisers, The Appraisal Institute, and the International Right of Way Association. Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to The Appraisal Institute, the RM or MAI designations, or The American Society of Appraisers, the ASA designation, shall be disseminated to the public through the advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.





Chris P. Griesbach, MAI  
President - Lone Star Appraisals & Realty, Inc.

### **STATEMENT OF CERTIFICATION STATUS**

The Appraisal Institute conducts a mandatory program of continuing education for its designated members. Member MAI's who meet the minimum standards of this program are awarded periodic education certifications." I am currently certified under this program through December 31, 2016.

The Texas Real Estate Appraiser Certification Committee regulates the State Certification of Texas Real Estate Appraisers. Under this program I am currently certified through November 30, 2017.

<b>Texas Appraiser Licensing and Certification Board</b>			
P.O. Box 12188 Austin, Texas 78711-2188			
<b>Certified General Real Estate Appraiser</b>			
Number:	TX 1321135 G		
Issued:	09/08/2015	Expires:	11/30/2017
Appraiser:	CHRIS P GRIESBACH		
			
Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.			
			 Douglas E. Oldmixon Commissioner

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## **ADDENDUM**

### **Land Sales Comparables Travis Central Appraisal District Tax Data Information Engagement Document**

Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

## Land Sales Comparables

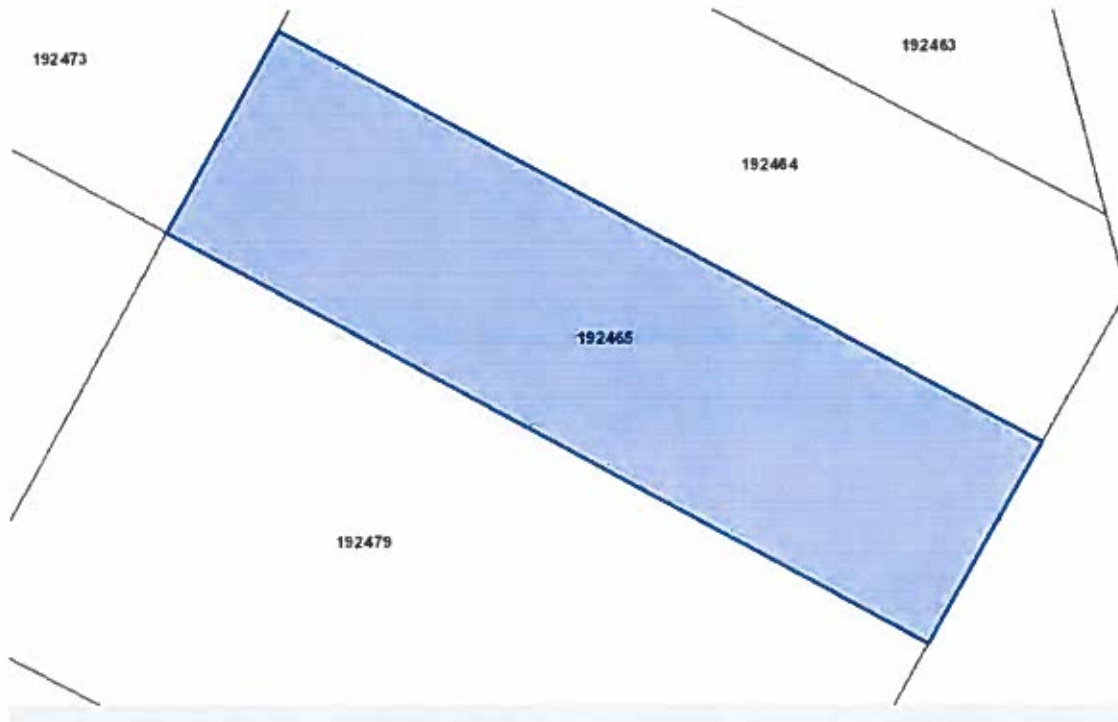
Lifeworks Enterprises  
0.5 Acres of Land – Out of Lot 1  
835 N. Pleasant Valley Road  
Austin, Texas

**COMPARABLE LAND SALES SUMMARY TABLE**

<b>No.</b>	<b>Location</b>	<b>Sale Date</b>	<b>Price</b>	<b>Size in SF</b>	<b>Price/ SF</b>
1.	928 Shady Lane	06/26/2014	\$225,000	9,540	\$23.59
2.	1036 Springdale Road	01/08/2015	\$546,000	19,602	\$27.85
3.	2305 Coronado Street	04/28/2014	\$255,000	7,501	\$34.00
4.	2308 Coronado Street	05/27/2014	\$475,000	12,776	\$37.18
5.	1129 Salina Street	06/04/2015	\$189,375	4,792	\$39.52



### Land Sale No. 1



#### **Property Identification**

<b>Record ID</b>	2052
<b>Property Type</b>	Commercial, Land
<b>Property Name</b>	Vacant Land
<b>Address</b>	928 Shady Lane, Austin, Travis County, Texas 78702
<b>Tax ID</b>	192465
<b>Market Type</b>	Normal Market

#### **Sale Data**

<b>Grantor</b>	CARVALHO GLENN
<b>Grantee</b>	ILLIMITABLYEARTH LLC
<b>Sale Date</b>	June 26, 2014
<b>Deed Book/Page</b>	2014093815TR
<b>Property Rights</b>	Fee Simple
<b>Verification</b>	Elizabeth Garza; 512-914-8298, December 08, 2015; Keller Williams Realty, 512-448-4111, December 08, 2015; Confirmed by Chris Griesbach

<b>Sale Price</b>	\$225,000
<b>Cash Equivalent</b>	\$225,000
<b>Adjusted Price</b>	\$225,000

#### **Land Data**

<b>Zoning</b>	GR, Commercial
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**Land Sale No. 1 (Cont.)**

<b>Topography</b>	Basically Level
<b>Utilities</b>	City water, sewer, telephone, electricity
<b>Shape</b>	Rectangular
<b>Flood Info</b>	No Flood Plain

**Land Size Information**

<b>Gross Land Size</b>	0.219 Acres or 9,540 SF
------------------------	-------------------------

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,027,397
<b>Sale Price/Gross SF</b>	\$23.59

**Remarks**

Home is convenient for students, downtown workforce, those who do not want to fight the traffic.  
Great investment opportunity.

### Land Sale No. 2



#### Property Identification

Property Type	Commercial
Property Name	Commercial Land
Address	1036 Springdale Road, Austin, Travis County, Texas 78721
Tax ID	850364, 850365, 850366, 850367, 850368, 850369

#### Sale Data

Grantor	S & S Isdale LLC
Grantee	MX3 Homes LLC
Sale Date	January 8, 2015
Deed Book/Page	2015117386
Property Rights	Fee Simple
Marketing Time	50 Days
Conditions of Sale	Normal Market
Financing	Cash to Seller
Verification	MLS #8645457 & Travis Central Appraisal District
Sale Price	\$546,000
Cash Equivalent	\$546,000

#### Land Data

Zoning	CS-CO-MU-NP, Commercial
Topography	Basically Level
Utilities	All Available
Shape	Rectangular
Flood Info	None Known

#### Land Size Information

Gross Land Size	0.45 Acres or 19,602 SF
Front Footage	Springdale Road and Munson Street

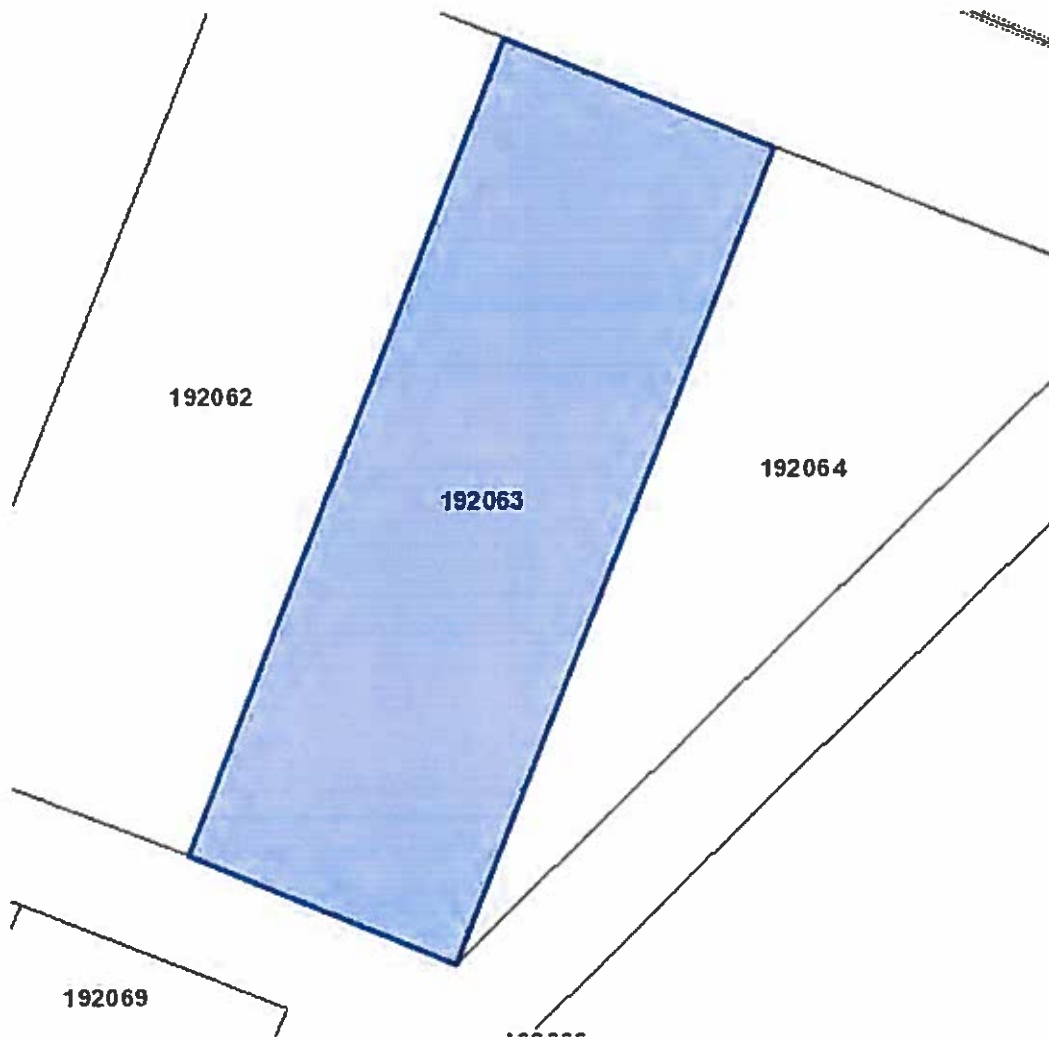
#### Indicators

Sale Price/Gross Acre	\$1,213,146
Sale Price/Gross SF	\$27.85

#### Remarks

The subject is divided into 6 separate vacant lots and were all sold together

**Land Sale No. 3**



**Property Identification**

<b>Record ID</b>	2054
<b>Property Type</b>	Commercial, Land
<b>Property Name</b>	Vacant Land
<b>Address</b>	2305 Coronado Street, Austin, Travis County, Texas 78702
<b>Tax ID</b>	192063
<b>Market Type</b>	Normal Market

**Sale Data**

<b>Grantor</b>	MX3 HOMES LLC
<b>Grantee</b>	JJ & B INVESTMENTS LLC
<b>Sale Date</b>	April 28, 2014
<b>Deed Book/Page</b>	2015047563TR
<b>Property Rights</b>	Fee Simple

### **Land Sale No. 3 (Cont.)**

**Verification** Jim Daniels; 512-762-1999, December 08, 2015; Jesse G Zamarripa, 512-470-7540, December 08, 2015; Confirmed by Chris Griesbach

**Sale Price** \$255,000  
**Cash Equivalent** \$255,000  
**Adjusted Price** \$255,000

#### **Land Data**

**Zoning** cs-co-mu-np, Commercial  
**Topography** Basically Level  
**Utilities** city water, phone, sewer, electricity  
**Shape** Rectangular

#### **Land Size Information**

**Gross Land Size** 0.172 Acres or 7,501 SF

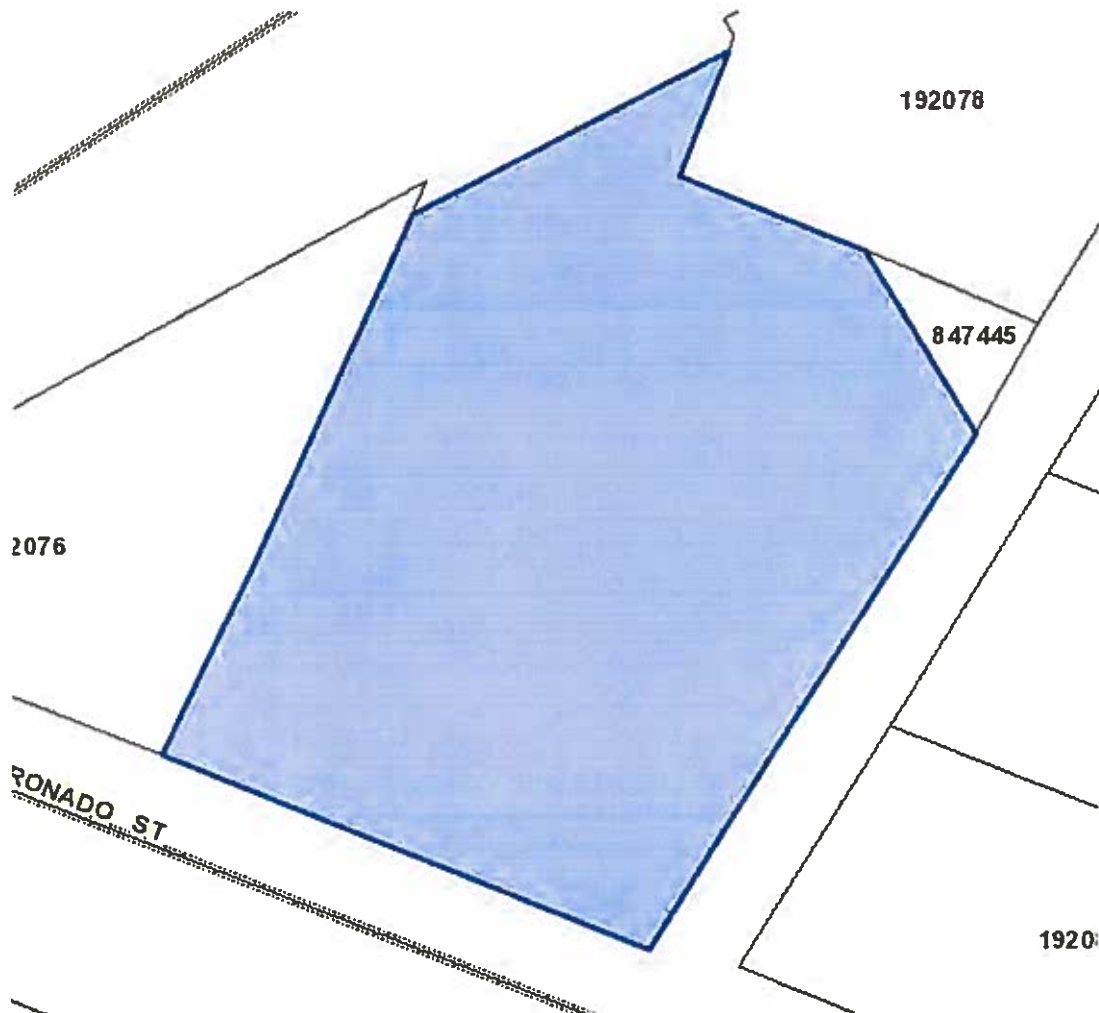
#### **Indicators**

**Sale Price/Gross Acre** \$1,480,836  
**Sale Price/Gross SF** \$34.00

#### **Remarks**

very nicely priced commercial city lot in the heart of close-in, Hot east Austin off the intersection of weberville & E 7th Street.

**Land Sale No. 4**



**Property Identification**

<b>Record ID</b>	2055
<b>Property Type</b>	Commercial, Land
<b>Property Name</b>	Vacant Land
<b>Address</b>	2308 Coronado Street, Austin, Travis County, Texas 78702
<b>Tax ID</b>	0204100602
<b>Market Type</b>	Normal Market

**Sale Data**

<b>Grantor</b>	Bernice Castillo
<b>Grantee</b>	CALEDONIA PROPERTIES LLC
<b>Sale Date</b>	May 27, 2014
<b>Deed Book/Page</b>	2014076862
<b>Property Rights</b>	Fee Simple

#### **Land Sale No. 4 (Cont.)**

**Verification** Herbert Martinez; 512-899-4663, December 08, 2015; Real Estate Executives of Austin, 512-899-4663, Confirmed by Chris Griesbach

**Sale Price** \$475,000

**Cash Equivalent** \$475,000

**Adjusted Price** \$475,000

#### **Land Data**

**Zoning** CS-CO-MU-NP, Commercial

**Topography** Basically Level

**Utilities** City water & Sewer, telephone, electricity

**Shape** Irregular

#### **Land Size Information**

**Gross Land Size** 0.293 Acres or 12,776 SF

#### **Indicators**

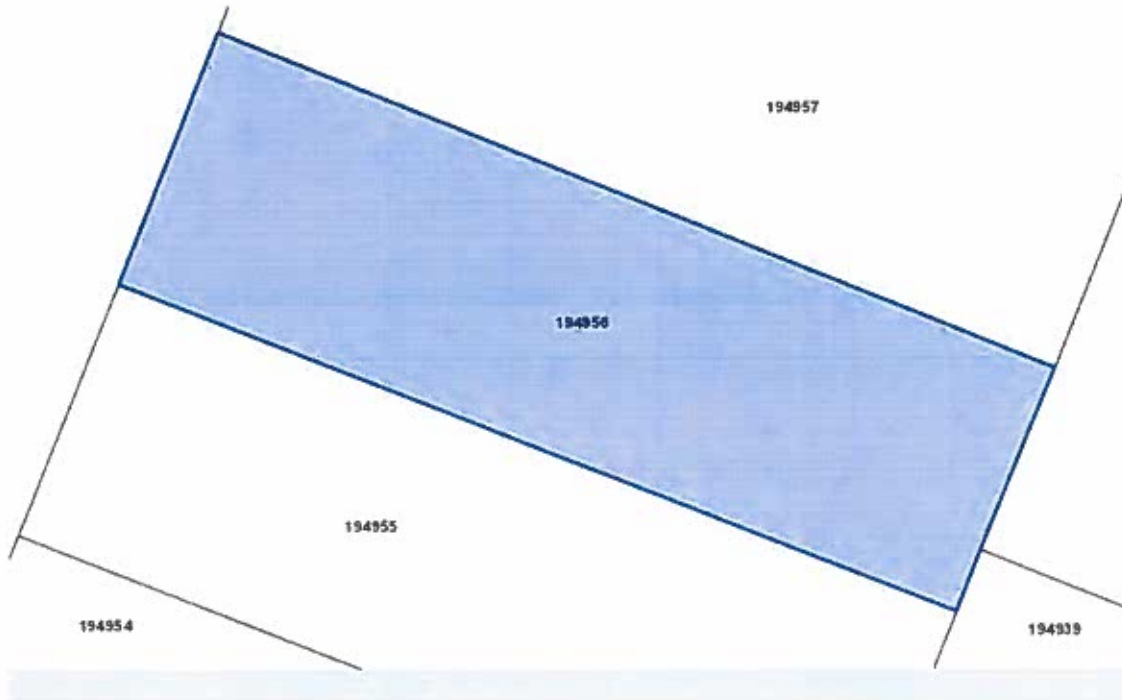
**Sale Price/Gross Acre** \$1,619,502

**Sale Price/Gross SF** \$37.18

#### **Remarks**

Property perfect for an eating establishment with and outdoor seating for food and beer. Perfect for outdoor music, seating, eating, and drinking.

### Land Sale No. 5



#### Property Identification

<b>Record ID</b>	2056
<b>Property Type</b>	Commercial, Land
<b>Property Name</b>	Vacant Land
<b>Address</b>	1129 Salina Street, Austin, Travis County, Texas 78702
<b>Tax ID</b>	194956
<b>Market Type</b>	Normal Market

#### Sale Data

<b>Grantor</b>	ALAMO CITY FINANCIAL LLC
<b>Grantee</b>	AUSTIN NEWCASTLE HOMES LTD
<b>Sale Date</b>	June 04, 2015
<b>Deed Book/Page</b>	2015087798
<b>Property Rights</b>	Fee Simple
<b>Verification</b>	LoopNet; December 08, 2015; Alamo City Financial, December 08, 2015; Confirmed by Chris Griesbach

<b>Sale Price</b>	\$189,375
<b>Cash Equivalent</b>	\$189,375
<b>Adjusted Price</b>	\$189,375

#### Land Data

<b>Zoning</b>	CS, Commercial
---------------	----------------



**Land Sale No. 5 (Cont.)**

<b>Topography</b>	Basically Level
<b>Utilities</b>	City water & Sewer, telephone, electricity
<b>Shape</b>	Rectangular

**Land Size Information**

<b>Gross Land Size</b>	0.110 Acres or 4,792 SF
------------------------	-------------------------

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,721,591
<b>Sale Price/Gross SF</b>	\$39.52

## **Travis Central Appraisal District Tax Data Information**

# Travis CAD

## Property Search Results > 819544 LIFEWORKS ENTERPRISES LLC for Year 2015

Details Map

Click on a title bar to expand or collapse the information

### Property

<b>Account</b>			
Property ID	819544	Legal Description	LOT 1 BLK A LIFEWORKS SUBD RESUB OF LOT 1 BLK A
Geographic ID	0206130723	Agent Code	
Type	Real		
Property Use Code			
Property Use Description			
<b>Location</b>			
Address	836 N PLEASANT VALLEY RD TX 78702	Mapscd	586W
Neighborhood	OFFICE MEDIUM 10-35000 SF	Map ID	020211
Neighborhood CD	52EAS		
<b>Owner</b>			
Name	LIFEWORKS ENTERPRISES LLC	Owner ID	1517196
Mailing Address	ATTN EXECUTIVE DIRECTOR 3700 S 1ST ST AUSTIN TX 78704-7046	% Ownership	100 0000000000%

Exemptions: EX-XV

### Values

(+) Improvement Homesite Value	+	\$0	
(+) Improvement Non-Homesite Value	+	\$3 318 420	
(+) Land Homesite Value	+	\$0	
(+) Land Non-Homesite Value	+	\$1 510 661	Ag / Timber Use Value
(+) Agricultural Market Valuation	+	\$0	\$0
(+) Timber Market Valuation	+	\$0	\$0
(=) Market Value	=	\$4 829 081	
(-) Ag or Timber Use Value Reduction	-	\$0	
(=) Appraised Value	=	\$4 829 081	
(-) HS Cap	-	\$0	
(=) Assessed Value	=	\$4 829 081	

### Taxing Jurisdiction

Owner: LIFEWORKS ENTERPRISES LLC  
% Ownership: 100 0000000000%  
Total Value: \$4 829 081

Entity Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
01 AUSTIN ISO	1 202000	\$4 829 081	\$0	\$0 00
02 CITY OF AUSTIN	0 458000	\$4 829 081	\$0	\$0 00
03 TRAVIS COUNTY	0 416000	\$4 829 081	\$0	\$0 00
0A TRAVIS CENTRAL APP DIST	0 000000	\$4 829 081	\$0	\$0 00
2J TRAVIS COUNTY HEALTHCARE DISTRICT	0 117781	\$4 829 081	\$0	\$0 00
68 AUSTIN COMM COLL DIST	0 100500	\$4 829 081	\$0	\$0 00
Total Tax Rate:	2 206081			

Taxes w/Current Exemptions: \$0 00  
Taxes w/o Exemptions: \$110 879 61

### Improvement / Building

All improvements valued at income

Improvement #1: OFFICE MED 10-35 State Code: F1 Living Area: 31190 5 sqft Value: N/A

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
1ST	1st Floor	C - 5		2011	10676 5
2ND	2nd Floor	C - 5		2011	10157 0
3RD	3rd Floor	C - 5		2011	10157 0
501	CANOPY	G - *		2011	5205 5
611	TERRACE	CA - *		2011	5205 5
611	TERRACE	CS - *		2011	936 0
611	TERRACE	CS - *		2011	936 0
611	TERRACE	CA - *		2011	220 5
611	TERRACE	CA - *		2011	490 0
611	TERRACE	CA - *		2011	240 0
611	TERRACE	CA - *		2011	240 0
054	CARPORT DET CLAS	* - 3		2013	10120 0
551	PAVED AREA	AA - *		2011	53090 0
409	SOLAR/WIND DEVICES COMM	* - *		2013	1 0
482	LIGHT POLES	* - *		2011	14 0

### Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	LAND	Land	3 4680	151066 08	0 00	0 00	\$0	\$0

### Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2016	N/A	N/A	N/A	N/A	N/A	N/A
2015	\$3 318 420	\$1 510 661	0	4 829 081	\$0	\$4 829 081
2014	\$4 073 178	\$906 306	0	4 979 574	\$0	\$4 979 574
2013	\$3 459 220	\$302 132	0	3 761 352	\$0	\$3 761 352

### Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
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## Engagement Document



## Lone Star Appraisals and Realty, Inc.

November 30, 2015

Client: LifeWorks

Mitch T. Weynand, COO  
3700 South 1<sup>st</sup> St.  
Austin, TX 78704  
[Mitch.weynand@lifeworksaustin.org](mailto:Mitch.weynand@lifeworksaustin.org)

Mr. Weynand:

This document is to serve as an engagement letter for real estate appraisal services. Lone Star Appraisals & Realty, Inc. hereby agrees to prepare a report of the subject property located at 2800 Lyons Rd., Austin, TX. (.5 acre piece of Lot 1 will be added to Lot 2).

The report will be provided on or before three weeks from receipt of the engagement letter. The fee is \$1,600 for the report and is due upon completion. We will prepare three original printed copies of the reports if requested and an electronic PDF version will also be available that will be addressed to:

Address: Mitch T. Weynand, COO  
LifeWorks  
3700 South 1<sup>st</sup> St.  
Austin, TX 78704

All Terms are accepted by client: LifeWorks Affordable Housing Corporation  
Date: 11/30/15

If you have any questions please give us a call.

Chris P. Griesbach, MAI, Broker

Lone Star Appraisals & Realty, Inc.  
1003 Adventure Lane, Ste. A  
Cedar Park, Texas 78613  
(512) 260-1221 Office



CITY OF AUSTIN

## ZONING VERIFICATION LETTER

### 1. Party Requesting Verification

Name: Mitch Weynand  
LifeWorks

Address: 3700 South 1st St.  
Austin, TX 78704

### 2. Property Address

2800 Lyons Road  
Austin, TX 78702

### 3. Tax Parcel Identification Number

809324

### 4. City of Austin Grid Name

L22

\*Also known as GEO Number (ten digit) or Property ID (six digit) by TCAD

### 5. Current Zoning

GR-MU-CO-NP: Community Commercial-Mixed Use-Conditional  
Overlay Combining District-Neighborhood Plan  
SF-3-NP: Family Residence-Neighborhood Plan

### 6. Zoning Case Number and Ordinance \*

C14-02-0183.001 & Ordinance Number 030327-11a

### 7. Zoning Neighborhood Plans \*

GOVALLE JOHNSTON TERRACE COMBINED NEIGHBORHOOD PLANNING AREA  
Referenced in the City of Austin Ordinance Number: 030327-11a

\*To access zoning ordinance documentation visit:  
<http://www.austintexas.gov/edims/search.cfm>

\*To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:  
<http://www.austintexas.gov/departments/austin-city-code-land-development-code>

For questions concerning Zoning Compliance or any Development Criteria, Parking, Permitted Use, Zoning Violations, Conditional Uses, Variances, Destruction and Rebuilding, et cetera, Contact the Development Assistance Center of the City of Austin at (512) 974-6370 for a Land Use Planner Correspondence Session.

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

  
Richard Sigmon

Friday, January 4, 2013

Date



## City of Austin

P.O. Box 1088, Austin, TX 78767  
[www.cityofaustin.org/housing](http://www.cityofaustin.org/housing)

### Neighborhood Housing and Community Development Department

December 22, 2015

#### S.M.A.R.T. Housing Certification

**Lifeworks Affordable Housing Corporation- Phase II - Works at Pleasant Valley**  
**2800 Lyons Road (project id #66041)**

#### TO WHOM IT MAY CONCERN:

Lifeworks Affordable Housing Corporation (development contact: Mitch Weynand, 512.735.2462, [mitch.weenand@lifeworksaustin.org](mailto:mitch.weenand@lifeworksaustin.org)) is planning to develop a 29 -unit multi-family complex. This project will be located at 2800 Lyons Road, in the Govalle Neighborhood Planning Area and is Phase II of the Works at Pleasant Valley project. The term of affordability for the S.M.A.R.T. Housing program will be five (5) years from the date of issuance of Certificates of Occupancy; other funding sources may require longer affordability periods.

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since 100% of the units will serve households at or below 80% Median Family Income (MFI) or below (31% of units (9) serving households at 80% MFI or below, 38% of units (11) serving households at 50% MFI or below and the other 31% of units (9) will serve households at 30% MFI or below), 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  
Site Plan Review  
Construction Inspection  
Parkland Dedication

Concrete Permit  
Electrical Permit  
Subdivision Plan Review  
Regular Zoning Fee

Mechanical Permit  
Plumbing Permit  
Zoning Verification  
Land Status Determination  
Building Plan Review

#### Prior to filing of building permit applications and starting construction, the developer must:

- ◆ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Austin Energy: Heidi Kasper at 512-482-5407).
- ◆ Submit plans demonstrating compliance with accessibility standards.

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

- ◆ Pass a final inspection and obtain a signed Final Approval from the Green Building Program. (Separate from any other inspections required by the City of Austin or Austin Energy).
- ◆ Pass a final inspection to certify 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@austintexas.gov](mailto:Sandra.harkins@austintexas.gov) if you need additional information.

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  
Randi Jenkins, 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 Cortney, DSD  
Cande Coward, DSD



# Phase I Environmental Site Assessment

The Works at Pleasant Valley - Phase II

2800 Lyons Road / 835 North Pleasant Valley Road

Austin, Travis County, TX

December 22, 2015

Terracon Project No. 96157742

**Complete  
ESA  
On File -  
Not  
Included  
Here**

**12/30/16 - AHFC - SC**



**Prepared for:**

Lifeworks Affordable Housing Corporation  
Austin, Texas

**Prepared by:**

Terracon Consultants, Inc.  
Austin, Texas

terracon.com

**Terracon**

Environmental



Facilities



Geotechnical



Materials



## City of Austin Good Neighbor Checklist

The Neighborhood Housing and Community Development Office (NHCD) offers a Good Neighbor Policy to standardize process and identify expectations for all projects funded through the City of Austin's Rental Housing Development Assistance (RHDA) and Acquisition and Development (A&D) programs. Applicants of these programs are required to prepare and begin implementing a community engagement plan, including neighborhood notification activities. The community engagement plan is required whether the application is for funding for new construction or renovation of an existing building, regardless of whether there is a change in ownership.

A successful community engagement plan leads to open, ongoing two-way communication between developers and neighbors. This requires good-faith efforts and cooperation by developers, City officials and residents. A positive, open dialogue between housing developers and neighbors can prevent misunderstandings, facilitate prompt resolution of any inadvertent misunderstandings, and provide a fair, thoughtful, dependable means of resolving differences.

The following checklist of items is required of all applicants for funding:

**(1) Preliminary Research**

☒ Review the Neighborhood Plan (if applicable)

**(2) Neighborhood Notification**

☒ Notify property owners within at least 500 feet of the site and registered neighborhood organizations with boundaries included in the proposed development site, using a written notice, letter or flyer.

**(3) Pre-Application Engagement**

☒ Contact neighborhood organizations to provide current information about the project, including any neighborhood association whose boundaries are included in the proposed development site and Neighborhood Planning Contact Team (if applicable). *(see full City of Austin Good Neighbor Guidelines for more detailed information on what kind of information may be appropriate to share)*

☒ Appoint a Single-Point-of-Contact (SPOC) to serve as the liaison for exchanging information.

**(4) Application requirements**

☒ Provide communications plan

☒ Provide documentation showing the content of the notice, and proof of delivery

☒ Provide signed copy of this checklist.

I have reviewed and completed all of the above checklist items required by the City of Austin's Good Neighbor Guidelines.



Signed

Susan McDowell

printed name

12/27/16

date

HTC Public Notice List  
Emails/Physical address

2016 Works at Pleasant Valley Phase II Public Notifications List

Title	Name	Email	Notification date	Proof of Receipt
Senator (State)	Kirk Watson	kirk.watson@senate.state.tx.us	Email 12-2-16	Read Receipt 12/2/16
Representative (State)	Eddie Rodriguez	eddie.rodriguez@house.state.tx.us	Email 12-2-16	Read Receipt 12/5/16
Mayor	Steve Adler	steve.adler@austintexas.gov	Email 12-2-16	Read Receipt 12/2/16
Judge	Sarah Eckhardt	sarah.eckhardt@traviscountytexas.gov	Email 12-2-16	Read Receipt 12/2/16
Superintendent	Paul Cruz	superintendent@austinisd.org	Email 12-2-16	Read Receipt 12/2/16
Board of Trustees, President	Kendall Pace	kendall@kendallpace.com	Email 12-2-16	Delivery Notice 12/2/16
City Council Member	Ora Houston	ora.houston@ci.austin.tx.us	Email 12-2-16	Read Receipt 12/3/16
City Council Member	Della Garza	della.garza@austintexas.gov	Email 12-2-16	Delivery Notice 12/2/16
City Council Member	Sabino "Pio" Renteria	sabino.renteria@austintexas.gov	Email 12-2-16	Read Receipt 12/2/16
City Council Member	Gregorio "Greg" Casar	gregorio.casar@austintexas.gov	Email 12-2-16	Read Receipt 12/2/16
City Council Member	Ann Kitchen	ann.kitchen@austintexas.gov	Email 12-2-16	Read Receipt 12/8/16
City Council Member	Leslie Pool	leslie.pool@austintexas.gov	Email 12-2-16	Delivery Notice 12/2/16
City Council Member	Ellen Troxclair	ellen.troxclair@austintexas.gov	Email 12-2-16	Read Receipt 12/2/16
City Council Member	Kathie Tovo	kathie.tovo@austintexas.gov	Email 12-2-16	Read Receipt 12/5/16
City Council Member	Sheri Gallo	sheri.gallo@austintexas.gov	Email 12-2-16	Read Receipt 12/2/16
City Council Member	Don Zimmerman	don.zimmerman@austintexas.gov	Email 12-2-16	Delivery Notice 12/2/16
Commissioner	Ron Davis	ron.davis@traviscountytexas.gov	Email 12-2-16	Read Receipt 12/5/16
Commissioner	Brigid Shea	brigid.shea@traviscountytexas.gov	Email 12-2-16	Delivery Notice 12/2/16
Commissioner	Gerald Daugherty	gerald.daugherty@traviscountytexas.gov	Email 12-2-16	Read Receipt 12/3/16
Commissioner	Margaret Gómez	margaret.gomez@traviscountytexas.gov	Email 12-2-16	Read Receipt 12/3/16
Residents United Corp	Della Green		Certified Letter	Certified Letter Receipt
1801 E. 4th Street, Austin, TX 78702				
African American Cultural Heritage District	Lisa Byrd	info@aachd.org	Email 12-2-16	Delivery Notice 12/2/16
East Austin Conservancy		eastsideguardians@hotmail.com	Email 12-2-16	Delivery Notice 12/2/16

HTC Public Notice List  
Emails/Physical address

Govalle Neighbors Co-Chair	Paul Sastrup	psastruo@yahoo.com	Email 12-2-16	Delivery Notice 12/2/16
Govalle Neighborhood Association	Org Email address	govalleatc@gmail.com	Email 12-2-16	Delivery Notice 12/2/16
Govalle Neighbors Co-Chair	Nine Francois	ninefrancois9@gmail.com	Email 12-2-16	Delivery Notice 12/2/16
Guadalupe Neighborhood Development Corporation	Dr. Mark Rogers	gndc@sbcglobal.net	Email 12-2-16	Delivery Notice 12/2/16
Preservation Austin				
Kate Singleton		director@preservationaustin.org	Email 12-2-16	Delivery Notice 12/2/16
P.O. Box 2113, Austin, TX 78768				
Rosewood Glen Oaks Neighborhood Association	Gilbert Rivera	gilbertorivera@austin.rr.com	Email 12-2-16	Read Receipt 12/2/16
Rosewood Neighborhood Contact Team	Jane Rivera	janehrivera@austin.rr.com	Email 12-2-16	Delivery Notice 12/2/16
United East Austin Coalition	Sabino "Pio" Renteria	pio@grandecom.net	Email 12-2-16	Delivery Notice 12/2/16
PODER	Susana Almanza	poder.austin@gmail.com	Email 12-2-16	Delivery Notice 12/2/16
Govalle/Johnston Terrace Plan TM Neighbors	Daniel Llanes	dllanesrb@earthlink.net	Email 12-2-16	Read Receipt 12/2/16
El Concilio Coalition of Mexican American Neighborhood Associations	Gavino Fernandez	razagavino1@grandecom.net	Email 12-2-16; certified letter	Certified Letter Receipt
ACC President/CEO	Richard M. Rhodes	rrhodes@austinctc.edu	Email 12-2-16	Read Receipt 12/2/16
Family Eldercare CEO	Kent Herring	kherring@familyeldercare.org	Email 12-2-16	Read Receipt 12/2/16
MX3 Homes	Sal Martinez	info@mx3homes.com	Email 12-2-16	Delivery Notice 12/2/16

HTC Public Notice List  
Emails/Physical address

Home Owners within 500 Feet

Lana Romman	2720 Castro St,	Austin, Texas 78702	Certified Letter 12/28/16
Stephen To	805 Maude St,	Austin, Texas 78702	Certified Letter 12/28/16
Vannessa and Andre Coy	806 Maude St.	Austin, Texas 78702	Certified Letter 12/28/16
Joe Gonzales	808 Maude St,	Austin, Texas 78702	Certified Letter 12/28/16
Carolyn Williams Life Estate	810 Maude St.	Austin, Texas 78702	Certified Letter 12/28/16
Brett Hoerner	2708 Zaragosa St.	Austin, Texas 78702	Certified Letter 12/28/16
Reynaldo Hernandez	2710 Zaragosa St	Austin, Texas 78702	Certified Letter 12/28/16
Victoria Hernandez Life Estate	2712 Zaragosa St.	Austin, Texas 78702	Certified Letter 12/28/16
Manuel Escobar	2714 Zaragosa St.	Austin, Texas 78702	Certified Letter 12/28/16
Arthur Davis	2717 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Quynh Pham	2723 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Augustin Rivera	2729 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Ricky and Carman Criswell	2731 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Lonnie Limon	2737 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
John Carrizales	2765 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Roberto Medrano	2806 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Rosa Santis	2808 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Tony Pulido and Theresa Garza	2811 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Caroline Aleman	2815 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Ichel Trinidad - Granada	2819 Lyons Rd.	Austin, Texas 78702	Certified Letter 12/28/16
Rosewood I Senior Housing	2720 Lyns Rd.	Austin, Texas 78702	Certified Letter 12/28/16
MX3 LLC	1703 Koenig Lane	Austin, Texas 78756	Certified Letter 12/28/16
Emmanuel Hipolito	1101 Euphoria Bend #37	Austin, Texas 78702	Certified Letter 12/28/16
Craig Beveridge	1103 Euphoria Bend #36	Austin, Texas 78702	Certified Letter 12/28/16
Ryan Thomas	1105 Euphoria Bend #35	Austin, Texas 78702	Certified Letter 12/28/16
Avalon Living Trust	1106 Euphoria Bend #25	Austin, Texas 78702	Certified Letter 12/28/16
Christopher Cain	1107 Euphoria Bend #34	Austin, Texas 78702	Certified Letter 12/28/16
Paul Duchere and Michale Williams	2706 Halcyon Dr., #22	Austin, Texas 78702	Certified Letter 12/28/16
Matthew and Amber Whepley	2705 Halcyon Dr., #1	Austin, Texas 78702	Certified Letter 12/28/16
Katherine Van Strander	2716 Halcyon Dr., #38	Austin, Texas 78702	Certified Letter 12/28/16
Jake Rector	2715 Halcyon Dr., #1	Austin, Texas 78702	Certified Letter 12/28/16
Amit Anadwala	2713 Halcyon Dr., #3	Austin, Texas 78702	Certified Letter 12/28/16
Adrienne M. and Roarke Lynch	2709 Halcyon Dr., #5	Austin, Texas 78702	Certified Letter 12/28/16
Matthew L. Freeman	2711 Halcyon Dr., #4	Austin, Texas 78702	Certified Letter 12/28/16
Alice Salazar Life Estate	904 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Jonathan Mayo-Buttry	2701 Halcyon Dr., #9	Austin, Texas 78702	Certified Letter 12/28/16
Alexander Clark	2703 Halcyon Dr., #8	Austin, Texas 78702	Certified Letter 12/28/16
Myrtle Cavanaugh	906 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Erminia Martinez	908 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Cooper McBean	910 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Eugene Sardinero	912 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Rosa Santis	1000 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16
Martha Pomputius	1002 Fiesta St.	Austin, Texas 78702	Certified Letter 12/28/16



3700 South 1st Street  
Austin, TX 78704

t 512 735 2400  
f 512 735 2452

www.lifeworksweb.org

December 20, 2016

Austin, TX \_\_\_\_\_

**RE: NOTICE TO PUBLIC - LifeWorks Affordable Housing Corporation's The Works at Pleasant Valley Phase II: TDHCA Multi-Family Direct Loan Program Application and, City of Austin, Neighborhood Housing and Community Development, Rental Housing Development Application**

Dear ,

**Youth and Family Alliance dba LifeWorks and the LifeWorks Affordable Housing Corporation** are submitting applications for funding with the **Texas Department of Housing and Community Affairs** for their Multi-Family Direct Loan Program and with the **City of Austin, Neighborhood Housing and Community Development Department** for their Rental Housing Development Assistance program. These funds would be used for new construction to expand **The Works at Pleasant Valley, 2800 Lyons Road, Austin, TX 78702 in Travis County**. This **new construction development** is an additional **apartment** building comprised of approximately **29 units of which 100% (29) of the total will be for low-income tenants**. Development of this type of housing is consistent with the Johnson-Govalle Terrace neighborhood community plan.

*For more information or to submit comments, please contact me at the phone number or email below or Susan McDowell, Executive Director at 3700 South 1<sup>st</sup> Street, Austin, TX 78704, Phone: 512-735-2453; Fax: 512-735-2452, or email at [Susan.McDowell@lifeworksaustin.org](mailto:Susan.McDowell@lifeworksaustin.org).*

Sincerely,

Mitch Weynand  
Chief Operating Officer  
Office: (512) 735-2462 [mitch.weynand@lifeworksaustin.org](mailto:mitch.weynand@lifeworksaustin.org)

## Memorandum of Agreement for Supportive Services

This Memorandum of Agreement ("Agreement") is entered into effective January 17, 2014 by and between LifeWorks Affordable Housing Corporation (Owner) and the Youth and Family Alliance dba LifeWorks ("Service Provider").

### Recitals:

Owner owns and operates property located at 2800 Lyons Road, Austin, Texas and known locally as the Works at Pleasant Valley ("the Works"), a 45 unit affordable housing property. Service Provider is non-profit corporation experienced in providing direct services to client populations that will occupy the units at the Works. The Owner and Service Provider have developed this Agreement to specify the responsibilities and commitments of each party regarding the provision of supportive services to the residents of the Works.

### Agreement:

In consideration of the information stated above, the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

#### *1. Service Provision and Responsibility of the Service Provider:*

The Service Provider agrees as follows:

- To be responsible for the provision of supportive services to residents of the Works as described on Attachment A of this agreement.
- To provide adequate staffing to effectively manage and meet the service provision expectations.
- To solicit and maintain funding on an annual basis to meet the service provision expectations.
- To work professionally with the Property Manager hired by the owner to recruit, qualify, and maintain residents of the Works.
- To maintain individual client records and other documentation specifying the services provided.

#### *2. Commitment and Responsibility of the Owner*

The Owner agrees as follows:

- To hire and maintain in a contractual agreement a professional property management company to manage the maintenance of the property, the property financial records, the rental of units to residents, the recruitment of potential residents, and maintenance of all property and tenant records related to rental and management.
- To provide to the Service Provider a furnished office in the Works leasing office including all utilities, telephone service, internet access, and copying equipment and supplies. Parking for Service provider staff and program vehicles is also provided.
- To provide an amount of funding agreed upon each year depending upon available resources from the Net Operating Income of the property. The initial expected

amount is \$10,000 annually but may be adjusted depending upon the performance of the property.

3. *Mutual Cooperation and Compliance.* The parties agree to cooperate and work together in good faith to effectuate the purpose of this Agreement. Parties agree to abide by and operate programs and services in compliance with all funding sources including but not limited to the Texas Department of Housing and Community Affairs Neighborhood Stabilization Program, the Federal Home Loan Bank of Atlanta Supportive Housing Program, the City of Austin Rental Housing Development Program. The parties agree to provide reports to and access to records to any funding and monitoring parties as required and requested.

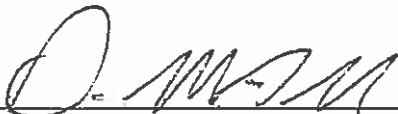
4. *No assignment.* Service Provider may not assign this Agreement or any of its rights under this Agreement, and may not permit others to use the shared facilities or any part thereof without the express written consent of Owner.

5. *Term and termination.* This Agreement will be for an initial term of five years and will automatically renew thereafter for subsequent five year terms and remain in effect unless terminated by either party as follows:

(a) Upon breach of this Agreement by a party, the other party may terminate this Agreement immediately upon written notice of default and termination specifying the nature of the breach. In the event the breach is one capable of cure, the written notice of default and termination shall provide the breaching party an opportunity to cure the default within fourteen days from receipt of said notice. If the default is not cured within such fourteen day period, this Agreement will terminate without further notice.

(b) Either party may terminate this Agreement by giving written notice to the other party that the Agreement will terminate thirty days from the receipt of such notice.

Owner:  
LifeWorks Affordable Housing Corp.


By: 

Name: Susan McDowell

Title: President

Address: 3700 South 1<sup>st</sup> St  
Austin, TX 78704

Service Provider:  
Youth and Family Alliance, dba Lifeworks

By: 

Name: Susan McDowell

Title: Executive Director

Address: 3700 South 1<sup>st</sup> St  
Austin, TX 78704

## **Exhibit A**

### **Plan for providing Supportive Services and Empowerment Activities**

The LifeWorks Affordable Housing Corporation (Owner) will contract with the Youth and Family Alliance dba LifeWorks (LifeWorks) for a full set of Supportive Services and Empowerment Activities (Services) that will be available to all residents. Additionally the Works at Pleasant Valley is adjacent to two major community resources: The Austin Community College Eastview Campus and the LifeWorks Sooch East Austin Youth and Family Resource Center. Both of these sites have numerous resources and programs that will be available to residents within a very short walking distance. The Services that will be implemented on site and/or by using space in the adjacent Resource Center include the following:

**Counseling** – LifeWorks staff will provide and arrange for community resources to provide group and individual sessions in the areas of Energy Conservation, Planning for Homeownership, Eviction Prevention, and Landlord/Tenant Rights and Responsibilities.

These activities will be scheduled at various times (day, evening, and weekend) to accommodate residents' work and school schedules. Group activities will be scheduled at least once per month and individual sessions as needed and requested by residents.

These activities will be offered exclusively to the residents and not the general public.

Additionally residents will be able to access a full range to mental health counseling services through the LifeWorks Resource Center. This includes individual, youth and family counseling; violence intervention groups; and psychiatric services. These services are provided by licensed, Master's level, professional practitioners.

**Employment Readiness** - staff will provide and arrange for community resources to provide group and individual sessions in the areas of skills assessment, resume preparation, interviewing skills/techniques, completing a job application, and job placement assistance. These activities will be scheduled at various times (day, evening, and weekend) to accommodate resident work and school schedules. Group activities will be scheduled at least once per month and individual sessions as needed and requested by residents.

These activities are offered exclusively to the residents and not the general public.

Additionally residents who become client of LifeWorks may be able to access a pool of financial assistance funds that can help assist with transportation costs to work, school and day care; clothing for interviews and uniforms; day care; health care; and other items essential to achieving success in education and employment activities.

**Owner Resident Involvement** – Lifeworks Staff will coordinate monthly meetings of a Tenant Council. Council members will be selected by residents. Activities will focus on creating and implementing community activities; creating safe communities; designing community traditions and expectations; mutual support and respect for each other; environmental responsibility and recycling program, and energy efficiency education.

**Training and Education** – all residents will be able to access training and education activities available through the LifeWorks Resource Center. These include GED preparation, Literacy, Computer Skills, Life Skills, Tutoring, and Money Management training. Access and fee



amounts will be dependent upon qualifications for the specific programs and their funding sources. Most are provided at no cost to low-income clients. Residents will be able to meet with LifeWorks case managers to assess needs, create service plans, and get assistance in gaining access to these programs.

Additionally the Austin Community College (ACC) Eastview Campus (adjacent to the Works community) offers university transfer degrees and core curriculum courses, workforce/technical degrees and certificates, and comprehensive student support services, such as advising and counseling, financial aid, library facilities and media services, as well as computer centers and a learning lab with free tutoring.

The campus is home to a variety of workforce programs including Associate Degree Nursing, Biotechnology, Child Development, Computer Studies, Criminal Justice, Culinary Arts, Dental Hygiene, Emergency Services Professions, Fire Protection Technology, Health and Kinesiology, Hotel and Restaurant Management, Medical Laboratory Technology, Occupational Therapy Assistant, Pharmacy Technician, Phlebotomy Technician, Physical Therapist Assistant, Office Administration, Radiology, Sonography, Surgical Technology, and Travel/Tourism, Vocational Nursing.

The campus also is home to a Workforce Solutions community center, which provides career advising and job placement opportunities, and the ACC Adult Education Division, which offers GED and English as a Second Language classes for individuals who are not yet college-ready.

LifeWorks staff will be available to assist residents with enrollment, financial aid, and support activities.

Also located in the LifeWorks Sooch Youth and Family Resource Center, as a tenant, is the Capital Idea organization – a non-profit workforce development agency. Residents will have direct access to their staff, intake and orientation processes. See the attached flyer.

### **Case Management**

Residents who become clients of LifeWorks and the programs operated by LifeWorks onsite will be assigned a staff person to provide case management services. These activities include but are not limited to 1) goal setting by the client; 2) establishing expectations and requirements for participation in program services; 3) education and employment objectives; 4) community resource and service opportunities; 5) medical and mental health services.



# Erin L. Whelan, MA, LPC-S

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## EDUCATION

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**Master of Professional Counseling, May 2009**  
Argosy University, Chicago, Illinois

**Bachelor of Science in Community Health, Cum Laude, 2000**  
Texas Woman's University, Denton, Texas

## LICENSURE AND CERTIFICATES

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Texas Licensed Professional Counselor-Supervisor, License Number 68398  
Child Care Administrator's License, Certification C13555

## PROFESSIONAL EXPERIENCE

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### LifeWorks

*Division Director of Housing and Homeless Services, Emergency Shelter, September 2013 - Present*  
*Supervisor: Scurry Miller*

- Oversight of the Housing Division which include the following eight programs: Emergency Shelter, Transitional Living Program, Supportive Housing, Permanent Supportive Housing, Young Parents Program, Affordable Housing, Rapid Rehousing and Street Outreach Program.

### The Settlement Home

*Therapist/Supervisor, February 2012 – August 2013*  
*Supervisor: Mike Downing, LCSW*

- Responsible for hiring, training, managing, and supervising 2 Youth Care Counselors and 2 Houseparents
- Oversee the intake, treatment, and discharge of the children that stay at Scarbrough cottage
- Provide individual therapy to 9 girls at any one time

### Teen Living Programs, Belfort House

*Youth Development Staff and Milieu Manager, October 2008 – February 2012*  
*Supervisor: Ozella Barnes, PsyD*

- Manage the overall safety of the transitional living community in order to create a physically and emotionally safe environment created to work with youth using positive youth development and harm reduction in helping them work towards independence

### Northwestern University, Department of Preventive Medicine

*Project Manager, Behavioral Medicine Section, January 2007 – October 2008*  
*Supervisor: Bonnie Spring, Ph.D, ABPP.*

- Provide program management for 4 ongoing trials

### The Cooper Institute

*Clinical Trials Program Manager, Division of Research, September 2000 – December 2006*  
*Supervisor: Tim Church, Ph.D., M.D., MPH*

- Provide program management for 5 ongoing trials

## **LAURA POSKOCHIL, LMSW**

### **EDUCATION**

#### **Licensed Master Social Worker**

**08/2012**

#### **The University of Texas at Austin**

**05/2011**

**Master of Science in Social Work, Cumulative GPA: 3.9**  
**Concentration: Community and Administrative Leadership**

#### **Baker University, Baldwin City, KS**

**05/2008**

**Bachelor of Science in Psychology, Cumulative GPA: 3.75, Cum Laude Graduate**  
**Concentration: Cultural Diversity**  
**Minor: English**

### **EXPERIENCE HIGHLIGHTS**

#### **LifeWorks Apartment-Based Living, Austin, Texas**

##### **Program Director II – 10/2016-present**

- Oversee management of Young Parents Program, Permanent Supportive Housing, Rapid Rehousing, Supportive Transitional Housing and Street Outreach programs.
- Supervise Program Service Coordinator, providing training, leadership, and evaluation of work.
- Assist in managing program budgets and monitoring grant and contract compliance.
- Participate in agency-wide and community meetings and projects.
- Responsible for developing and implementing new programs and initiatives.
- Functions as a liaison between the Agency, funding sources, the Community and governmental organizations; collaborates with other programs, divisions, and outside entities, as appropriate

#### **LifeWorks Street Outreach, Austin, Texas**

##### **Program Director I – 01/2015-present**

- Oversee program operations and submit reports and other documentation on service delivery.
- Supervise program staff, providing training, leadership, and evaluation of work.
- Monitor program/contracts and communicates with contract officers, program evaluators, and subcontractors.
- Assist in managing program budgets and monitoring grant and contract compliance.
- Participate in agency-wide and community meetings and projects.
- Responsible for developing and implementing new programs and initiatives.
- Functions as a liaison between the Agency, funding sources, the Community and governmental organizations; collaborates with other programs, divisions, and outside entities, as appropriate.

#### **LifeWorks Street Outreach, Austin, Texas**

##### **Case Manager II – 06/2011-01/2015**

- Provided individual case management services and crisis intervention for homeless youth.
- Facilitated psycho-educational and art-therapy groups.
- Interviewed, trained and supervised MSSW interns and AmeriCorps Volunteers
- Performed data entry and outcome reporting as per agency standards.
- Connected clients to needed resources and advocated for individual rights.
- Assisted LifeWorks committees with strategic planning and grant writing.

#### **Texas Council for Developmental Disabilities, Austin Texas**

##### **MSSW Intern - 01/2011-5/2011**

- Analyzed outreach and development grant program and provided recommendations to the Council.
- Analyzed and provided recommendations for Youth Leadership project funding.
- Assisted in planning and writing a five-year state-wide strategic plan.
- Monitored legislative activity regarding individuals with disabilities.

**LifeWorks Street Outreach, Austin, Texas**

MSSW Intern – 08/2009-05/2010

- Provide individual case management services and crisis intervention for homeless youth.
- Perform data entry and outcome reporting as per agency standards.
- Connect clients to needed resources and advocate for individual rights.

**Lawrence-Douglas County Health Department, Lawrence, Kansas**

AmeriCorps VISTA - 07/2008-07/2009

- Researched needs of vulnerable populations and best practices in emergency preparedness and response.
- Participated in the development of a multi-disciplinary coalition.
- Authored a successful grant proposal for \$10,044 through the Compassion Kansas initiative, a project of the Wichita State University Center for Community Support & Research.
- Co-authored a successful grant proposal to the National Network of Libraries of Medicine for \$14,980.
- Planned and staffed emergency preparedness community events including forums for Community Based Organizations and an Emergency Preparedness Fair.
- Developed a volunteer management database.
- Wrote and designed newsletters.

**Community Living Opportunities, Lawrence, Kansas**

Weekend Teaching Counselor - 09/2007 – 07/2008

- Assisted four men with developmental disabilities in daily activities.
- Responsible for keeping clean and safe environment, laundry, cooking and driving a ten passenger van for community outings.
- Taught life skills and worked with individual Quality of Life Plans.
- Provided counseling and advocated acceptance and involvement within the community.

**United Way of Douglas County, Lawrence, Kansas**

Undergraduate Intern - 01/2008-05/2008

- Analyzed data from Caring Club Campaign for the previous four years.
- Provided funding analysis and recommendations.

**AFFILIATIONS, CERTIFICATIONS, PRESENTATIONS, AND HONORS**

- Licensed Master Social Worker
- Employee of the Month, LifeWorks August, 2013
- Certified in First Aid, CPR, Psychological First Aid, and Community Emergency Response Team (CERT)
- Member of Toastmasters International
- Member of Psi Chi National Honor Society
- Member of Cardinal Key National Honor Society
- Poskochil, Laura. Risks Increased With Civilian Gun Use: A Policy Recommendation. *Psychological and Educational Research in Kansas (PERK) Conference*. Emporia, Kansas, October, 2008.
- Poskochil, Laura. Packaged for Consumption by the Masses. *Weber State University National Undergraduate Literature Conference*. Ogden, Utah, March, 2008.
- Moorman Prize for Poetry Writing, Presented at Baker University 2008 Honors Ceremony
- Recipient of Mildred Hunt Riddle Department Recognition Scholarship for outstanding academic promise
- Recipient of Outstanding Senior Psychology Major Award
- Recipient of Presidential Award for Academic Excellence
- Recipient of John F. Yeaman Scholarship in Community and Administrative Leadership

**VOLUNTEER EXPERIENCE**

Grant Writer - Street Youth Ministry

Therapeutic Assistant - Pathways Animal Assisted Therapy

Responder - Douglas County Emergency Response Team

Community Educator - Douglas County Medical Reserve Corps

Historian & Event Planner - Cardinal Key National Honor Society

## Cecilia Hogan, LMSW

### Experience

LifeWorks- Young Parents Program

and Permanent Supportive

Housing April 2014- Current

#### Program Services Coordinator

Austin, Texas

- Supervise Case Manager, AmeriCorps member, and Intern
- Conduct interviews for candidates for the program, maintain waitlist, and conduct intakes
- Maintain data and run reports for grants
- Train new staff within the Housing Division
- Case manage clients

LifeWorks- Young Moms and Babies Program

July 2012- March 2014

#### Case Manager II

Austin, Texas

- Maintain a caseload of young moms
- Advocate for client needs and goals
- Conduct intakes, assessments, and service plans with new clients
- Coordinate care of children during their mothers' parenting classes

Hays-Caldwell Women's Center

January-May 2012

#### MSW Advocate Intern

San Marcos, Texas

- Conducted intakes with outreach clients
- Provided outreach clients with community resources and support
- Co-facilitated a Mindfulness Group at the Family Shelter
- Counseled youth at Roxanne's House

LifeWorks- Young Moms and Babies Program

August 2010- June 2012

#### Youth Care Worker- Relief

Austin, Texas

- Supervised clients
- Managed daily shelter routines
- Prepared meals and maintained cleanliness of facility

Communities In Schools, Simon Middle School

September 2010- July 2011

#### AmeriCorps Mentor, Part-Time

Kyle, Texas

- Mentoring and tutoring caseload of 12 students
- Facilitated pregnancy prevention groups for girls and coordinated Gardening Club
- Assisted with summer camp activities

Keep Austin Housed, LifeWorks, Young Moms and Babies Program

August

2009- July 2010

#### AmeriCorps Case Manager, Full-Time

Austin, Texas

- Case managed young mothers, partnering in service planning
- Conducted intakes, assessments, and service plans with new clients
- Organized weekly Independent Living Skills classes
- Compiled Policy and Resource Manual and Housing Resource Manual

### Education

Master's Degree in Social Work- Direct Practice

May 2012

Texas State University-San Marcos

San Marcos, Texas

Hogg Foundation for Mental Health, Bilingual MSW Scholarship Recipient

Morgan Miles

4017 Victory Dr. #141 Austin, TX 78704

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**Areas of Specialization**

- Group Facilitation
- Sexual Health in Childbearing Years
- Youth and Young Adults
- Pregnancy, Labor, and Breastfeeding Support
- Rapport Building
- Trauma Informed Care

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**Education and Training**

**Bachelor of Social Work**  
(Minor: Cultural History of the United States)  
*The University of Texas, Austin, Texas*

*August, 2010 - May, 2013*

**DONA International Doula Training**  
*Jessica Atkins, Trainer, Austin, Texas*

*November 2012*

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**Social Work Experience**

**LifeWorks, Austin, Texas**

*January, 2013 - Present*

***Case Manager II, Young Parents Program***

- Maintained case records and documentation including electronic database information, service plans, progress notes, intake reports, and incident reports.
- Implemented the Incredible Years curriculum for the parents on a weekly basis.
- Assisted clients in a path to self sufficiency through case management and collaboration.
- Worked to create the Ambassador Program for the youth to learn leadership skills and advocacy

***Prevention Specialist, REAL Talk***

- Implemented the It's Your Game curricula in Austin middle schools.
- Utilized risk reduction model for preventing pregnancy, STIs and HIV.
- Worked as a team through co-facilitation and planning.

***Youth Care Worker, Emergency Shelter***

- Supervised clients within a residential facility including assisting clients with their day-to-day needs, transporting clients to medical appointments, and administering daily medications.
- Developed and maintained rapport with challenging population
- Maintained client files, logs, and related information, including conducting intakes and discharges within licensing standards.
- Documented critical incidents and followed up with Case Management and DFPS Conservators regarding client behavior, and behavior modification using trauma informed care.

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**Leadership and Doula Experience**

**Giving Austin Labor Support, Austin, Texas**

*August 2013 - Present*

***Executive Director***

- Responsible for overall leadership and supervision of staff and volunteers in the development and implementation of short and long range goals and activities to meet the strategic plan.
- Management of programs and volunteers, including: reviewing and evaluating the results of program activities and allocating resources for greater program effectiveness and efficiency.
- Developed program objectives, suggestions, and regular progress reports for Board consideration.
- Led outreach, grant writing and fundraising efforts for agency.

***Volunteer Coordinator***

- Provided free, on-call and prenatal labor support to moms and families in the Austin area including through our partnership with the Travis County Correctional Complex.
- Member of the funding committee and responsible for projects such as organizing Amplify Austin.
- Supervised volunteers and managed all volunteer applications, orientations and ongoing training.
- Assisted in decision making for the non-profit at regular Board Meetings.

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**Other Experience**

- Participated in LifeWorks committees for Alignment and Common Intake, and provided feedback to improve outcomes, employee hires, and implementation of new policies
- Director of Parents Night Out and Head Coach of Prep Team at Champions WAYA
- Seven years of experience as Gymnastics Coach and Party Leader
- Doula at more than 20 births including multiples; hospital and birth center settings.