

## APPLICATION CHECKLIST/ INFORMATION FORM

DEVELOPER : Caritas of Austin/Vecino Group	OWNER : Espero Austin at Rutland, LP
PROJECT : Espero Austin at Rutland	FUNDING CYCLE DEADLINE : May 1, 2020
FEDERAL TAX ID NO: 74-1909670 (Caritas of Austin)	DUNS NO: 803507292 (Caritas of Austin)
PROJECT ADDRESS: 1934 Rutland Drive, Austin, TX 78757	PROGRAM : RHDA
CONTACT NAME : Jennifer Hicks	AMOUNT REQUESTED: \$6,500,000
CONTACT ADDRESS AND PHONE : 3000 Skytark Drive, Austin, TX 78757 and 512-203-4417	

APPLICATION TABS		INITIALS
A 1	EXECUTIVE SUMMARY/PROJECT PROPOSAL	
A 2	PROJECT SUMMARY FORM	
A 3	PROJECT TIMELINE	
A 4	DEVELOPMENT BUDGET	
A 5	OPERATING PRO FORMA	
A 6	SCORING SHEET	

ATTACHMENT TABS			INITIALS
1	ENTITY INFORMATION	1.a. Detailed listing of developer's experience	
		1.b. Certificate of Status	
		1.c. Statement of Confidence	
2	PRINCIPALS INFORMATION	2.a. Resumes of principals	
		2.b. Resumes of development team	
		2.c. Resumes of property management team	
3	FINANCIAL INFORMATION	3.a. Federal IRS Certification	
		3.b. Certified Financial Audit	
		3.c. Board Resolution	
		3.d. Financial Statements	
		3.e. Funding commitment letters	
4	PROJECT INFORMATION	4.a. Market Study	
		4.b. Good Neighbor Policy	
		4.c. SMART Housing Letter	
		4.d. MOU with ECHO	
		4.e. Resident Services	
5	PROPERTY INFORMATION	5.a. Appraisal	
		5.b. Property Maps	
		5.c. Zoning Verification Letter	
		5.d. Proof of Site control	
		5.e. Phase I ESA	
		5.f. SHPO	

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.*

SIGNATURE OF APPLICANT

PRINTED NAME

TITLE OF APPLICANT

President and CEO

DATE OF SUBMISSION

DATE AND TIME STAMP OF RECEIPT

Received 5-1-2020

Resubmitted 7-31-20 EM

FOR AHFC USE ONLY

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**APPLICATION TABS**

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**Tab A1 – Executive  
Summary/Project Proposal**

### Project Summary

Caritas of Austin has partnered with The Vecino Group – a national developer of mission-driven housing -- to develop two apartment communities that will be deeply affordable and intensely supportive. About 200 people in two different neighborhoods will have access to high-quality supportive living in high-opportunity, transit-connected, amenity rich neighborhoods.

1. 911–915W. 24th Street
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Each development will be designed to seamlessly integrate into the surrounding neighborhood fabric with high-quality construction and aesthetically pleasing architecture. Our goal with these projects is to have the most affordable and supportive housing possible while generating revenue to support the capacity of Caritas of Austin's services.

### About The Vecino Group

The Vecino Group is a company devoted to development projects that address a broader community issue, set an example, give back and inspire. Caritas is proud to leverage the successful track record of The Vecino Group's supportive housing model and bring that capacity to Austin. They have properties across the U.S. that are similar in focus and target population. While this is The Vecino Group's first project in Texas, the firm has experience entering into new markets and making an impact. [vecinogroup.com](http://vecinogroup.com)

- 18 Supportive Housing Communities in 7 states
- 1196 units total, with 430 dedicated to ending homelessness
- Raised \$2.7 million in supportive services

### Why is Caritas of Austin building its own housing?

Austin has a severe lack of deeply affordable housing with only 21 affordable rental units available for every 100 extremely low-income renters. This gap of deeply affordable housing leaves many working people unable to afford a place to live. People living at the poverty level are at a higher risk than most of losing their homes and experiencing homelessness.

For an individual to afford a two-bedroom apartment in Austin, they would have to earn \$25.29 per hour. For a person making the minimum wage of \$7.25 per hour, with a gross income of \$1,256 per month, they cannot afford rent in Austin. Rent in the two neighborhoods where Caritas of Austin proposes to build these apartment communities, averages \$1,869 in District Nine (911–915 W. 24th Street) and \$1,152 in District Four (1934 Rutland Drive).

We, as a community, must make creating deeply affordable housing a priority to not only help end homelessness, but also to prevent it for people who are at risk.

For 14 years Caritas of Austin has operated supportive housing through various leasing partnerships across the City of Austin. While these partnerships have allowed us to permanently end homelessness for hundreds of Austinites each year; Caritas can more effectively expand our work and provide additional community impact if we own housing that is affordable and specifically designed to facilitate our on-site social support.

Caritas of Austin is expanding all of its programs and is in a position to perform a role in helping to fill this gap.

### **Who is going to live there?**

Caritas of Austin will work with individuals who are in need of deeply affordable housing. The apartments will be priced for individuals whose income is \$33,150 or less.

Seventy-five percent of the apartments will be leased to individuals with varying needs of affordability and social support. The remaining 25% of the apartments will be dedicated to people who have experienced long-term homelessness. Caritas of Austin will have on-site staff offering multi-disciplinary services designed to support residents and build well-being. Ninety-eight percent of Caritas' supportive housing clients are stable in housing and do not return to homelessness.

### **How will Caritas of Austin work with its neighbors?**

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### **When will these projects begin?**

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### **How you can support this project.**

Caritas of Austin has assembled a dynamic partnership in order to build the capacity of our organization to address homelessness with a success-driven model of affordable and supportive housing. While The Vecino Group will bridge construction costs and lead the development, Caritas of Austin will need to raise funds for the operating subsidies that enable the apartment communities to offer deeply affordable rents; as well as the supportive service dollars that enable a robust range of multi-disciplinary supports critical to housing stability.

Your financial support is needed to help increase the capacity of Caritas of Austin to take this bold new step in helping our community prevent and end homelessness. For more information, contact Amy Jackson, Chief Development Officer at [ajackson@caritasofaustin.org](mailto:ajackson@caritasofaustin.org) or call 512.646.1262.





**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**APPLICATION TABS**

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**Tab A2 – Project Summary  
Form**

## Project Summary Form

1) <b>Project Name</b> Espero Austin at Rutland	2) <b>Project Type</b> 100% Affordable	3) <b>New Construction or Rehabilitation?</b> New Construction
4) <b>Location Description</b> (Acreage, side of street, distance from intersection) 1934 Rutland Drive, Austin, TX 78758		5) <b>Mobility Bond Corridor</b> Rundberg
6) <b>Census Tract</b> 18.21	7) <b>Council District</b> District 4	8) <b>Elementary School</b> COOK EL
9) <b>Affordability Period</b> 45 years		
10) <b>Type of Structure</b> Multi-family	11) <b>Occupied?</b> Yes	12) <b>How will funds be used?</b> ion, Pre-development, and Cons

### 13) Summary of Rental Units by MFI Level

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (□) Bedroom	Total
Up to 20% MFI						0
Up to 30% MFI	27					27
Up to 40% MFI						0
Up to 50% MFI	117					117
Up to 60% MFI	27					27
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
<b>Total Units</b>	<b>171</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>171</b>

### 14) Summary of Units for Sale at MFI Level

Income Level	Efficiency	One	Two	Three	Four (□)	Total
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
<b>Total Units</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 15) Initiatives and Priorities (of the Affordable Units)

Initiative	# of Units	Initiative	# of Units
Accessible Units for Mobility Impairments	18	Continuum of Care Units	101
Accessible Units for Sensory Impairments	4		

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

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

### 20) Estimated Sources and Uses of funds

Sources	
Debt	10,324,278
Third Party Equity	9,300,460
Grant	2,000,000
Deferred Developer Fee	1,629,250
Other	1,806,811
<b>Previous AHFC Funding</b>	-
<b>Current AHFC Request</b>	<b>8,500,000</b>

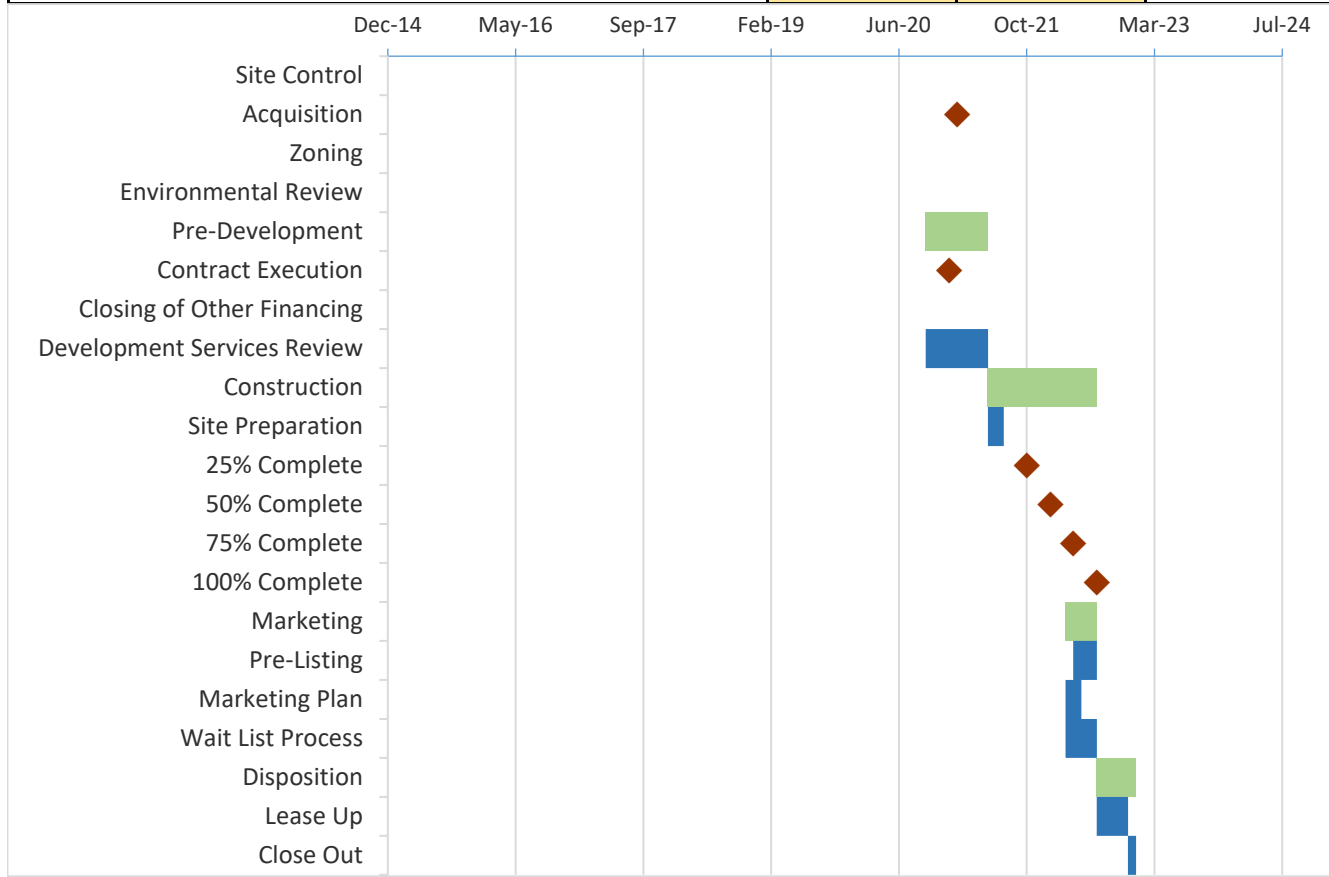
Uses	
Acquisition	5,768,000
Off-Site	
Site Work	1,769,750
Sit Amenities	150,000
Building Costs	13,743,333
Contractor Fees	2,297,539
Contingency	783,154
Soft Costs	2,795,337
Financing	2,277,516
Developer Fees	3,375,000
Reserves	601,170

**Total** □ **33,560,799**

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## Development Schedule

	Start Date	End Date
<b>Site Control</b>	Feb-21	Jan-00
Acquisition	Feb-21	
Zoning	n/a	
Environmental Review	n/a	n/a
<b>Pre-Development</b>	Oct-20	Jun-21
Contract Execution	Jan-21	
Closing of Other Financing	Jun-21	n/a
Development Services Review	Oct-20	Jun-21
<b>Construction</b>	Jun-21	Aug-22
Site Preparation	Jun-21	Aug-21
25% Complete	Nov-21	
50% Complete	Feb-22	
75% Complete	May-22	
100% Complete	Aug-22	
<b>Marketing</b>	Apr-22	Aug-22
Pre-Listing	May-22	Aug-22
Marketing Plan	Apr-22	Jun-22
Wait List Process	Apr-22	Aug-22
<b>Disposition</b>	Aug-22	Jan-23
Lease Up	Aug-22	Dec-22
Close Out	Dec-22	Jan-23



Development Budget			
	Total Project Cost	Requested AHFC Funds	Description
<b>Pre-Development</b>			
Appraisal	7,500		
Environmental Review	35,000		Phase I ESA and Soils Report
Engineering	292,757	50,000	includes feasibility report
Survey	10,000		
Architectural	749,751	250,000	
<b>Subtotal Pre-Development Cost</b>	\$1,095,008	\$300,000	
<b>Acquisition</b>			
Site and/or Land	5,600,000	5,600,000	
Structures			
Other (specify)	168,000		broker commission paid by buyer
<b>Subtotal Acquisition Cost</b>	\$5,768,000	\$5,600,000	
<b>Construction</b>			
Infrastructure			
Site Work	1,804,750	750,000	
Demolition	115,000		
Concrete	681,102		
Masonry	451,959		
Rough Carpentry	58,583		metals
Finish Carpentry	2,445,398	750,000	
Waterproofing and Insulation	937,978		
Roofing and Sheet Metal	401,204		
Plumbing/Hot Water			included with HVAC/Mechanical
HVAC/Mechanical	3,220,793	750,000	
Electrical	1,504,260	350,000	
Doors/Windows/Glass	595,935		
Lath and Plaster/Drywall and Acoustical	2,324,735		
Tiel Work			
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades	23,560		
Specialties/Special Equipment	490,282		includes elevator
Cabinetry/Appliances	607,544		
Carpet			
Other (specify)	2,297,539		GC Fees, Overhead and Profit
Construction Contingency	783,154		
<b>Subtotal Construction Cost</b>	\$18,743,776	\$2,600,000	
<b>Soft &amp; Carrying Costs</b>			
Legal	110,000		
Audit/Accounting	55,000		
Title/Recordin	170,000		includes closing costs and lender legal fees
Architectural (Inspections)	20,000		
Construction Interest	906,667		
Construction Period Insurance	65,000		
Construction Period Taxes	141,414		
Relocation	450,000		
Marketing	33,000		market study and marketing
Davis-Bacon Monitoring			
Other (specify)	6,002,934		Permits, FFE, financing fees, developer fee, sub-metering
<b>Subtotal Soft &amp; Carrying Costs</b>	\$7,954,015	\$0	
<b>TOTAL PROJECT BUDGET</b>	\$33,560,799	\$8,500,000	

## 15 Year Rental Housing Operating Pro Forma (RHDA)

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

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$1,699,056	\$1,733,037	\$1,767,698	\$1,803,052	\$1,839,113	\$2,030,529	\$2,241,868
Secondary Income	\$28,728	\$29,303	\$29,889	\$30,486	\$31,096	\$34,333	\$37,906
POTENTIAL GROSS ANNUAL INCOME	\$1,727,784	\$1,762,340	\$1,797,586	\$1,833,538	\$1,870,209	\$2,064,862	\$2,279,774
Provision for Vacancy & Collection Loss	-\$129,584	-\$132,175	-\$134,819	-\$137,515	-\$140,266	-\$154,865	-\$170,983
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$1,598,200	\$1,630,164	\$1,662,767	\$1,696,023	\$1,729,943	\$1,909,997	\$2,108,791
EXPENSES							
General & Administrative Expenses	\$68,068	\$70,110	\$72,213	\$74,380	\$76,611	\$88,813	\$102,959
Management Fee	\$79,900	\$81,508	\$83,138	\$84,801	\$86,497	\$95,500	\$105,440
Payroll, Payroll Tax & Employee Benefits	\$346,500	\$356,895	\$367,602	\$378,630	\$389,989	\$452,104	\$524,112
Repairs & Maintenance	\$103,824	\$106,939	\$110,147	\$113,451	\$116,855	\$135,467	\$157,043
Electric & Gas Utilities	\$83,423	\$85,926	\$88,503	\$91,159	\$93,893	\$108,848	\$126,185
Water, Sewer & Trash Utilities	\$58,144	\$59,888	\$61,685	\$63,536	\$65,442	\$75,865	\$87,948
Annual Property Insurance Premiums	\$69,667	\$71,757	\$73,910	\$76,127	\$78,411	\$90,900	\$105,378
Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$42,750	\$44,033	\$45,353	\$46,714	\$48,116	\$55,779	\$64,663
Other Expenses	\$16,340	\$16,830	\$17,335	\$17,855	\$18,391	\$21,320	\$24,716
TOTAL ANNUAL EXPENSES	\$868,616	\$893,886	\$919,887	\$946,652	\$974,204	\$1,124,595	\$1,298,443
NET OPERATING INCOME	\$729,584	\$736,279	\$742,880	\$749,370	\$755,739	\$785,402	\$810,348
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$548,560	\$548,560	\$548,560	\$548,560	\$548,560	\$548,560	\$548,560
Second Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$181,024	\$187,719	\$194,320	\$200,810	\$207,179	\$236,842	\$261,788
CUMULATIVE NET CASH FLOW	\$181,024	\$368,743	\$563,063	\$763,873	\$971,053	\$2,081,106	\$3,327,680
Debt Coverage Ratio	1.33	1.34	1.35	1.37	1.38	1.43	1.48

Project Name	spero Austin at Rutland	
Project Type	100% Affordable	
Council District	District 4	
Census Tract	18.21	
Prior AHFC Funding	\$0	
Current AHFC Funding Request Amount	\$8,500,000	
Estimated Total Project Cost	\$33,560,799	
High Opportunity	No	
High Displacement Risk	NO	
High Frequency Transit	Yes	
Imagine Austin	Yes	
Mobility Bond Corridor	Rundberg	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	27	# of rental units at < 30% MFI
District Goal	8.70%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	26.52%	% of annual goal reached with units
Imagine Austin	26.52%	% of annual goal reached with units
Geographic Dispersion	29.41%	% of annual goal reached with units
Mobility Bond Corridor	26.97%	% of annual goal reached with units
SCORE	24	% of Goals * 20
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	117	# of rental units at < 50% MFI
District Goal	37.68%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	100.00%	% of annual goal reached with units
Imagine Austin	100.00%	% of annual goal reached with units
Geographic Dispersion	100.00%	% of annual goal reached with units
Mobility Bond Corridor	100.00%	% of annual goal reached with units
SCORE	66	% of Goals * 15
< 60% MFI	0	# of units for purchase at < 60% MFI
< 80% MFI	0	# of units for purchase at < 80% MFI
District Goal	0.00%	% of annual goal reached with units
High Opportunity	0.00%	% of annual goal reached with units
Displacement Risk	0.00%	% of annual goal reached with units
High Frequency Transit	0.00%	% of annual goal reached with units
Imagine Austin	0.00%	% of annual goal reached with units
Geographic Dispersion	0.00%	% of annual goal reached with units
Mobility Bond Corridor	0.00%	% of annual goal reached with units
SCORE	0	% of Goals * 15
Unit Score	89	MAXIMUM SCORE = 350
INITIATIVES AND PRIORITIES		
Continuum of Care	101	Total # of units provided up to 100 per year
Continuum of Care Score	12	(total CoC Units/100 + HF Units/50)*20
Access to Healthy Food	No	Within 1 Mile of Healthy Food (City GIS)
Continuum of Care Weighted Score	6	Mobility, Access to Jobs, Community Institutions, Social Cohesion
2 Bedroom Units	0	Total Affordable 2 Bedroom units
3 Bedroom Units	0	Total Affordable 3 Bedroom units
4 Bedroom Units	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	0	Multi-bedroom Unit/Total Units * 20
TEA Grade	81	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	0	Educational Attainment, Environment, Community Institutions, Social Cohesion, E
Accessible Units	22	mobility and sensory units
Non-PSH, Non-Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	3	Accessible Unit/Total Units * 20
Metro Access Service	Yes	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	1	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	22	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	30%	% of total project cost funded through AHFC request
Leverage Score	17	25 - (% leverage * 25)
AHFC Per Unit Subsidy (including prior amounts)	\$59,028	Amount of assistance per unit
Subsidy per unit score	18	(\$200,000 - per unit subsidy)*25/\$200,000
AHFC Per Bedroom Subsidy	\$59,028	Amount of assistance per bedroom
Subsidy per Bedroom Score	18	(\$200,000 - per bedroom subsidy)*25/\$200,000
Debt Coverage Ratio (Year 5)	1.38	Measured at the 5 Year mark
Debt Coverage Ratio Score	12.23214903	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	65	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	176	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		



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## **Development Narrative ESPERO AUSTIN AT RUTLAND**

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### **About Caritas of Austin**

The mission of Caritas of Austin is to prevent and end homelessness in Greater Austin. We aim to make homelessness rare, brief and nonrecurring. For over 50 years, Caritas has served a diverse group of individuals and families with one thing in common: all lack a stable place to call home. With caring professionals at the core, Caritas builds well-being by securing a safe place to live, access to healthy meals and groceries, jobs that provide a reliable wage, and the opportunity to develop life skills. We believe that when people have a stable place to call home and the skills and support necessary to build our lives, we can all realize our full potential and contribute positively to the community.

Caritas of Austin provides Permanent Supportive Housing and Rapid Rehousing programs to community members at risk of homelessness or who have experienced chronic homelessness in Austin and Travis County, Texas. As a supplement to these critical housing programs, we offer supportive services programs in order to assist our clients in building all areas of their lives. These programs include an education program that teaches life skills and financial literacy, an employment program that assist clients in securing jobs that pay a living wage, and food services. Our clientele include the chronically homeless, those with disabilities and mental health challenges, veterans and their dependents, refugees and asylees, youth aged 18 to 24, and single mothers and their children. An average of 2000 dedicated volunteers also assist us in providing these services each year.

In fiscal year 2019, we as an organization achieved the following successes: 556 individuals were housed through PSH and RRH; 238 were served through the Best Single Source Plus collaborative, of which Caritas is the lead and fiscal agent. Our Community Kitchen served 55,000 hot meals, while our pantries distributed 28,161 pounds of groceries. Our Education team delivered 67 Life Skills and Financial Literacy classes and 29 Job Readiness classes, and 12 clients in this program obtained a Food Handler's License in order to work in kitchens. We served 114 unduplicated veterans and their dependents, housing 96 of them, and we launched the pilot Supported Employment program, with 23 clients enrolled in the first quarter alone. 98 percent of our clients remained in stable, permanent housing and continue to utilize the resources available to build their well-being and opportunities to prosper. Together, we can make Austin more vibrant for all.

### **About The Vecino Group**

The Vecino Group is a company devoted to development projects that address a broader community issue, set an example, give back and inspire. Caritas of Austin is proud to leverage the successful track record of The Vecino Group's Supportive Housing model and bring that capacity to Austin. They have properties across the U.S. that are similar in

focus and target population. While this is The Vecino Group's first project in Texas, the firm has vast experience entering into new markets, the HTC program and making an impact.

- 18 Supportive Housing Communities in 7 states
- 1196 units of housing to end homelessness
- Raised \$2.7 million in supportive services

**NOTE: More detailed information available in RESUME section of application.**

**Who is going to live there?**

Caritas of Austin will work with individuals who are in need of deeply affordable housing. The apartments will be priced for individuals whose income is \$33,150 or less.

Seventy-five percent of the apartments will be leased to individuals with varying needs of affordability and social support. The remaining 25% of the apartments will be dedicated to people who have experienced long-term homelessness. Caritas of Austin will have on-site staff offering multi-disciplinary services designed to support residents and build well-being. Ninety-eight percent of Caritas' supportive housing clients are stable in housing and do not return to homelessness.

**About Espero Austin at Rutland**

Espero Austin at Rutland will be a four story, stick-frame, elevator-served building hosting 135 efficiency apartments with targeted common area spaces including supportive service staff offices, fitness room and lounge area. The building will integrate principles of trauma-informed design to create a physical space that promote safety, well-being, and healing for its targeted population. The interior corridor building will have a secured front entry. Taking advantage of the transit-connected location and as allowed by the Affordability Unlocked density bonus program, the property will provide reduced parking as the majority of residents rely on public transit. Each furnished, efficiency apartment will come with individual kitchens and bathrooms.

# Vecino Group's project list

	Name	City	State	S=student L=LIHTC P3=public/private RAD	Total units	Affordabl e units
DEVELOPMENT	Ithaca Arthaus	Ithaca	NY	L	120	120
	The Quarry	Potsdam	NY	L		
	Cairn Point	Cedar City	UT	L	60	48
DESIGN	Libertad Glendale	Glendale	AZ	L	108	108
	Alhaven	Kansas City	MO	L	50	50
	Eileen's Place	Kansas City	KS	L	60	60
CONSTRUCTION	Freedom Springs	Colorado Springs	CO	L	50	50
	Joplin Bungalows	Joplin	MO	L	20	20
	Intrada Saratoga Springs	Saratoga Springs	NY	L	158	158
	MUSE Omaha	Omaha	NE	S	247	
	MUSE Bowling Green	Bowling Green	KY	S	218	
	Mosaic Village	Cohoes	NY	L	68	68
	444 River Lofts	Troy	NY	L	74	30
	Libertad Des Moines	Des Moines	IA	L	40	40
	Intrada El Reno	El Reno	OK	L	57	56
	Libertad Elmira	Elmira	NY	L	91	90
	Libertad Cedar City	Cedar City	UT	L	80	56
	Block 22	Pittsburg	KS	P3	97	
WARRANTY	Bodhi	Salt Lake	UT	L	80	60
	Asteri	Utica	NY	L	49	49
	Intrada St. Louis	St Louis	MO	L	56	50
	Talia	Springfield	MO	L	46	39
	Cresco	Springfield	MO	S	103	
OPERATIONS	Frisco Lofts	Springfield	MO	L	68	68
	Freedom Place	St Louis	MO	L	68	68
	Park East-The U	Springfield	MO	S	39	
	Park East-Sterling	Springfield	MO	S	30	
	Park East-Sky 11	Springfield	MO	S	90	
	Fulbright Springs II	Springfield	MO	L	35	35
	Fulbright Springs I	Springfield	MO	L	36	36
	Highland Ridge	Nixa	MO	L	50	50
	Hudson Arthaus	Troy	NY	L	80	80

# **ESPERO AUSTIN AT RUTLAND AUSTIN, TEXAS**

## **ATTACHMENT TABS**

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### **Attachment 1 – Entity Information**

#### **1b. Certificate of Status**

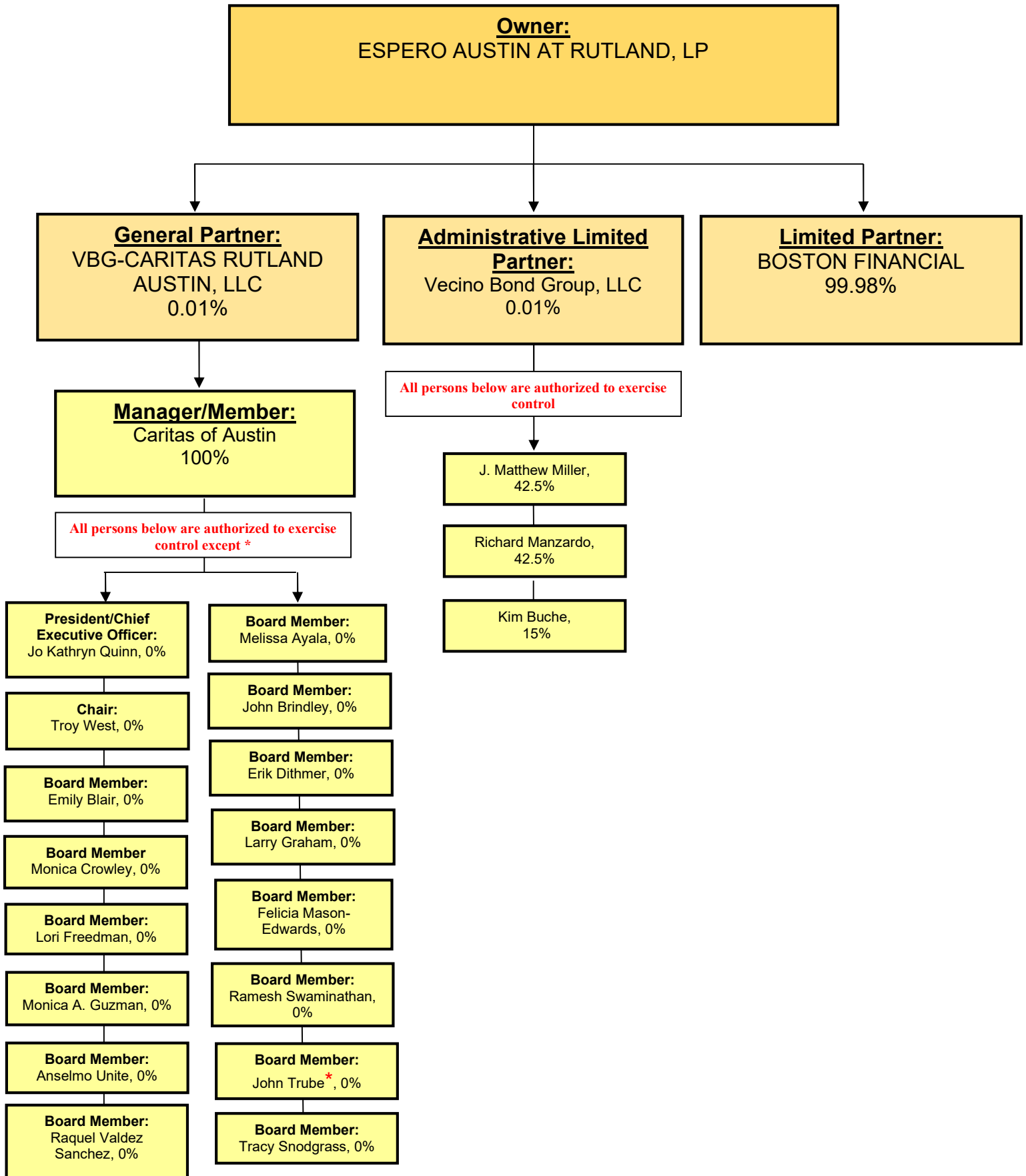
Please note that Espero Austin at Rutland will be owned by a limited partnership in which there are three members: 1) General Partner LLC owned and managed 100% by Caritas of Austin - .01%; 2) Administrative Limited Partner - Vecino Bond Group with J. Matthew Miller (42.5%), Richard Manzardo (42.5%) and Kim Buche (15%) as members - .01%; 3) Tax Credit Investor LP - 99.98%.

These entities are to be formed and entity documents will be provided once formed.



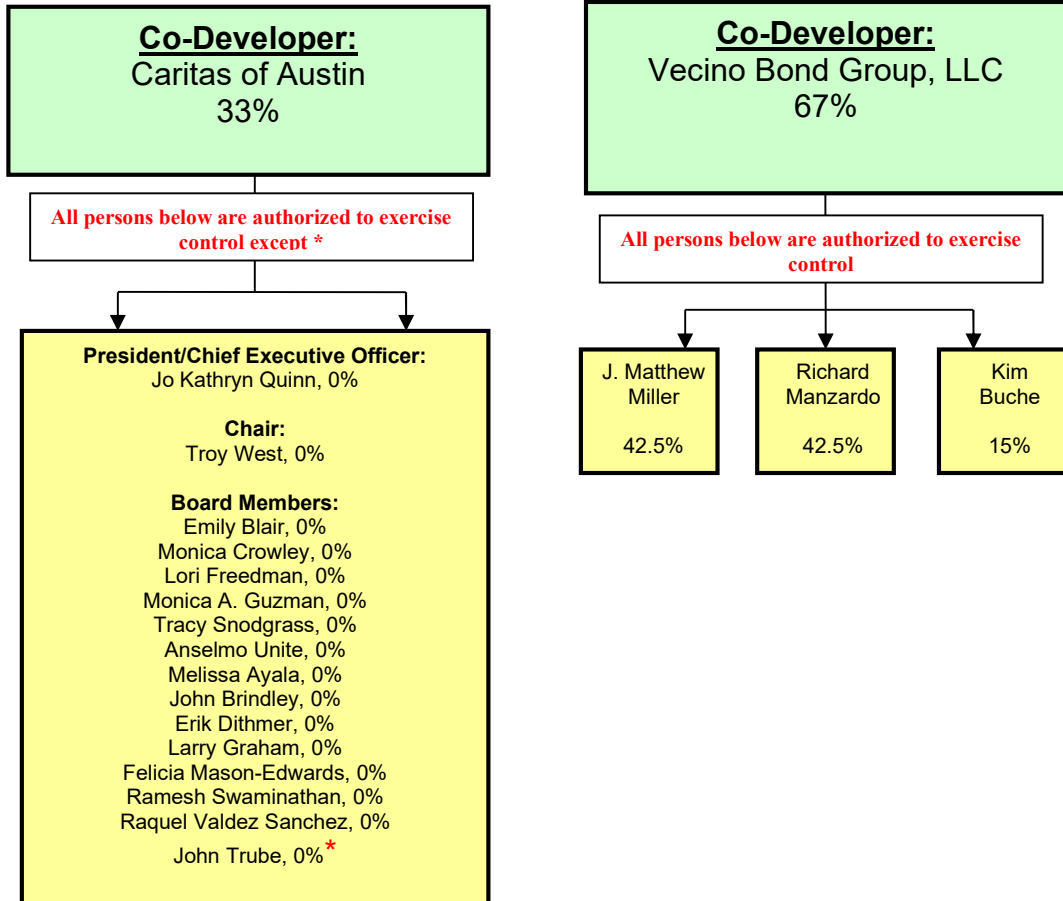
# ESPERO AUSTIN AT RUTLAND – AUSTIN, TEXAS

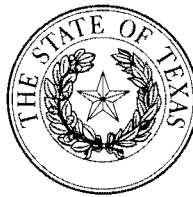
## Ownership Chart



# ESPERO AUSTIN AT RUTLAND – AUSTIN, TEXAS

## Developer Chart





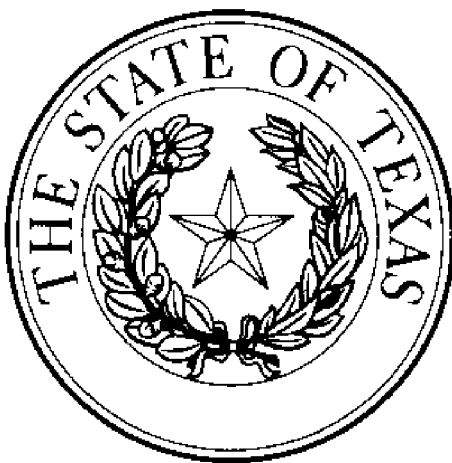
## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Incorporation for CARITAS OF AUSTIN (file number 40091601), a Domestic Nonprofit Corporation, was filed in this office on March 16, 1977.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 23, 2020.



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs  
Secretary of State

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 1 – Entity Information**

**1c. Statement of Confidence**

CITY OF FOUNTAINS  
HEART OF THE NATION



KANSAS CITY  
MISSOURI

## Neighborhoods and Housing Services Department

### Office of Director

4<sup>th</sup> Floor, City Hall, Suite 402  
414 East 12th Street  
Kansas City, Missouri 64106-2768

(816) 513-3200  
Fax (816) 513-3049

April 27, 2020

James May  
City of Austin  
Neighborhood Housing and Community Development  
1000 East 11th Street  
Austin, Texas 78702

**Subject: Reference for Vecino Group**

Dear Mr. May:

This letter is in reference to Vecino Group's experience and capacity to utilize Low Income Housing Tax Credits (LIHTC), tax-exempt bonds, and other sources of affordable housing financing.

Vecino Group's experience includes development of 18 supportive housing communities in seven states. Their supportive housing portfolio includes 1196 units and helping end homelessness for 430 households.

Specific to the municipality of Kansas City, Missouri, Vecino Group developed a 50-unit community dedicated to transition age youth who have a HIV/AIDS diagnosis. This community is currently under construction and will open in December of 2020.

Vecino Group has proven their ability to work with community partners, city officials, and neighborhoods to best serve the greater good. If you have any questions, regarding this letter, please contact me at [john.a.wood@kcmo.org](mailto:john.a.wood@kcmo.org) or (816) 513-6594.

Sincerely,

John A. Wood  
Director  
Neighborhoods & Housing Services



HOUSING AUTHORITY COMMISSIONERS:  
JACK BEUSE (CHAIR)  
MARTIE STOTT (VICE CHAIR)

BETH DIANA  
GREG BASHAM  
STEVE POSEY

**HOUSING AUTHORITY**  
CRYSTAL LATIER, EXECUTIVE DIRECTOR

April 22, 2020

James May  
City of Austin  
Neighborhood Housing and Community Development  
1000 East 11th Street  
Austin, Texas 78702

**Subject: Reference for Vecino Group**

Dear Mr. May:

This letter is in reference to Vecino Group's experience and ability to effectively utilize Low Income Housing Tax Credits (LIHTC), tax-exempt bonds, and other sources of affordable housing financing.

Vecino Group has developed 18 supportive housing communities in 7 states. Within Vecino Group's supportive housing portfolio lies 1196 units, effectively ending homelessness for 430 households.

Specific to the municipality of El Paso County, CO, Vecino Group developed a 50-unit community dedicated to Veterans who are formerly homeless. This community will open in August of 2020.

We worked closely with the Vecino Group, as they were an award recipient of our competitive local housing trust fund program, and the development is within our jurisdiction. Vecino Group has proven their ability to work with community partners, city officials, and neighborhoods to best serve the greater good. If you have any questions, regarding this letter, please contact me at [crystallatier@elpasoco.com](mailto:crystallatier@elpasoco.com) or (719) 520-6484.

Sincerely,

A handwritten signature in black ink that reads "Crystal LaTier".

Crystal LaTier  
El Paso County Housing Authority Executive Director

9 E. VERMIJO AVENUE  
OFFICE: (719) 520-6484  
WWW.ELPASOCO.COM



COLORADO SPRINGS, CO 80903  
FAX: (719) 520-6288





The City of

*El Reno*

*Where History Meets the Future*

MAYOR'S OFFICE

April 23, 2020

James May  
City of Austin  
Neighborhood Housing and Community Development  
1000 East 11th Street  
Austin, Texas 78702

**Subject: Reference for Vecino Group**

Dear Mr. May:

This letter is in reference to Vecino Group's experience and ability to effectively utilize Low-income Housing Tax Credits (LIHTC), tax-exempt bonds, and other sources of affordable housing financing.

Specific to the municipality of El Reno, OK, Vecino Group developed a 53-unit community dedicated to transition age youth and seniors. This community opened in August of 2019.

Vecino Group has proven their ability to work with community partners, city officials, and neighborhoods to best serve the greater good. If you have any questions, regarding this letter, please contact me at [mayor@cityofelreno.com](mailto:mayor@cityofelreno.com) or (405) 295-9310.

Sincerely,

Matt White  
Mayor

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 2 – Principals Info**

**2a. Resumes of principals**

## **Current Caritas of Austin Board Members:**

The Board of Directors and Community Advisory Board of Caritas of Austin are made up of the best and brightest in the real estate, property management, high-tech industry.

Troy West – Board Chair

Melissa Ayala

Emily Blair

John Brindley

Monica Crowley

Erik Dithmer

Lori Freedman

Larry Graham

Monica Guzman

Felicia Mason-Edwards

Tracy Snodgrass

Ramesh Swaminathan

John Trube

Anselmo Unite

Raquel Valdez Sanchez

Mike Haggerty – Emeritus

***For FY19, 98% of Caritas of Austin's Supportive Housing clients remained in permanent housing.***

## Community Advisory Board

Lew Aldridge  
Paige Amstutz  
Beau Armstrong  
Gaines Bagby  
Ed Bailey  
Violet Bell  
Nancy Bulhon  
Nancy Burns  
Lynn H. Butler  
Stephen Butter  
Suzanna Caballero  
Amber Carden  
Spencer Carlton  
Trey Chambers  
Bryan Christian  
Tim Crowley  
Rep. John Cyrier  
David Dunham  
Gary Farmer  
Sherrie Frachtman  
Theresa Garza  
Ed Gillispie  
Harvey Giblin  
Laura Gottesman  
Sean Greenberg  
Jenny Gregorcyk  
Sam Gwynn  
Franklin Hall  
Vincent Harding  
Joe Holt  
David Jabour  
Bobby Jenkins  
Blair Knox  
Joe Lea

Mike Levy  
Laurie Logue  
Casey Low  
Galan Manske  
Dave Marks  
Dr. George Martin  
Luke Martinez  
Dan Matheson  
Cathy Matthews Johnson  
Jim McBride  
Tom Michel  
Alan Nirenberg  
Glenda Owen  
Kirk Price  
Charles Roeslein  
Eddie Safady  
David Sheldon  
Ken Shifrin  
Sterling Silver  
Ben Sullivan  
Rodney & Gail Susholtz  
Rick Swisher  
Tim Taylor  
Mark Thompson  
Powell Thompson  
Jack Tisdale  
Patty Tomasco  
Judy Trabulsi  
Patrick Watkins  
Anne Wheeler  
Matt Whelan  
Dr. Mary Yancy  
Howard Yancy

***The average length of stay in Caritas of Austin's Supportive Housing program at end of FY19 is: 4.3 years. The longest stay in program is 13 years.***



**J. MATTHEW MILLER - VECINO GROUP;** *Chief Executive Officer* Matt is the CEO of the Vecino Group. Matt spent the first twenty years of his career focused on urban redevelopment before landing on his favorite project yet; co-founding the Vecino Group and growing it into a national company. Matt has successfully competed over 85 real estate deals. With a passion for unconventional business approaches, a knack for strategy, and a genuine enjoyment of providing opportunity, Matt sees no limit to the good the VG can achieve.

## EXPERIENCE

2011–  
PRESENT

### Chief Executive Officer

VECINO GROUP

Responsible for leading the development and execution of the company. Manages the overall operations and resources of the company as well as sets goals and strategy and provides overall vision.

2008–  
PRESENT

### Developer/Owner

MATT MILLER COMPANY

Worked with small team to develop multiple community development projects in Springfield Missouri—including an integral role in the growth and revitalization of the downtown area.

## SKILLS

- > Analytical Thinking
- > Budget Management
- > Real Estate Development
- > Strategic Planning
- > Leadership
- > Community Development

### ACCOMPLISHMENTS

20 years of development experience  
85 deals closed  
6 LIHTC Deals  
10 non-profit board positions

## EDUCATION

### Bachelors in Political Science & Russia Area Studies

UNIVERSITY OF MISSOURI

### Minor in Photography

UNIVERSITY OF MISSOURI



**RICK MANZARDO** - *Vecino Group; President* Rick's responsibilities include preparation and analysis of financial feasibility studies, overseeing construction budgeting and collaborating with nonprofits on affordable projects. From project inception to completion, Rick is integral to the process in working with the state, stakeholders, partners and the community. Rick has overseen Affordable and Supportive development for the Vecino Group for the last 6 years, working with the development team in over a dozen states.

## EXPERIENCE

2012–  
PRESENT

### President

THE VECINO GROUP

Leads team of talented LIHTC developers, researching possible states to enter and advise on development details. Reviews development proposals and applications as well as use industry experience and strategy to help guide our team. Works with syndicators, lenders, state agencies and internal team on developments, from inception to completion. Advises on financial underwriting to all development lines.

1998–  
2012

### Trader/Owner

PRIVATE INVESTMENT FIRM

Actively traded using arbitrage strategy, with hundreds of intraday trades, and annual trade volume in excess of \$1 billion. Responsible for all stock selection and trades, research and overall strategy.

## SKILLS

- > Underwriting
- > Budget Management
- > Contract Negotiation
- > Strategic Planning
- > Leadership
- > Developer of strategic partnerships with stakeholders

## ACCOMPLISHMENTS

- 15 years of real estate development
- 10 historic redevelopments
- 9 states with LIHTC experience

## EDUCATION

### Business Administration & Economics

DRURY UNIVERSITY

### Master of Business Administration in Finance

MISSOURI STATE UNIVERSITY





**THE VECINO GROUP**  
Housing for the greater good.

**Kim Buche**

**CHIEF ADMINISTRATIVE OFFICER**

## ABOUT

Kim is the CAO of the Vecino Group. Kim is responsible for bringing deals from conception to successful completion. Her responsibilities include financial planning and analysis of potential projects, creating and maintaining relationships with the development team (bankers, investors/partners, consultants, professionals), overseeing the closing process, daily operations, and project compliance. Kim has a mind for dollars and cents, as well as an unending supply of common sense.

## EXPERIENCE

### 2011–PRESENT **Chief Administrative Officer**

THE VECINO GROUP

Oversees financial planning and record-keeping, as well as financial reporting. Aids the deal closing process and oversees asset management. Also manages human resource responsibilities for the company.

### 2005–2013 **Director of Operations**

MATT MILLER COMPANY

Worked with small team to develop multiple community development projects. Responsible for overseeing financial daily operations and maintaining relationships with investors. Aided the closing process for all developments.

## SKILLS

- > Financial Management
- > Contract Negotiation
- > Customer Service
- > Strategic Planning & Project Management
- > Leadership
- > Human Resources

## ACCOMPLISHMENTS

- 12 Historic Redevelopments
- 15 tax abatement distinctions successfully granted
- 5 types of tax credits utilized

## EDUCATION

### **High School Diploma**

LIVERMORE HIGH SCHOOL

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 2 – Principals Info**

**2b. Resumes of Development Team**



Caritas  
of Austin



THE VECINO GROUP  
Housing for the greater good.

## DEVELOPMENT TEAM

Caritas of Austin has engaged the following high-quality development team to oversee the development of Espero Austin at Rutland:

Development Team for Espero Austin at Rutland	
<b>Lead Developer</b>	The Vecino Group Richard Manzardo 305 W. Commercial St. Springfield, MO 65803 (417) 720-1577 Rick@vecinogroup.com
<b>Co-Developer</b>	Caritas of Austin Jo Kathryn Quinn 611 Neches Street Austin, TX 78701 (512) 646-1252 Jkquinn@caritasofaustin.org
<b>Development and Financing Consultant</b>	True Casa Consulting, LLC Jennifer Hicks (512) 203-4417 jennifer@truecasa.net Texas HUB and WBE
<b>Architect</b>	Vecino Design, LLC Baxter Reecer (385) 273-3093 baxter@vecinogroup.com
<b>Engineer</b>	Wuest Group Scott Wuest (512) 394-1900 scott@wuestgrouptx.com
<b>General Contractor</b>	Vecino Construction, LLC Mike Willemsen (518) 514-8119 Mike@vecinogroup.com
<b>Attorney</b>	Spencer Fane LLP Shawn Whitney (417) 840-6550 swhitney@spencerfane.com



Caritas  
of Austin



THE VECINO GROUP  
Housing for the greater good.

	Shackelford, Bowen, McKinley & Norton, LLP John Shackelford (214) 780-1414 jshack@shackelford.law
<b>Accountant</b>	Novogradac & Company LLP George F. Littlejohn (512) 349-3211 George.littlejohn@novoco.com
<b>Property Manager</b>	Alpha Barnes Hugh A. Cobb (972) 581-0854 hcobb@abres.com
<b>ESA Provider</b>	Phase Engineering, Inc. Diana Hendrick (713) 476-9844 Diana@phaseengineering.com
<b>Market Analyst</b>	Affordable Housing Analysts Robert O. (Bob) Coe, II (281) 387-7552 Robertocoe2@gmail.com
<b>Supportive Service Provider</b>	Caritas of Austin Jo Kathryn Quinn (512) 646-1252 Jkquinn@caritasofaustin.org

The assembled team brings together vast experience in real estate development, LIHTCs, affordable housing, local development and supportive housing.

With Vecino Group as a dedicated partner, Caritas of Austin is thrilled to bring a national perspective and best practice approach to high-quality supportive housing development that will build the capacity of our community to deliver affordable and supportive units to address housing instability.

# Vecino Group's project list

	Name	City	State	S=student L=LIHTC P3=public/private RAD	Total units	Affordabl e units
DEVELOPMENT	Ithaca Arthaus	Ithaca	NY	L	120	120
	The Quarry	Potsdam	NY	L		
	Cairn Point	Cedar City	UT	L	60	48
DESIGN	Libertad Glendale	Glendale	AZ	L	108	108
	Alhaven	Kansas City	MO	L	50	50
	Eileen's Place	Kansas City	KS	L	60	60
CONSTRUCTION	Freedom Springs	Colorado Springs	CO	L	50	50
	Joplin Bungalows	Joplin	MO	L	20	20
	Intrada Saratoga Springs	Saratoga Springs	NY	L	158	158
	MUSE Omaha	Omaha	NE	S	247	
	MUSE Bowling Green	Bowling Green	KY	S	218	
	Mosaic Village	Cohoes	NY	L	68	68
	444 River Lofts	Troy	NY	L	74	30
	Libertad Des Moines	Des Moines	IA	L	40	40
	Intrada El Reno	El Reno	OK	L	57	56
	Libertad Elmira	Elmira	NY	L	91	90
	Libertad Cedar City	Cedar City	UT	L	80	56
	Block 22	Pittsburg	KS	P3	97	
WARRANTY	Bodhi	Salt Lake	UT	L	80	60
	Asteri	Utica	NY	L	49	49
	Intrada St. Louis	St Louis	MO	L	56	50
	Talia	Springfield	MO	L	46	39
	Cresco	Springfield	MO	S	103	
OPERATIONS	Frisco Lofts	Springfield	MO	L	68	68
	Freedom Place	St Louis	MO	L	68	68
	Park East-The U	Springfield	MO	S	39	
	Park East-Sterling	Springfield	MO	S	30	
	Park East-Sky 11	Springfield	MO	S	90	
	Fulbright Springs II	Springfield	MO	L	35	35
	Fulbright Springs I	Springfield	MO	L	36	36
	Highland Ridge	Nixa	MO	L	50	50
	Hudson Arthaus	Troy	NY	L	80	80



## **ESPERO AUSTIN AT RUTLAND - AUSTIN, TEXAS**

Caritas of Austin will be regularly, continuously, and substantially involved in providing services integral to the Development Team. Caritas of Austin will be the sole member and manager of the General Partner throughout the compliance period, oversee the property management and coordinate supportive services. As co-Developer, Caritas of Austin will receive 33% of the developer fee with the exception of any amount deferred.

Caritas of Austin will be involved in this development from construction through lease-up and operation through the compliance period. Caritas of Austin will be a member of the development team and involved in the design and development process. Caritas of Austin will have staff located on-site and will be responsible for inspection of leasing records and interaction with on-site staff; supervision of the property management company, analysis of financials, vacancy rate and capital improvements; review and approval of operating budgets; oversight of resident service coordination and compliance; and engagement with residents to ensure client satisfaction.

To date, Caritas of Austin has already performed the following development roles:

- Vetting of development sites
- Negotiation of purchase contract
- Local government engagement and support
- Community support and engagement
- Neighborhood engagement
- Design input and vetting
- Review of architectural plans and site plan
- Program design and rent schedule
- Procurement of operational subsidies
- Interviews with Property Management Firms

Caritas of Austin will be intimately involved in the financing for the project including the review and execution of all finance documents, agreements and instruments (both capital and operational).

### **Experience in Housing Industry**

Caritas of Austin – an Austin-based non-profit with a track record of success and 14 years of experience in addressing housing instability through supportive housing – is the most qualified nonprofit to help deliver additional high-quality, deep-impact supportive housing to our neighbors who need it most.

**Permanent Supportive Housing** - Caritas of Austin's Permanent Supportive Housing program provides housing, onsite supportive services, and mental health counseling for disabled individuals experiencing long-term homelessness. By using best practices and continually adding new layers of peer and mental health support, Caritas is proud that last year 98% of individuals remained stable in housing and did not return to the streets.

**Housing Stability** - Caritas of Austin provides rapid rehousing services to families and individuals who are experiencing shorter-term homelessness. An unexpected crisis such as an injury, illness, or a lost job can cause a loss of stable housing. Caritas meets people in their time of greatest need and quickly intervenes to rehouse families to prevent long-term homelessness. Caritas employs customized, evidence-based solutions to end a family's homelessness once and for all, which helps build stability for future generations.

**Youth Program** - Caritas of Austin works collaboratively with local nonprofits SAFE and LifeWorks to provide a stable home for youth currently or at risk of experiencing homelessness. With Caritas' rapid re-housing program for youth, we are able to intervene early in young people's lives, giving them the best possible chance to build wellbeing and stability early on. Caritas personalizes services to meet the unique challenges faced by young people, and provides support with other areas of wellbeing like employment, mental health, life skills, education, and social support.

**Best Single Source Plus** - Caritas of Austin is the lead and fiscal agent of this 12-agency collaborative aimed at preventing and ending homelessness in Austin and Travis County.

#### **Housing Program Highlights:**

- Operating Permanent Supportive Housing for 14 years
- 98% of Supportive Housing clients remain stable in housing
- Provided housing services to 556 people last year
- Currently operate 156 units of supportive housing across multiple properties throughout Austin

#### **Property Management**

Caritas of Austin has been operating supportive housing for 15 years with 556 people receiving housing services last year. During this time, Caritas has leased and had program staff on-site at multiple TDHCA-funded properties, with up to 112 units at a given time. Caritas of Austin serves in a property manager role for multiple communities with staff performing functions such as application and lease intake, calculating income, establishing tenant selection criteria, monitoring occupancy and filling vacancies, enforcement of house rules, fulfilling maintenance requests, inspection of units, analysis of capital needs and resident engagement. Caritas of Austin staff is very familiar with leasing requirements from multiple funding programs including Low Income Housing Tax Credits and TDHCA-funded MFDL programs. Several of Caritas of Austin's lead housing program staff served in property management roles at other TDHCA-funded properties and vice versa.

#### **Compliance**

Caritas of Austin manages revenue of just under \$11M a year, over 65% of that revenue is from Government Grant programs that provide operational subsidies and housing program assistance. Caritas manages \$172k in annual rent from residents. This rent represents 30% of resident income not covered by operational subsidy.

With their expansive housing program, Caritas of Austin has internal controls and guidelines to manage compliance from a variety of private and public funders. The agency has multiple monitoring visits per year and currently does not have any programs that are on performance improvement plans from funders. Caritas of Austin is the fiscal agent of the Best Single Source (BSS+) collaborative. In this role, Caritas staff conduct monitoring visits for the eleven other agencies that receive funding, to monitor program and financial compliance.

In all Caritas of Austin housing programs, staff obtain income certifications and calculations during eligibility screening into the program, when there is a change of income status, and at annual assessment. For supportive housing programs, staff calculate occupancy charges/rent based on the participant's income utilizing HUD guidelines. All housing programs conduct habitability inspections prior to tenants moving in to units, and conducts additional inspections during tenancy. Caritas of Austin is experienced at creating tenant selection criteria, agreements and guidelines based on a variety of funding sources using best practices policy.

In Caritas of Austin's past A-133 audits – which reviews controls and compliance specifically related to government related programs – there has never been a qualified or adverse opinion (all were clean audits). Similarly, Caritas has monitoring visits and file reviews from a host of government agencies and has a historical record of no findings. Finally, Caritas of Austin – with its presence at TDHCA-financed programs – has been part of TDHCA monitoring visits and is very familiar with that process.

# TRUE CASA CONSULTING, LLC

## Bio for Jennifer Hicks, Founder:

Jennifer Hicks has over 20 years of affordable housing development and finance experience working for Foundation Communities - the State's premier nonprofit, affordable housing developer. As Director of Housing Finance, Hicks led the development of 14 innovative and high-impact communities that provided 1,559 units of affordable housing. While at Foundation Communities, Hicks also helped create and implement the first supportive housing model in Austin and grew the model to 783 units before her departure. In her current consulting capacity, Hicks has continued working with nonprofits to help structure and access capital for permanent supportive housing projects in Texas. Hicks' passion and expertise is centered around high-impact housing and enjoys the complexity and challenge these projects provide. She marries her development and finance skills with a deep understanding of the target population that helps inform both the physical and programmatic design of the project that best suits the target population. Hicks has strong relationships with quality investors, lenders and local and state housing funders. Hicks was honored to be a part of Affordable Housing Finance's first round of 40 and Under Young Leaders, but her greatest reward is creating places for people to call home.

## Affordable Housing Development Experience

True Casa has the following experience in Affordable Housing Development:

- 1) Leading affordable housing site selection for new communities including analyzing sites for scoring and threshold requirements with Housing Tax Credit program.
- 2) Structuring purchase contracts to meet requirements of Housing Tax Credit program.
- 3) Reviewing purchase contracts and ensuring milestones are all achieved.
- 4) Coordinating professionals to conduct third party due diligence reports and reviewing all reports (i.e. Phase I ESA, appraisals, market studies, property condition assessments, civil engineering reports, and surveys.)
- 5) Managing the required follow-up for any third party due diligence reports (i.e. Phase II ESA work.)
- 6) Coordinating RFQ's for architect and general contractor selection, including participating in selection committee.
- 7) Overseeing the financial structuring and development of 1,800 units of affordable housing.
- 8) Running project budgets and proformas for proposed affordable housing developments.
- 9) Managing the construction budget process including reviewing bids and participating in value engineering.
- 10) Leading the contract review and finalization for general contractor and architect and ensuring all federal requirements are properly referenced and adhered to, as well.
- 11) Participating in design review and input to ensure housing is designed with target population in mind.
- 12) Creating the organizational structure for new affordable housing developments including name registration and new entity creation with the Texas Secretary of State.



# TRUE CASA CONSULTING, LLC

- 13) Ensuring that design and construction team is made aware of State and Federal housing construction requirements and that they are properly adhered to.
- 14) Overseeing compliance with Davis Bacon wage reporting and Federal labor standard laws.
- 15) Coordinating with development team on zoning and permit issues and timing, as needed.
- 16) Engaging with neighborhoods and community organizations on affordable housing education and specific development support.
- 17) Raising over \$218 million in grants and loans from public and private sources for the acquisition, rehabilitation and new construction of affordable housing.
- 18) Winning 9% low income housing tax credits in Texas on 11 developments in the past 10 years.
- 19) Preparing and processing 9% HTC applications including leading response to all deficiencies, underwriting and ensuring project meets all required reporting milestones.
- 20) Completing all reporting due to TDHCA on all HTC-funded projects – commitment, Carryover Allocation Agreement, 10% Test, construction monitoring reports, LURA origination, and Cost Certification.
- 21) Creating RFP for equity investors and lenders on affordable housing developments and analyzing responses for a final selection recommendation.
- 22) Negotiating the final LOIs from investors and lenders, as well as reviewing and negotiating the limited partnership agreement for tax credit projects.
- 23) Securing over \$10M in grant awards from the Federal Home Loan Bank Affordable Housing Program in 12 awards – application, underwriting, subsidy draw and initial compliance monitoring.
- 24) Securing gap funding from a variety of funding sources including: City of Austin Rental Housing Development Assistance Program, TDHCA Multifamily Direct Loan Program and Capital Magnet Fund.
- 25) Ensuring construction stays on timeline and meets any funder required deadlines (i.e. HTC PIS deadline.)
- 26) Leading the construction draw requests to construction lender and equity provider.
- 27) Ensuring all tax credit equity is drawn according to agreed upon milestones.
- 28) Coordinating with property management on lease-ups for HTC projects.
- 29) Structuring housing vouchers in new developments.
- 30) Designing supportive housing models based on site and project parameters.
- 31) Tracking project stabilization and leading the conversion to permanent mortgage.
- 32) Facilitating the refinancing of six different communities and preserving affordability.
- 33) Coordinating the Year 15 response on HTC financed communities.
- 34) Leading the closing on land acquisition and all project financing including coordinating the closing team and responding to due diligence calls from lender and investor.
- 35) Creating a compliance checklist that details all funder requirements for ongoing operations.

# TRUE CASA CONSULTING

Project	New or Rehab	# of Units	Project Type	Financing	Year Complete	Income Mix
Arbor Terrace, Austin, TX	Rehab	120	Supportive Housing	Neighborhood Stabilization Program via TDHCA, City of Austin RHDA Program, FHLB Atlanta, NeighborWorks America	2012	90 units – 30% MFI 30 units – 50% MFI
Bluebonnet Studios, Austin, TX	New	107	Supportive Housing	9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, TCAP, Enterprise Green Communities, NeighborWorks America, Private Fundraising	2016	22 units – 30% MFI 21 units – 40% MFI 64 units – 50% MFI
Burnet Place Apartments, Austin, TX	New	61	Supportive Housing	City of Austin RHDA, TDHCA MFDL, FHLB San Francisco, Private Fundraising	Under Development	13 units – 30% MFI 13 units – 40% MFI 35 units – 50% MFI
Capital Studios, Austin, TX	New	135	Supportive Housing	9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, Enterprise Green Communities, NeighborWorks America, Private Fundraising	2014	27 units – 30% MFI 27 units – 40% MFI 81 units – 50% MFI
Cardinal Point, Austin, TX	New	120	Family	9% LIHTC, City of Austin RHDA Program, FHLB AHP, Private Fundraising	2017	12 units – 30% MFI 60 units – 50% MFI 48 units – 60% MFI

# TRUE CASA CONSULTING

Eastern Oaks Apartments, Austin, TX	Rehab	30	Family	TDHCA MFDL and RHDA Program	Under Development	All units below 30% MFI
Garden Terrace, Austin, TX	Rehab/New	123	Supportive Housing	City of Austin RHDA funding, FHLB AHP, TDHCA HOME, Section 8 Moderate Rehabilitation SRO Program	2003, 2008, 2017	45 units – 30% MFI 75 units – 50% MFI 3 units - UR
Homestead Oaks, Austin, TX	New	140	Family	9% LIHTC, City of Austin RHDA Program, HUD 221(d)(4) loan, FHLB AHP, NeighborWorks America, Private Fundraising	2015	14 units – 30% MFI 70 units – 50% MFI 42 units – 60% MFI 14 units - MKT
The Jordan at Mueller, Austin, TX	New	132	Family	9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, Private Fundraising	Under Construction	14 units – 30% MFI 66 units – 50% MFI 52 units – 60% MFI
Lakeline Station, Austin, TX	New	128	Family	9% LIHTC, City of Austin RHDA Program, Department of Justice Funds, Private Fundraising	2017	13 units – 30% MFI 64 units – 50% MFI 51 units – 60% MFI
Live Oak Trails, Austin, TX	New	58	Family Supportive Housing	9% LIHTC, City of Austin RHDA Program, Department of Justice Funds, Private Fundraising	2017	12 units – 30% MFI 12 units – 40% MFI 34 units – 50% MFI
M Station, Austin, TX	New	150	Family	9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, Enterprise	2011	15 units – 30% MFI 75 units – 50% MFI

# TRUE CASA CONSULTING

				Green Communities, NeighborWorks America, Private Fundraising, Permanent Mortgage with Impact Capital via Bank of America		45 units – 60% MFI 15 units – MKT
Roosevelt Gardens, Austin, TX	New Construction	40	Supportive Housing	City of Austin RHDA, TDHCA MFDL, FHLB San Francisco	Under Development	14 units – 30% MFI 26 units – 50% MFI
Sierra Vista, Austin, TX	Rehab	238	Family	9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, NeighborWorks America, Private Fundraising, Permanent Mortgage with Impact Capital via Bank of America	2012	24 units – 30% MFI 166 units – 50% MFI 48 units – 60% MFI
Spring Terrace, Austin, TX	Rehab	142	Supportive Housing	City of Austin RHDA, TDHCA HOME and HTF, FHLB Dallas, NeighborWorks America, Enterprise Green Communities, Private Fundraising	2006	14 units – 30% MFI 126 units – 50% MFI 2 units – UR
Skyline Terrace Austin, TX	Rehab	100	Supportive Housing	9% LIHTC, City of Austin RHDA, TDHCA HOME, FHLB San Francisco, NeighborWorks America, Enterprise Green	2008	72 units – 30% MFI 28 units – 40% MFI

# TRUE CASA CONSULTING

				Communities, Private Fundraising		
Waterloo Studios, Austin, TX	New Construction	132	Supportive Housing	9% LIHTC and City of Austin RHDA Program	Under Development	26 units – 30% MFI 26 units – 40% MFI 80 units – 50% MFI

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 2 – Principals Info**

**2c. Resumes of Property  
Management Team**



# Professional Qualifications Statement

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 3 – Financial Info**

**3a. Federal IRS Certification**





**IRS** Department of the Treasury  
Internal Revenue Service

P.O. Box 2508  
Cincinnati OH 45201

In reply refer to: 0248164828  
Feb. 03, 2015 LTR 4168C 0  
74-1909670 000000 00

00018925  
BODC: TE

CARITAS OF AUSTIN  
611 NECHES ST  
AUSTIN TX 78701



012849

Employer Identification Number: 74-1909670  
Person to Contact: Tonya Morris  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 23, 2015, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in April 1977.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the 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.

Please refer to our website [www.irs.gov/eo](http://www.irs.gov/eo) for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.



**IRS** Department of the Treasury  
Internal Revenue Service

P.O. Box 2508  
Cincinnati OH 45201

FEB 04 2015

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CARITAS OF AUSTIN  
611 NECHES ST  
AUSTIN TX 78701



012849

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,  
EVEN IF YOU ALSO HAVE AN INQUIRY.



The IRS address must appear in the window.

0248164828

BODCD-TE

Use for payments

Letter Number: LTR4168C  
Letter Date : 2015-02-03  
Tax Period : 000000



\*741909670\*

INTERNAL REVENUE SERVICE  
P.O. Box 2508  
Cincinnati OH 45201  
11111111111111111111

CARITAS OF AUSTIN  
611 NECHES ST  
AUSTIN TX 78701

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**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 3 – Financial Info**

**3b. Certified Financial Audit**

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 3 – Financial Info**

**3c. Board Resolution**

# Board Resolution



The Board of Directors of Caritas of Austin held a regularly-scheduled meeting on February 27, 2020.

**RESOLVED, THAT CARITAS OF AUSTIN, AS 100% MEMBER AND SOLE MANAGER OF THE GENERAL PARTNER AND CO-DEVELOPER OF ESPERO AUSTIN AT RUTLAND TO BE LOCATED AT 1934 RUTLAND DRIVE, AUSTIN, TX, 78758 INCLUDING: (I) EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT TRANSACTION; (II) TO ENTER INTO THE DEVELOPER AGREEMENT AND AGREEMENT OF LIMITED PARTNERSHIP FOR ESPERO AUSTIN AT RUTLAND; (III) SUBMISSION OF APPLICATION FOR FUNDING TO THE CITY OF AUSTIN RENTAL HOUSING DEVELOPMENT ASSISTANCE PROGRAM FOR ACQUISITION, PRE-DEVELOPMENT, AND/OR CONSTRUCTION COSTS; AND (IV) SUBMISSION OF AN APPLICATION (ESPERO AUSTIN AT RUTLAND – TDHCA #20040) FOR 9% HOUSING TAX CREDITS IN THE CURRENT 2020 CYCLE TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS AND OTHER MATTERS IN CONNECTION HERewith**

**WHEREAS**, Caritas of Austin, has proposed a development for affordable and supportive, multifamily rental housing located at 1934 Rutland Drive in Austin, Texas (TDHCA #20040); and

**WHEREAS**, Caritas of Austin, will serve as the sole member and manager of the General Partner of the Partnership and Applicant – Espero Austin at Rutland, LP – in connection with the financing; and

**WHEREAS**, Caritas of Austin and The Vecino Group – as Affiliates of the Applicant and Co-Developers – will submit an application to the TDHCA for 2020 Competitive 9 percent Housing Tax Credits for ESPERO AUSTIN AT RUTLAND; and

**WHEREAS**, Caritas of Austin, will enter into an Operating Subsidy Agreement with Espero Austin at Rutland, LP, to provide operating subsidies to 25% of the units in the project through voucher programs and/or rental subsidy made available directly through the nonprofit activities of Caritas of Austin; and

**WHEREAS**, Caritas of Austin has been successfully fundraising for many years and has averaged \$3 million in private dollars annually the past two years and expects to continue its fundraising efforts in the future; and

**WHEREAS**, Caritas of Austin has embarked on a \$6 million dollar campaign to expand its services and capacity, known as "Vision 2025";

**WHEREAS**, Caritas of Austin is irrevocably committed to take all necessary actions to ensure the financial feasibility and viability of Espero Austin at Rutland, LP as it relates to its roles and responsibilities in the limited partnership agreement; and

**WHEREAS**, the Board of Directors has determined that it is in the organization's best interest and to the benefit of the residents of Austin as a solution to ending homelessness to enter into the transaction described above so that the project may be constructed; and

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Caritas of Austin hereby approves this RESOLUTION and AUTHORIZES the President and Chief Executive Officer – Jo Kathryn Quinn – to enter into all purchase agreements, developer and partnership agreements, financing agreements and related documents and to sign for and perform any and all responsibilities in relation to the project.

The majority of Board of Directors adopted this resolution.

Date: 02.27.2020

Signature:

Printed Name: John Brindley

Title: Secretary

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 3 – Financial Info**

**3d. Financial Statements**

N/A

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 3 – Financial Info**

**3e. Funding Commitment Letters**



**Pt 4 Tab 31 – Financing Narrative**  
**Espero Austin at Rutland - AUSTIN, TEXAS**  
**TDHCA #20040**

**Construction Sources and Uses**

The construction funding sources include a construction loan from Boston Financial in the amount of \$10,500,000, a Multifamily Direct Loan (Soft Repayable) in the amount of \$2,000,000, investor equity in the amount of \$6,748,650 a loan from the Austin Housing Finance Corporation (City of Austin) in the amount of \$6,500,000, City of Austin fee waivers in the amount of \$266,399n (with \$150,000 being used as MFLDL match) and a pledged deferred developer fee in the amount of \$1,515,898.

The construction loan from Boston Financial will carry an interest rate of 6.00% and will require interest-only payments during the construction period. Construction loan interest, assuming the loan is fully drawn for in one year, will be approximately \$630,000. The letter confirming the rates and terms of the construction loan is included in the application.

Equity will be advanced from Boston Financial in the estimated amount of \$13,497,300 with 50% of this amount disbursed during the construction phase. The exact amount may be adjusted based on adjusters to be defined in the partnership agreement. The syndication proceeds are to be based on \$0.90 per dollar of tax credits and a projected tax credit allocation of \$1,500,000. This equity letter of intent is enclosed in the application.

The developer has applied for \$6,500,000 in funding from the Austin Housing Finance Corporation (City of Austin). The source of the funds is general obligation bond funding administered through the City's Rental Housing Developer Assistance program that is not Federal. Please find attached proof of application. Terms of the loan will be for a minimum of 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The developer is simultaneously applying for \$2,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be payable from surplus cash flow and/or deferred on a yearly basis and payable at the end of the loan period contingent upon compliance with the loan agreement. It is the preference for this loan to be structured as a pass-through loan that will be forgiven at the end of the loan period.

The City of Austin is making a commitment of Development Funding by a Local Political Subdivision in the form of reduced permit fees. The total amount of City fees estimated for the project is \$376,090. Of those fees, \$266,399 are eligible to be waived by the City. Please see attached commitment letter from the City of Austin detailing their commitment to the fee waivers.

In addition, the developer will defer approximately \$1,515,898 of the developer fee during the construction period.

**Permanent Sources and Uses**

The total equity available from Boston Financial as a permanent source of funding will be \$13,497,300.

The Austin Housing Finance Corporation loan (City of Austin) in the amount of \$6,500,000 will be a source of permanent financing, with no payments of principal or interest required as long as the property continues to satisfy the affordability restrictions.

The developer is simultaneously applying for \$2,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be through surplus cash flow and/or deferred on a yearly basis and payable at the end of the loan period contingent upon compliance with the loan agreement. As Supportive Housing, it is the preference for this loan to be forgivable.

The City of Austin is making a commitment of Development Funding by a Local Political Subdivision in the form of reduced permit fees. The total amount of City fees estimated for the project is \$376,090. Of those fees, \$266,399 are eligible to be waived by the City. Please see attached commitment letter from the City of Austin detailing their commitment to the fee waivers.

Finally, the developer is prepared to make up any gap in sources and uses by deferring the developer fee. Currently, the permanently deferred developer fee is projected at \$1,047,365 and can be paid back from cash flow prior to year fifteen of operations.



Boston Financial  
Investment Management, LP  
*a Limited Partnership*

101 Arch Street  
Boston, Massachusetts 02110  
T: 617.439.3911  
F: 617.439.9978  
[www.bfim.com](http://www.bfim.com)

February 26, 2020

Jo-Kathryn Quinn  
President and CEO  
Caritas of Austin  
611 Neches Street  
Austin, TX 78701

Rick Manzardo  
President  
Vecino Bond Group, LLC  
305 West Commercial Street  
Springfield, Missouri 65803

**Re:   Espero Austin at Rutland  
      Austin, TX**

Espero Austin at Rutland, LP,

We appreciate the opportunity to become the investment partner in **Espero Austin at Rutland** (the "Property"). This Commitment summarizes the proposed investment terms and conditions by which a limited partnership or limited liability company formed by Boston Financial Investment Management, LP ("Boston Financial") would acquire an interest in the Partnership (as defined below).

As further detailed in Section 2.2 below, BFLP (as defined below) would proceed to make capital contributions to the Partnership of approximately \$13,497,300 or the equivalent of \$0.90 per each dollar of Federal Low Income Housing Tax Credit (the "Federal LIHTC").

## **1. Project Assumptions**

We have made the following assumptions in evaluating this investment:

### **1.1 Development Structure**

- The Partnership. Espero Austin at Rutland, LP (the "Partnership") has been, or will be, formed to acquire, develop, own, and operate the Property. If the Property will be owned in a Limited Liability Company rather than a Limited Partnership, all references in this letter to the Partnership or General Partner shall refer to the Limited Liability Company and the Managing Member, respectively.
- Investor and Special Limited Partners. An entity affiliated with Boston Financial ("BFLP") will purchase a 99.98% limited partnership interest in the Partnership ("Admission") upon satisfactory completion of the conditions contained in this commitment. A corporation affiliated with Boston Financial will be a special limited partner in the Partnership with certain

restricted management rights and a small interest in sale proceeds (the "Special Limited Partner").

- **General Partner.** VBG-Caritas Rutland Austin, LLC, a wholly owned entity of Caritas of Austin, a non-profit corporation, will retain a 0.01% interest, and serve as the General Partner of the Partnership (the "General Partner"). Vecino Bond Group, LLC will retain a 0.01% interest, and serve as The Administrative Limited Partner in the Partnership (the "Administrative Limited Partner"). All references in this letter to the General Partner refer to the General Partner and Administrative Limited Partner. Cash flow and residual distributions allocated towards the General Partner will go 51% to Caritas of Austin and 49% to Vecino Bond Group, LLC.
- **Developer.** The Property will be co-developed by a to be formed entity owned 67% by the Vecino Bond Group, LLC and 33% by Caritas of Austin.
- **Guarantor.** The obligations of the Developer and General Partner will be guaranteed by Matthew Miller and Rick Manzardo personally and by Vecino Bond Group, LLC (collectively, the "Guarantor"). The Guarantor must maintain sufficient net worth and liquidity to meet its obligations (but in no event less than \$5 million of net worth and \$1 million in liquidity). Boston Financial will have the right to accept or reject the Guarantor in its sole discretion based on a detailed review of the Guarantor's financial statements.
- **General Contractor.** The general contractor will be Vecino Construction, LLC, an affiliate of Vecino Bond Group, LLC, pending review and acceptance by Boston Financial. Construction must be fully bonded or secured by a letter of credit equal to 10% of the construction contract.
- **Management Agent.** The Property will be managed by an entity acceptable to BFLP (the "Management Agent"). The Management Agent (i) will have demonstrated experience managing Section 42 properties and (ii) will receive a competitive management fee, which shall not exceed the lesser of 5.0% of effective gross revenue or the maximum amount permitted by any lender or governmental agency. If related to the General Partner, the Management Agent will enter into an agreement to defer and accrue its fee, if necessary, to prevent (i) a default under the mortgage loan documents and (ii) to avoid an operating deficit. Breach of this agreement will be grounds for removal of the Management Agent.

## 1.2 Property Design

- The Property will be developed as new construction and will consist of 135 units. The unit and income mix will include:

### Property Design:

Units	Beds	Inc AMI	Rent AMI	Set-Aside*	Subsidy**
9	Studio	30%	30%	See Below	See Below
25	Studio	30%	30%	See Below	See Below
67	Studio	50%	50%	See Below	None
34	Studio	50%	50%	See Below	None
100% of the units will be occupied by LIHTC-eligible tenants.					
*A minimum of 25% of the units will be set aside for persons suffering from or at risk of homelessness.					
**34 units will benefit from an Operational Subsidy provided by Caritas of Austin.					

### Development Schedule:

Metric	Date Achieved
Admission	June, 2021
First Units Placed in Service	September, 2022



100% Completion	September, 2022
Initial Lease-Up is Expected to Begin	September, 2022
100% Qualified Occupancy	April, 2023

### 1.3 Financing\*

Type	Lender	Amount	Rate	Fixed Rate?	Term	Amort	Hard Payments?
Const	M1 Bank	\$10,500,000	6.0%	No	24 mos.	N/A	Interest only
Perm	M1 Bank	\$4,219,883	6.5%	No	15	35	Yes
Perm	TDHCA	\$2,000,000	0.0%	Yes	40	N/A	No
Perm	City of Austin	\$6,500,000	0.0%	Yes	40	N/A	No
Grant	City of Austin	\$266,399	N/A	N/A	N/A	N/A	N/A

\* In no event will the hard debt be underwritten to a debt service coverage ratio of less than 1.15x. All mortgages will be considered partnership non-recourse financing. All mortgages will be considered basis eligible.

### 1.4 Reserves

All required reserves are expected to be funded prior to or by the Final Closing equity installment.

- Replacement Reserve. Property operating expenses will include funding of a Replacement Reserve in the amount of at least \$250 per unit per year, inflating by 3%, subject to the completion of a plan and cost review by Boston Financial's engineer that supports this amount.
- Operating Reserve. An Operating Reserve will be held in a tax-exempt account. This value will represent four (4) months of operating expenses, reserve payments, and required debt service or approximately \$353,359. The Operating Reserve will be used to fund operating deficits of the Partnership as described in Section 3.2 below subject to Boston Financial's approval. The reserve shall be distributed to the General Partner upon the expiration of the Compliance Period.
- Rent Up Reserve. A Rent Up Reserve of \$80,000 will be funded at second equity installment and will be held in a tax exempt account. This Rent Up Reserve will be used to fund the leasing and marketing of the property once placed in service. Funds remaining in the reserve shall be distributed to the General Partner upon expiration of the Compliance Period.

### 1.5 Other

- We have assumed a hard cost contingency of approximately 5% of total hard costs.
- We have assumed \$1,012,500 in Land Improvement costs, eligible as 15-year depreciable property, which will need to be verified.
- We have assumed \$607,500 in Personal Property costs, eligible as 5-year depreciable property, which will need to be verified.
- Any interest income earned by the Partnership will be specially allocated to the General Partner.
- Each of the buildings will be depreciated over 30 years.

## 2. Tax Credits and Capital Contributions

### 2.1 Tax Credit Assumptions

- The Partnership is projected to receive a 2020 9% Federal LIHTC award for the Property in the amount of approximately \$1,500,000 per annum.

Low Income Housing Tax Credits are expected to be generated annually as follows:

Credit	Years	Annual Amount
Federal LIHTC	2023	\$1,350,000
Federal LIHTC	2024-2032	\$1,500,000
Federal LIHTC	2033	\$150,000

### 2.2 Capital Contributions

Based upon the assumptions that you submitted and subject to the satisfactory completion of Boston Financial's due diligence, BFLP will make capital contributions to the Partnership in the aggregate amounts and at the times shown below:

	Payment Conditions	Amount	%	Dev Fee	%	Reserve
1	Admission	\$1,349,730	10.0%	\$271,908	25%	\$0
2	Later of 90% Construction Completion and 7/1/22	\$5,398,920	40.0%	\$271,908	25%	\$80,000
3	Final Closing Installment: Latest of (i) 100% Initial Qualified Occupancy confirmed by tenant file review, (ii) submission of 8609 applications (acceptable to Boston Financial), (iii) Final Closing (defined below), (iv) Tax Credit Determination (defined below), (v) cost certification (acceptable to Boston Financial), (vi) Stabilization Date (defined below), and 7/1/23	\$6,348.650	47.0%	\$143,819	13%	\$353,359
4	Latest of (i) Receipt of 8609s and (ii) 7/1/23	\$400,000	3.0%	\$400,000	37%	\$0
	<b>Total</b>	<b>\$13,497,300</b>	<b>100%</b>	<b>\$1,087,635</b>	<b>100%</b>	<b>\$353,359</b>

Installments are due only after the prior installment's conditions have been met. Installments may be adjusted based on actual or projected tax credit delivery schedules as prepared by the Partnership Accountants.

### 2.3 Capital Adjusters

The installments of equity shall be subject to standard tax credit timing and steady state adjuster calculations subject to the availability of funds.

Federal LIHTC Downward Timing. For each dollar of credit delivered to BFLP in 2023 less than \$1,349,865 and in 2024 less than \$1,499,850 the capital contributions will be reduced by \$0.55.

Federal LIHTC Upward Timing. Payment of the upward timing adjuster will be on a best efforts basis. For each dollar of credit delivered to BFLP in 2023 more than \$1,349,865 the capital contributions will be increased by \$0.45.

Federal LIHTC Downward Basis. For the annual, steady state amount of credit, for each dollar of credit delivered to BFLP which is less than \$1,499,850, the capital contributions will be reduced by \$9.00 (for the total credit period).



Federal LIHTC Upward Basis. For the annual, steady state amount of Federal LIHTC, for each dollar of credit delivered to BFLP which is greater than \$1,499,850, the capital contributions will be increased by \$9.00 (for the total credit period). Notwithstanding the above, BFLP's capital contributions may be increased on a cumulative basis and on a best efforts basis. If there are unpurchased credits, BFLP will reduce its percentage interest in the Partnership accordingly.

Any upward adjusters will be paid with the final equity installment. If there are not sufficient remaining installments for any of the above adjusters, the amount will be due within 30 days and any unpaid amount will be increased by an interest rate of 10% commencing on the date of Admission plus any penalties payable by BFLP or its partners.

## **2.4 Development Fee**

The Developer is projected to earn a total development fee of \$2,135,000. The actual amount of the total developer fee may increase subject to the approval of Boston Financial. We expect some amount ("Deferred Development Fee") will be outstanding after payment of all installments of equity. Payment of any Deferred Development Fee will be subject to available cash flow and may bear interest of at least long-term AFR, if acceptable to Boston Financial, based on its review of tax implications associated with the fee. After taking into account any excess sources, the General Partner shall be obligated to pay any amount of outstanding Deferred Development Fee in the form of a capital contribution to the Partnership prior to the end of the thirteenth anniversary of the date the Property is placed in service.

## **3. General Partner Obligations**

The General Partner and Guarantor will have the following obligations.

### **3.1 Development Obligation.**

The Developer is obligated to (i) deliver a completed, lien-free project (including all final Certificates of Occupancy and an ALTA as-built survey), in accordance with the plans and specifications based upon fixed development costs including funding of development fee and all required reserves and (ii) arrive at Final Closing (as defined below). If the proceeds available are insufficient to pay all Eligible Development Costs, the Developer shall advance to the Partnership such funds as are required to pay such deficiencies through the latest of the date the Property achieves (i) Completion, (ii) Final Closing, (iii) Stabilization Date, and (iv) the receipt of final Forms 8609s from the allocating agency for each building in the Property (the "Development Obligation Date" or "DOD"). The General Partner will be obligated to guaranty this obligation and any cost overruns, development deficiencies or loan conversion gaps not paid for by the Developer shall be paid by the General Partner and will be treated as Development Loans, which will be repayable solely from future available cash flow or sale proceeds.

"Stabilization Date" means the first day following the three most recent consecutive calendar months commencing on or after the Completion Date (but not to be achieved prior to Final Closing), during each of which, as determined by the Accountants, subject to reasonable review by Boston Financial, the Project has achieved a Debt Service Coverage Ratio of at least 1.15 DSCR.

"Final Closing" means the date upon which all of the following events have occurred: (i) the Completion Date, (ii) Permanent Mortgage Commencement, (iii) the Property being free of any

mechanics' or other liens (except for the Mortgages and liens either bonded against in such a manner as to preclude the holder thereof from having any recourse to the Property or the Partnership for payment of any debt secured thereby or affirmatively insured against (in such manner as precludes recourse to the Partnership for any loss incurred by the insurer) by the Title Policy (or by another policy of title insurance) issued to the Partnership by an acceptable title insurance company in an amount satisfactory to Investor Tax Counsel (or by an endorsement of either such title policy)), (iv) the completion by the Accountants of a certified audit, approved by the Investor Limited Partner, of the Partnership's and the Builder's construction costs as a part of cost certification, (v) the agreement and acceptance of such cost certification by (a) Boston Financial and (b) by the Lenders and the Governmental Agency to the extent required by the Lenders and the Governmental Agency, (vi) the date of delivery to and acceptance by Boston Financial of an As-Built Survey, (vii) the disbursement of proceeds under the Mortgage Loans has been made in the full amount permitted by such cost certification, (viii) all amounts due in connection with the construction of the Project have been paid or provided for, and (ix) the full funding of any reserves required under the Mortgage Loan Documents and the Partnership Agreement (except for any reserves to be funded from future installments or other identified sources).

"Tax Credit Determination" means the date the Accountants determine the amount of the Tax Credits, and determine that the Project satisfies the requirements of Section 42(h)(4) of the Code.

### **3.2 Operating Obligation.**

Commencing on the date of Admission, the General Partner will be obligated to advance funds needed to cover operating deficits (including taxes, debt service, mortgage loan insurance, full replacement reserve funding acceptable to Boston Financial, and, after the DOD, normal repairs and necessary capital improvements) such that the Partnership has \$1 of surplus cash at all times. The General Partner's obligation will be unlimited through the end of the Compliance Period and such advances will be treated as Operating Expense Loans, which will bear interest at AFR and will be repayable solely from future available cash flow or sale proceeds.

Notwithstanding the above, the Guarantor's guaranty of the Operating Obligation will be unlimited from Admission through the DOD. Commencing on the DOD said guaranty shall be limited to eight (8) months of operating expenses, replacement reserve deposits and required debt service. The Guarantor's guaranty of the Operating Obligation shall terminate upon the later of (i) the fifth anniversary of the DOD or (ii) the Property achieving a 1.15 DSCR as confirmed by audited financial statements, acceptable to Boston Financial, for the most recent fiscal year. Any Partnership operating reserve may be used first to satisfy operating deficits. However, such amounts will not be allowed to fulfill a portion of the Guarantor's limitation and all amounts withdrawn will need to be replenished by the Guarantor prior to release of this Operating Obligation.

### **3.3 Repurchase Obligation.**

The General Partner will be obligated to repurchase BFLP's interest in the Partnership, for a price equal to 107% of the Net Capital Contribution payable to the Partnership less amounts not yet paid into the Partnership, plus 5% interest from Admission plus any interest or penalties from recapture, if (1) Final Closing of the mortgage loan is not achieved by the maturity date of the construction loan (subject to an extension if existing loan commitments are similarly extended), (2) at any time before the DOD an action is commenced to foreclose (that is not dismissed within the applicable cure period), abandon, or permanently enjoin construction of the Property, (3) the Property is disqualified from obtaining 30% or more of the tax credits, or (4) other significant issues occur



which materially impact BFLP's investment as agreed to in the Partnership Agreement. For a limited period of time, the Partnership will have an opportunity to cure any such problems.

### **3.4 Compliance Obligation.**

The General Partner shall take any and all reasonable actions required to ensure that the Property will continue to qualify for low-income tax credits.

### **3.5 Tax Credit Adjusters.**

The General Partner shall be obligated to fund the adjustments to the capital contributions resulting from a reduction in the credit amount as noted above.

### **3.6 Management Rights.**

The consent of Boston Financial will be required to: (a) sell or refinance the Property, (b) withdraw, admit, or substitute the General Partner, or (c) sell, assign, encumber, or pledge the general partnership interests. In addition, (a) in the event the General Partner files for bankruptcy, (b) if the Partnership or the General Partner are in material default under their commitments and obligations, or (c) in certain other circumstances, BFLP after reasonable notice and cure period will have the right to remove the General Partner and substitute the Special Limited Partner or another affiliate of Boston Financial as a successor general partner with the powers of managing general partner.

### **3.7 General Partner Standard Obligations, Representations, and Warranties.**

The General Partner will be responsible for all customary General Partner obligations and indemnifications and for the accuracy of all customary representations and warranties to the Partnership and BFLP. We have assumed that there are no existing environmental issues affecting the site or project.

## **4. Allocation and Distributions**

The tax credits, depreciation, and operating profits and losses of the Partnership shall be allocated 99.99% to BFLP and 0.01% to the General Partner. With respect to taxable income, we have assumed a 30 year depreciation schedule for building improvements, 15 years for land improvements, and 5 years for personal property.

Starting at Admission, all cash flow from operations after payment of operating expenses, debt service, and funding of required replacement reserves shall be distributed as follows:

- |          |  |
|----------|--|
| First,   | To the repayment of the MFDL loan;   |
| Second,  | to BFLP to pay its annual cumulative Priority Distribution (Asset Management Fee) of \$5,000, adjusted annually by 3%; |
| Third,   | to BFLP an amount equal to any unpaid tax credit shortfall payments;   |
| Fourth,  | to the Developer as payment of the Deferred Development Fee;   |
| Fifth,   | to the General Partner to repay any Operating Expense Loans;   |
| Sixth,   | 10% to BFLP;   |
| Seventh, | To the General Partner as payment of the Supervisory Management Fee; and   |
| Eighth,  | 90% to the General Partner.  |

**Purchase Option:** At the end of the compliance period and for a two year period commencing thereafter, the General Partner shall have an option to purchase the Property or ILP Interests for an amount equal to the greater of the appraised fair market value of the Property, assuming applicable affordability restrictions as determined by the appraiser, or the sum of all outstanding indebtedness secured by the Property plus (i) any unpaid BFLP Priority Return (Asset Management Fees), and (ii) any unpaid tax credit shortfall payments.

Net proceeds of a sale or refinancing shall be distributed as follows:

- |          |   |
|----------|---|
| First,   | to discharge the debts and obligations of the Partnership;  |
| Second,  | to fund reserves for contingent liabilities to the extent deemed necessary by the General Partner;                                  |
| Third,   | to the General Partner to repay any Operating Expense Loans;  |
| Fourth,  | to the repayment of any outstanding Deferred Development Fee;   |
| Fifth,   | to BFLP any cumulative annual Priority Distribution plus any adjustments with respect to the tax credits, 1.11 times any shortfall; |
| Sixth,   | \$10,000 to the Special Limited Partner; and  |
| Seventh, | 90% to the General Partner and 10% to BFLP.   |

## **5. Reporting**

The Partnership shall furnish Boston Financial with quarterly unaudited financial statements. Annual audited financial statements and tax returns shall be prepared by an independent firm of certified public accountants, approved by Boston Financial, familiar with reporting requirements applicable to LIHTC properties. Annual tax returns shall be provided by February 15<sup>th</sup>, and annual audited financial statements by March 1<sup>st</sup>.

## **6. Due Diligence and Closing Process**

Upon receipt of an executed copy of this letter, the parties will agree upon a mutually acceptable due diligence period and closing schedule.

Boston Financial's decision to invest in the Partnership, the final terms of such investment and the admission of BFLP to the Partnership are subject to the satisfactory completion of Boston Financial's due diligence process, including without limitation, review and approval of the following due diligence items:

- a) Engineering. All related due diligence, including all plans and specifications, the construction budget, and related construction documents. If property is to be rehabilitated this includes a Capital Needs Assessment, Replacement Reserve Analysis, and unit by unit inspection paid for by the Partnership, which will evaluate the construction scope of work, the construction documents and budget.
- b) Environmental. Phase I Environmental Report (ASTM E1527-13 Standards), the Phase II Environmental Report (if applicable), and completion of any work recommended therein. Boston Financial requires that all third-party reports provide reliance letters which are not limited in time or amount.
- c) Market Study. Boston Financial's Market Study which will evaluate the Property's suitability and marketability as a LIHTC property, including review of rents, expenses, and if applicable, the supportive services plan and funding sources.
- d) Financial and Capacity Review. A satisfactory review by Boston Financial's Chief Credit Officer of 1) the audited financial statements of the General Partner, Partnership,



- Developer, Guarantor, Contractor, and affiliates, and 2) the Statement of Real Estate Owned by the General Partner, Developer, Guarantor, and affiliates.
- e) Background and Credit Review. Backgrounds and credit worthiness of the General Partner, Developer, Guarantor, Property Management Agent, and Contractor.
  - f) Insurance. Receipt of a satisfactory insurance policy insuring against fire and other casualty in an amount equal to the full replacement cost of the Property. A combined single limit property damage and commercial general liability insurance policy in the amount of not less than \$1 million per occurrence/\$2 million aggregate with an umbrella policy of no less than \$3 million. The primary limits must be on a "per location" basis and the Investor Limited Partner, Special Limited Partner, and Partnership are to be Additional Insured by Endorsement.
  - g) A financial projection by Boston Financial or its designee which demonstrates that the buildup of debt does not cause a bona fide debt issue.
  - h) Receipt of satisfactory commitments and form loan documents for construction and permanent financing.
  - i) Site inspection by Boston Financial.
  - j) ALTA Owner's Policy of Title Insurance.
  - k) Acceptable partnership and tax opinions.
  - l) Satisfactory negotiation and execution of all legal documentation required to consummate the transactions contemplated by this commitment.
  - m) Approval of the terms of the investment by Boston Financial's Capital Committee in its sole and absolute discretion and satisfaction of such other conditions as it may require.
  - n) Accountants. The Partnership's accountants shall be either Rubin Brown, Novogradac & Co., LLP, the Reznick Group, or Flaherty Salmin. Any other accountant will require consent by Boston Financial in its sole and absolute discretion.

## **7. Costs, Expenses, and Legal Counsel**

In addition to any expenses that are the responsibility of the General Partner it shall pay Boston Financial a due diligence fee in the amount of \$0 (the "Due Diligence Fee"). The Due Diligence Fee, if applicable, shall be payable upon Admission of BFLP as a reduction of the first capital contribution.

## **8. Confidentiality, Exclusivity, and Option to Invest**

The General Partner hereby grants to Boston Financial an option to become the investment partner in the Property (the "Option to Invest"). If Boston Financial exercises its Option to Invest, the General Partner and Boston Financial agree to negotiate in good faith to promptly complete BFIM's investment in the Property on terms typical of the LIHTC market as of the date of this letter.

The General Partner, affiliates, and agents shall not disclose the terms of this commitment to any third party other than its accountants, attorneys, and consultants. The General Partner acknowledges that Boston Financial will incur certain costs and expenses in connection with its due diligence review. Upon execution hereof, unless this commitment is otherwise terminated, the General Partner, its affiliates and agents, agree that it will not continue to market the Property to any prospective investors other than to determine typical terms in the LIHTC market. The General Partner will not accept any competing offers made by any prospective investors to invest in the Property unless Boston Financial chooses not to exercise its Option to Invest.

## **9. Governing Law**

This agreement shall be construed and interpreted in accordance with the laws of The Commonwealth of Massachusetts, except for any rule of such laws which would make the law of another jurisdiction applicable.

#### **10. Acceptance and Term**

The consummation of this transaction is subject to satisfactory completion of the due diligence process, approval by Boston Financial's Capital Committee in its sole discretion, and execution of all legal documentation to be drafted by Boston Financial's counsel and negotiated by the parties. Boston Financial's obligations described in this commitment shall not become binding upon Boston Financial until Boston Financial has approved its investment in the Property and has been admitted to the Partnership upon terms and conditions described in the final closing documents approved by the parties. Developer, General Partner and their affiliates forever waive and hereby release Boston Financial and its affiliates from any and all claims arising from the failure to consummate the transactions contemplated by this commitment, including, without limitation, any claims for detrimental reliance, breach of contract, promissory estoppel and/or specific performance.

If the General Partner accepts and approves the terms, please have the authorized party so indicate by signing below. By executing this agreement, the General Partner is confirming to Boston Financial that the Partnership and its affiliates and agents will undertake the transaction set forth herein with Boston Financial, will use their best efforts to meet the conditions set forth herein, and will suspend discussions with other parties with respect to their acquisition of this investment. This agreement may only be terminated if the conditions set forth herein are not met and such termination will be effective only upon the provision of written notice by Boston Financial. Further, if the admission of BFLP to the Partnership does not occur within 180 days of the date of this letter such terms are subject to renegotiation.

We look forward to working with you.

Sincerely,



Rob Charest  
Senior Vice President

AGREED & ACCEPTED:



By: Richard Manzardo

Date: 2-27-2020

# M1 BANK

February 27, 2020

Espero Austin at Rutland, LP  
c/o Rick Manzardo, Pres.  
305 W. Commercial Street  
Springfield, MO 65803

Jo-Kathryn Quinn  
President & CEO  
Caritas of Austin  
611 Neches St.  
Austin, TX 78701

RE: Espero Austin at Rutland, LP  
Austin, TX 78758

Dear Mr. Manzardo,

M1 Bank has accepted your request for credit on the above captioned subject to the following terms and conditions:

**Construction Loan:**

<b>Borrower:</b>	Espero Austin at Rutland, LP
<b>Guarantor(s):</b>	Vecino Bond Group, LLC
<b>Amount:</b>	Up to \$10,500,000
<b>Type:</b>	Construction Draw
<b>Term:</b>	24 months
<b>Repayment:</b>	Interest-only payments due monthly; Principal due at Maturity
<b>Rate:</b>	6.00% Fixed
<b>Origination Fee:</b>	1.00%
<b>Collateral:</b>	Assignment of tax credits, syndication payments, and capital contributions; First Deed of Trust with assignment of rents on the subject property and improvements to be constructed thereon, legal description to govern.

---

**Clayton**  
112 S. Hanley, Suite 120  
Clayton, MO 63105  
314.721.2265

**THE POWER OF PURPOSE**  
[www.m1bank.net](http://www.m1bank.net)  
Member FDIC

**Des Peres**  
11697 Manchester Road  
Des Peres, MO 63131

**Disbursement:** All funds shall be disbursed by M1 Bank or a 3<sup>rd</sup> party title company. Date down endorsements are required with each draw.

**Advances under this Agreement are subject to:**

- 1) Credit and economic conditions being acceptable to M1 Bank on an ongoing basis.
- 2) Borrower's compliance of all requirements stated in this proposal.
- 3) Borrowers compliance with any and all provisions, rules and/or regulations of applicable Federal and/or State Housing Programs.

**Permanent Loan Takeout:**

**Amount:** \$4,219,883

**Type:** 35-year amortization

**Term:** 15 years

**Rate:** 6.50%

**Origination Fee:** 1.00%

**Pre-payment Penalty:** None

**Perm Conversion:** Construction loan will be converted to fully amortizing perm loan, per this proposal, upon completion of the following:

- 1) Construction completion and issuance of Certificates of Occupancy.
- 2) Pay down of construction loan principal to perm loan amount.
- 3) Payment of all outstanding interest.
- 4) Minimum 90% occupancy for 90 days.

**Collateral:** First Deed of Trust with assignment of rents and leases on the subject property and improvements to be constructed thereon, legal description to govern.

**Additional Conditions:**

- 1) This proposal is non-assignable.
- 2) Receipt of an annual allocation of Low-Income Housing Tax Credits from the requisite allocation agency.
- 3) Full and complete adherence with any and all applicable State and/or Federal agencies program rules, regulations and/or requirements.
- 4) The attached 15-year pro forma was prepared by Espero Austin at Rutland, LP for Espero Austin at Rutland, LP located in Austin, TX. The pro forma is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on M1 Bank's underwriting parameters and consistent with the loan terms indicated in the term sheet and is preliminarily considered feasible, pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. Additionally, we have performed a preliminary review of the credit worthiness of Espero Austin at Rutland, LP and its Principals. At this time, M1 Bank has no reservations with the Development Owner or any of the Principals. We anticipate no additional guarantors or financial strength will be needed to facilitate a loan to this borrower, other than those requirements disclosed herein.
- 5) Tax Credit Investor and equity terms, including price and pay-in schedule, subject to Bank approval.
- 6) Borrower and Guarantors agree upon written request of M1 Bank to provide current financial statements and current copies of recent Federal income tax returns.
- 7) All closing documents are subject to review and approval of M1 Bank and its attorney's.
- 8) All closing costs, including but not limited to: insurance, flood letter, recording fees, title insurance, survey and attorney fees shall be paid by borrower.
- 9) Borrower agrees to maintain insurance coverage on the collateral securing this loan in an amount satisfactory to M1 Bank.
- 10) Mortgage title insurance policy insuring the bank's lien shall contain no objectionable liens, including matters of the survey.
- 11) Subject to final board or loan committee approval.

*This proposal does not represent a commitment by M1 Bank for the proposed financing but is a framework upon which a loan request may be submitted and considered.*

*This proposal expires December 31<sup>st</sup>, 2020 unless extended by M1 Bank in writing.*

*By signing below and returning a signed copy of this proposal, you hereby accept the above terms and conditions.*

Sincerely,



Robert G. McLain  
Senior Vice President

Accepted this 28<sup>th</sup> day of February, 2020.

By: 

Authorized signer of Borrower





## 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**

February 19, 2020

Marni Holloway  
Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: TDHCA Application No. 20040-Espero Austin at Rutland

Dear Ms. Holloway:

I am writing to confirm the de minimis contribution of development funding by the City of Austin (the "City") for the Espero Austin at Rutland.

This project is eligible to have certain development fees waived through the City's S.M.A.R.T. Housing Ordinance. The ordinance allows full or partial fee waivers in developments in which a portion of the units are affordable for households who earn no more than 80% of the median family income.

Contingent upon the development's compliance with the City's S.M.A.R.T. Housing Ordinance, the fee waivers the City will provide are for a direct benefit of the project by reducing development costs approximately \$266,399.

Please contact Sandra Harkins by phone 512.974.3128 or by email at [Sandra.harkins@austintexas.gov](mailto:Sandra.harkins@austintexas.gov) if you need additional information.

Sincerely,

Regina M. Copic, Real Estate Manager  
Neighborhood Housing and Community Development

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 4 – Project Info**

**4a. Market Study**

**APPRAISAL REPORT  
C20-AHA-106  
INVOLVING AN APARTMENT MARKET ANALYSIS  
FOR A MDL/PAB SUPPORTIVE HOUSING DEVELOPMENT  
OF  
TDHCA #20040  
ESPERO AUSTIN AT RUTLAND  
A 135-UNIT PROPOSED HTC/MDL SUPPORTIVE HOUSING APARTMENT  
DEVELOPMENT LOCATED ON THE  
NORTHWEST CORNER OF RUTLAND DRIVE AND GOLDEN MEADOW DRIVE  
AUSTIN, TRAVIS COUNTY, TX 78758**

**PREPARED FOR  
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
AUTHORIZED BY  
MR. RICK MANZARDO  
ESPERO AT RUTLAND  
C/O THE VECINO GROUP  
305 WEST COMMERCIAL STREET  
SPRINGFIELD, MO 6580**

**BY  
*AFFORDABLE HOUSING ANALYSTS*  
3912 AVENUE O  
GALVESTON, TEXAS, 77550**

**EFFECTIVE DATE OF THE MARKET ANALYSIS  
MARCH 31, 2020**

**DATE OF THE REPORT  
MARCH 31, 2020**

***AFFORDABLE HOUSING ANALYSTS***  
***Appraisers/Market Analyst/Consultants***

March 31, 2020

Mr. Rick Manzardo  
Espero at Rutland  
c/o The Vecino Group  
305 West Commercial Street  
Springfield, MO 6580

Reference: Espero Austin at Rutland: A 135-unit apartment development proposed to be constructed and operated as a Housing Tax Credit/Multifamily Direct Loan SRO Supportive Housing apartment project. The subject site is located at the northwest corner of Rutland Drive and Golden Meadow Drive in Austin, Travis County, TX 78758. The subject has a physical address of 1934 Rutland Drive.

Greetings:

At your request, I have completed an Appraisal Report (TDCA Market Study) for the purpose of providing a market analysis for the above-referenced property. Elements of the report, such as the determination of Market Rent classify this document as an Appraisal Report. However, I have not concluded to a market value for the subject property. The effective date of the study is March 31, 2020. The date of the report is March 31, 2020. Robert O. Coe, II visited the subject site on February 13, 2020.

The analyses provided herein are subject to the assumptions and contingent and limiting conditions contained within both the body of this report and the addenda section. Based on my analysis of the subject property's primary market area, there is sufficient demand to successfully construct and absorb the proposed Espero Austin at Rutland as of March 31, 2020.

No one provided significant real property appraisal assistance in the preparation of the market analysis.

I am not qualified to detect or identify hazardous substances, which may, or may not, be present on, in, or near this property. The presence of hazardous materials may negatively affect feasibility. I have analyzed the subject property as though free of hazardous materials. I urge the user of this report to obtain the services of specialists for the purpose of conducting an environmental audit to ensure that the subject property is free of hazardous materials.

Texas Department of Housing and Community Affairs  
Espero Austin at Rutland  
Mr. Rick Manzardo  
March 31, 2020  
Page – 2

*I certify that I have read and understood the 2020 Qualified Allocation Plan **11.303 and 11.304**. I certify that I consider the services provided conform to the Department's Market Analysis Rules and Guidelines, described in Section 11.303 of the Uniform Multifamily Rules in effect for the application round (2020) in which the Market Analysis may be submitted.*

I certify that I have no interest, present or proposed, in the subject property, that the conclusion contained herein has been reached after a careful study, investigation, analysis, and interpretation of the pertinent data, and that my fee is in no way contingent upon the conclusion. I am neither part of the development team, owner of the subject property, nor affiliated with any member of the development team engaged in the development of the property. This market analysis is prepared subject to my current assumptions and limiting conditions. Your attention is directed to the following report and accompanying data, which form, in part, the basis of my conclusions.

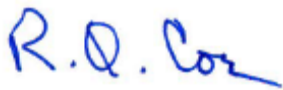
*Any person signing this report hereby acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by the law.*

All occupancy levels cited throughout this report refer only to physical occupancy unless otherwise specified in the text.

The Texas Department of Housing and Community Affairs is granted full authority to rely on the findings and conclusions on this report.

Respectfully,

***Affordable Housing Analysts***



---

Robert O. (Bob) Coe, II, MAI  
TX-1333157-G  
State Certified General Real Estate Appraiser

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MARKET ANALYSIS SUMMARY										
Provider:	Affordable Housing Analysts					Date:	3/31/2020			
Contact:	Bob Coe					Phone:	281-387-7552			
Development:	Espero Austin at Rutland					Target Population:	SRO			
						Definition of Elderly Age:				
Site Location:	northwest corner of Rutland Drive and Golden Meadow Drive					City:	Austin		County:	Travis
Site Coordinates:	Latitude		Longitude							
	N30.379538		W97.713123		(decimal degree format)					
Primary Market Area (PMA) page <u>30</u>										
13.134 Square Miles										
CENSUS TRACTS										
48453001804	48453001821	48453001843								
48453001805	48453001822	48453001844								
48453001806	48453001823	48453001845								
48453001819	48453001824	48453001849								
48453001820	48453001826	48453001850								
ELIGIBLE HOUSEHOLDS BY INCOME page <u>19</u>										
HH Size		1	2	3	4	5	6	7+		
30% AMGI	Min	\$1								
	Max	\$19,890								
50% AMGI	Min	\$1								
	Max	\$33,150								
AFFORDABLE HOUSING INVENTORY in PMA page <u>42</u>										
		# Developments	Total Units	Avg Occupancy						
All Operating LIHTC Developments		7	1,562	99.4%						
Proposed, Under Construction, and Unstabilized Comparable Developments in PMA										
TDHCA #	Development			Status	Type	Target Population	Comp Units	Total Units	Occupancy	
Other Affordable Developments in PMA										
TDHCA #	Development			Status	Type	Target Population	Comp Units	Total Units	Occupancy	
18602	Oaks on Lamar			approved	rehab	general	n/a	176	0%	
19436	Granada			in service	rehab	general	n/a	258	100%	
09993	Malibu Apts			in service	new const	general	n/a	476	98%	
16418	Pathways at Georgian Manor			in service	new const	general	n/a	94	100%	
07446	Runnymede Apartments			in service	new const	general	n/a	252	100%	
16421	Pathways at Northgate			in service	new const	general	n/a	50	100%	
70134	Quail Park Village AKA French Embassy			in service	rehab	general	n/a	142	100%	
94126	Arrowhead Park Apartments			in service	new const	general	n/a	290	100%	
19053	Foundation Village			approved	new const	general	n/a	88	0%	
<p>*Check box if this development is included in the calculation of the average physical occupancy to qualify for the 15% GCR for Tax-Exempt Bond Developments per §10.302(i)(1). Attach a PMA map, with affordable developments labeled, showing the 20 minute drive time ring. *See footnote 1</p>										
<p>Average occupancy of affordable housing in 20 minute drive time ring. <span style="border: 1px solid black; padding: 2px 10px;"> </span> %</p>										

**Note: For developments targeting Seniors, fill in Population and Household data for both the General population and the Senior population**

**PMA DEMOGRAPHIC DATA**

	GENERAL			SENIORS		
	current year	place-in-service	five year	current year	place-in-service	five year
	2020	2021	2025	2020	2021	2025
<b>Population p. 39</b>	76,867	77,770	81,380			
<b>Households p. 39</b>						
Total HH	30,392	31,114	32,198			
Renter HH	22,551	23,109	23,946			
Homeowner HH	7,841	8,005	8,252			

**DEMAND CALCULATION p. 65**

		Program Only Restricted Units	Assisted Units	* See footnote 2	Total Households		30,392
Subject Units		135	0		Min Income	\$	1
Unstabilized Comparable Units		0			Max Income	\$	33,150
<b>RELEVANT SUPPLY</b>		135	0		Potential Demand		4,208
					10% External Demand		421
					Other Demand		
					<b>GROSS DEMAND</b>		4,629
					<b>RELEVANT SUPPLY / GROSS DEMAND = GROSS CAPTURE RATE</b>		2.92%

**CAPTURE RATE BY AMGI BAND p. 65**

\* include program only restricted units

AMGI Band Capture Rates	Demand	10% External Demand	Subject Units	Comp Units	Capture Rate
30% AMGI	1,349	135	27	0	1.82%
50% AMGI	4,208	421	108	0	2.33%

**CAPTURE RATE BY UNIT p. 70**

\* include program only restricted units

SUBJECT UNIT MIX				PROPOSED RENT		p. 64	DEMAND by UNIT TYPE p. 70				
AMGI Level	Beds	Baths	AVG Size (sqft)	Gross	Net	AVG MARKET RENT	Demand	10% External Demand	Subject Units	Comp Units	Unit Capture Rate
30%	0	1	474	\$532	\$478	\$1,050	465	47	27	0	5.3%
50%	0	1	474	\$887	\$833	\$1,050	824	82	108	0	11.9%

Footnotes:

- This is only required for developments that will utilize the 15% GCR for Tax-Exempt Bond Developments rule §10.302(i)(1).
- Program only restricted units include HTC and MDL restricted units. Assisted units include any unit that has a RAD, Section 8, PHU, or PBV associated with them.



## **ASSUMPTIONS AND LIMITING CONDITIONS**

This report is subject to the following assumptions and limiting conditions:

- 1) Any legal description or plats reported herein are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings, or other exhibits are included only to assist the intended users to better understand and visualize the subject property the environs, and the competitive data. I have made no survey of the subject property and assume no responsibility associated with such matters.
- 2) The value assumes responsible ownership and competent management. The subject property is assumed to be free and clear of all liens, except as may be otherwise herein described. No responsibility is assumed by the appraiser(s) for matters legal in character, nor is any opinion on the title rendered, which is assumed to be good and marketable.
- 3) The information contained herein has been gathered from sources deemed to be reliable, but I assume no responsibility for its accuracy. The value/opinions rendered herein are based on preliminary analyses of the subject and market area.
- 4) Any leases, agreements or other written or verbal representations and/or communications and information received by the appraiser(s) have been reasonably relied upon in good faith but have not been analyzed for their legal implications. I urge and caution the user of this report to obtain legal counsel of his/her own choice to review the legal and factual matters, and to verify and analyze the underlying facts and merits of any investment decision in a reasonably prudent manner.
- 5) I assume no responsibility for any hidden agreements known as "side reports", which may or may not exist relative to this property, which have not been made known to us, unless specifically acknowledged within this report.
- 6) This report is to be used in whole, and not in part. Any separate valuation for land and improvements shall not be used in conjunction with any other valuation and is invalid if so used. Possession of this report or any copy thereof does not carry with it the right of publication nor may the same be used for any purpose by anyone but the client without the previous written consent of the appraiser(s), and in any event, only in its entirety.
- 7) I, by reason of this report, am not required to give testimony in court with reference to the property unless notice and proper arrangements have been previously made therefore.
- 8) Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without prior written consent and approval of the author.

### **Assumptions and Limiting Conditions – Continued**

- 9) No subsoil data or analysis based on engineering core borings or other tests were furnished to me. I have assumed that there are no subsoil defects present that would impair development of the land to its maximum permitted use, or would render it more or less valuable.
- 10) No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in this report.
- 11) The construction and physical condition of the improvements described herein are based on a site visit. No liability is assumed by us for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition or adequacy of mechanical equipment, plumbing or electrical components. No responsibility is assumed for engineering, which might be required to discover such factors. I urge the user of this report to retain an expert in this field.
- 12) Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present in or on the property, or other environmental conditions were not called to my attention nor did I become aware of such during my site visit. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. I, however, am not qualified to test such substances or conditions. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to detect or discover them. I urge the user of this report to retain an expert in the field of environmental impacts on real estate if so desired.
- 13) The projections of income, expenses, terminal values or future sales prices are not predictions of the future; rather, they are the best estimate of current market thinking of what future trends will be. I assume no responsibility for any changes in economic or physical conditions which occur following the effective date of this report that would influence or potentially affect the analyses, opinions, or conditions in the report. Any subsequent changes are beyond the scope of this report. No warranty or representation is made that these projections will materialize.
- 14) The client or user of this report agrees to notify the appraiser(s) of any error, omission or inaccurate data contained in the report within 15 days of receipt, and return the report and all copies thereof to the appraiser(s) for correction prior to any use.
- 15) The acceptance of this report, and its subsequent use by the client or any other party in any manner whatsoever for any purpose, is acknowledgment by the user that the report has been read and understood, specifically agrees that the data and analyses, to their knowledge, are correct and acceptable.

**Assumptions and Limiting Conditions – Continued**

- 16) This assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- 17) This report has been prepared in a “non-disclosure” state. Real estate prices and other data, such as rents, prices, and financing are not a matter of public record. Although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, I may have relied on verification obtained and reported to us by persons outside my office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease or other significant commitment of funds to the subject property.
- 18) The Americans With Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more requirements of the act. If so, this fact could have a negative impact upon the value of the property. However, since I have no direct evidence relating to the issue of compliance, I did not consider possible noncompliance with requirements of ADA in forming an opinion of the value of the property.
- 19) Acceptance or use of this report constitutes agreement by the client and any other users that any liability for errors, omissions or judgment is limited to the amount of the fee charged for this report. Use of this report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (in any), extraordinary assumptions (if any), and hypothetical conditions (in any) on which this report is based.

## **ENVIRONMENTAL ASSUMPTIONS**

This report is subject to the following environmental assumptions:

- 1) There is a safe, lead-free, adequate supply of drinking water.
- 2) The subject property is free of soil contamination.
- 3) There is no uncontained friable asbestos or other hazardous asbestos material on the property. The appraiser is not qualified to detect such substances.
- 4) There are no uncontained PCB's on or near the property.
- 5) The radon level is at or below EPA recommended levels.
- 6) Any functioning underground storage tanks (UST's) are not leaking and are properly registered; any abandoned UST's are free from contamination and were properly drained, filled and sealed.
- 7) There are no hazardous waste sites on or near the subject property that negatively affect the value and/or safety of the property.
- 8) There is no significant urea formaldehyde (UFFI) insulation or other urea formaldehyde material on the property.
- 9) There is no flaking or peeling of lead-based paint on the property.
- 10) The property is free of air pollution.
- 11) There are no wetlands/flood plains on the property (unless otherwise stated in the report).
- 12) There are no other miscellaneous hazardous substances and/or detrimental environmental conditions on or in the area of the site (excess noise, radiation, light pollution, magnetic radiation, acid mine drainage, agricultural pollution, waste heat, miscellaneous chemical, infectious medical wastes, pesticides, herbicides, and the like).

## **1. SUMMARY AND CONCLUSIONS**

## EXECUTIVE SUMMARY

- (A) **Disclosure of Competency:** *Affordable Housing Analysts* is a professional real estate appraisal and consulting firm, providing service to a variety of corporate, institutional, governmental, and private clientele. In the past 12 months, I have completed numerous assignments involving similar properties. I am a State Certified General Real Estate Appraiser with the State of Texas, and have prepared/reviewed numerous market studies and appraisal assignments of properties similar to this assignment.
- (B) **Identification of Property:** The subject site is located at the northwest corner of Rutland Drive and Golden Meadow Drive, in Austin, Travis County, TX 78758. The subject site has a physical address of 1934 Rutland, and contains  $\pm 2.1933$  acres ( $\pm 95,541$  square feet), and appears to be flat in topography. The subject is proposed to be constructed and operated as a 135-unit HTC/MDL SRO Supportive Housing apartment development.
- (C) **Primary Market:** The subject's primary market is generally defined as that area contained within census tracts 48453001804, 48453001805, 48453001806, 48453001819, 48453001820, 48453001821, 48453001822, 48453001823, 48453001824, 48453001826, 48453001843, 48453001844, 48453001845, 48453001849, and 48453001850. This area is contained in all or a portion of the following zip codes: 78738 and 78758. The area is generally bound by Duval Road, MoPac, and FM 734 to the north, the railroad tracks to the west, Highway 183, Lamar Boulevard, and St Johns Avenue to the south, and Interstate 35 to the east. The average rental rate for apartments in the subject's primary market area is reported at \$1.32 per square foot per month. The average rent and occupancies in this submarket are skewed downward somewhat due to a number of older projects with a modest level of amenities. The average physical occupancy in the subject's market area was reported at 94.07%. Occupancy rates and rental rates in this primary market area have remained strong over the past few years, with overall stable rental rates.
- (D) **Comparable Properties:** According to my research (including contacting the local HUD offices), there are 7 operating HTC projects with 10 units or higher in the subject's primary market area in which the rents are based on income or otherwise restricted (excluding those approved, under renovation or construction). None of the 7 are Supportive Housing complexes. There is one Supportive Housing HTC approved within the PMA (Foundation Village); however, it consists of 1-3 BR units, so was not included in the capture analysis. The existing SRO Supportive Housing HTCs in Austin all reported occupancies in the mid-to-high 90% range (Foundation Communities complex reported a current average occupancy of 98%).
- (E) **Demand:** The primary market area for the subject property had an estimated 30,392 households in 2020 and is projected to have 32,198 households by 2025. Approximately 74.20% of these families were renter households in 2020. The population growth in the primary market area between 2000 and 2010 was 3.53%, between 2010 and 2019 was 10.49% and between 2020 and 2025 is projected to be 5.87%. The population is growing rapidly within the primary market area, and the number of households with less than the

50% of the median Austin MSA income ceiling for tax credit projects is also growing, with continued growth likely.

- (F) **Evaluation of Subject Property:** The subject property is proposed to have 100.00% in efficiency units, 0.00% in 1BR units, 0.00% in 2BR units, and 0.00% in 3BR units. Based on discussions with leasing agents and my own analysis of the selected comparables in the primary market, the unit mix is appropriate for a Supportive Housing project, and will complement the local affordable housing market.

The subject property has a projected per unit development cost within the typical range for projects of this type and caliber. Development of the project is the maximally productive use of the site and I consider it to be an acceptable location for this development.

- (G) **Rental Rates:** The client's reported rents, averaging  $\pm \$1.607$  per square foot (rent restricted All Bills Paid averaged), are considered very competitive for a new project in this market.

- (H) **Income:** Based on the developer's provided rent schedule, gross potential annual revenue for the subject property, including \$14.02 per unit "other revenue" totals \$1,256,832. Other revenue (primary sources are laundry, vending, application fee, cable TV, etc.) estimated by the developer appears reasonable based on information in my files and discussions with apartment developers and management companies which are active in the Austin Region, and considering the target population.

- (I) **Need for Affordable Housing:** Occupancies of the affordable housing projects are high, with most maintaining waiting lists. Therefore, the subject property need only achieve moderate penetration to be feasible. This is a realistic scenario considering the limited supply of quality affordable Supportive Housing in the subject's primary market area.

- (J) **Capture Rate:** Based on my research, there are no SRO Supportive Housing projects under construction, none approved and none unstabilized in the primary market area. There are no active SRO Supportive Housing HTC applications on the bond list within the PMA. There are no approved SRO Supportive Housing HTC properties within the PMA. Foundation Village (19p53) nka Laurel Creek Apartments is an 88-units Supportive Housing HTC which is approved within the PMA and it also targets the homeless. However, it consists of 1-3 BR units and was not used in the capture analysis. The subject will contain 135 units, of which 100.00% will be rent-restricted. Therefore, a total of 135 comparable units require absorption, of which 135 units (subject units) will be comparably rent-restricted comparable units. There are approximately 4,629 (HISTA) potential households (relevant to the rent restricted units) based on age, income eligibility, housing preference in the subject's primary market.

**HISTA Capture rate for 135 Affordable Supportive Housing Units** **2.92%**

**THE CAPTURE RATE ABOVE IS OVERSTATED. I HAVE NOT INCLUDED DEMAND FROM SECTION 8 AND OTHER DEMAND SOURCES. BECAUSE**

**THE CAPTURE RATE WAS WITHIN TDHCA'S GUIDELINES WITHOUT THE INCLUSION OF THESE DEMAND SOURCES, THAT DEMAND WAS NOT QUANTIFIED IN THIS REPORT.**

(K) **Absorption:**

There are currently no operating Supportive Housing HTC complex within the subject PMA. Bluebonnet Studios, which is a 107-unit SRO HTC which opened in December 2016 and was 100% occupied by March 15, 2017 which equates to an average absorption of over 30 units per month is a recently-constructed Supportive Housing HTC Complex located south of the subject PMA. Bluebonnet Studios reported a current occupancy of 100%.

I estimate absorption at 20 to 30 units a month and the property should stabilize within 4 to 6 months of opening.

(L) **Effect of Subject Property on Existing Apartment Market:** Based on the high occupancy levels of the existing properties in the market, and the lack of good quality affordable housing, along with the recent strong absorption history, I project that the subject property will have minimal sustained negative impact upon the existing apartment market. Any negative impact from the subject property should be of reasonable scope and limited duration.

(M) **Certification of Interest:** The individual(s) performing this study do not have any interest or prospective interest in the development of the subject property.



## IDENTIFICATION OF PROPERTY

The subject site is located at the northwest corner of Rutland Drive and Golden Meadow Drive, in Austin, Travis County, TX 78758. The subject has a physical address of 1934 Rutland Drive. The subject site is basically rectangularly-shaped, contains  $\pm 2.1933$  acres ( $\pm 95,541$  square feet), appears to have relatively flat topography, and appears to have adequate slope for drainage purposes. The subject site is proposed to be improved with a 135-unit apartment development for operation as a SRO Supportive Housing apartment development. The property is identified as account number 251550 by the Travis County Appraisal District.

### Description of Subject Property

The subject site for Espero Austin at Rutland is currently improved with an older retail strip center. The existing improvement are not considered to contribute to the value of the subject site, and are proposed to be demolished. A 135-unit apartment development is proposed to be operated as a HTC/MDL SRO Supportive Housing property that will be master-metered for electricity (landlord pays) with the landlord also paying for water/sewer and trash. The development is anticipated to be of good quality construction, comparable to Multiple Residences Class B structures as defined by Marshall Valuation Service. The development will be a HTC/MDL complex with 100.00% of the units to be set aside for households earning at or below 50% of the Area Median Gross Income (AMGI), adjusted for family size (20.00% at 30% AMGI, 80.00% at 50% AMGI, 0.00% at 60% AMGI, 0.00% at 80% AMGI, and 0.00% at market). A visit to the subject site was performed by Robert O. Coe, II on February 13, 2020. The following table exhibits the unit mix for the proposed project, as supplied by the client.

SUBJECT UNIT MIX			
No. Units	Type	Size (SF)	Total Area
135	0 BR / 1 BA	474	63,990
<b>135</b>		<b>474</b>	<b>63,990</b>
<b>Total Net Rentable Area (SF):</b>			<b>63,990</b>

The net rentable area of the subject project is reported to be  $\pm 63,990$  square feet. The following is a description of the various improvement construction components (based on conversations with the developer).

<b>Foundation:</b>	Reinforced concrete slab
<b>Building Type:</b>	Four-story elevator-served building (common amenities and facilities within)
<b>Exterior Walls:</b>	Stone, Stucco, and Fiber Cement siding veneer
<b>Roofing:</b>	Flat, built-up roof

<b>Unit Finish:</b>	Partitions between units will be wood studs with painted sheetrock panels. Floor coverings will be vinyl plank flooring. Ceilings will be textured sheetrock. Kitchen packages will include a refrigerator, oven/ranges, microwave, rangehood and fan, and a disposal.
<b>Unit Configuration:</b>	Accommodation for each unit will comprise a combined living/dining area, kitchen area, 0-bedroom, closets and one bathroom.
<b>Unit Amenities:</b>	Units will feature closets, kitchen packages, ceiling fan, and miniblinds.
<b>Fixtures:</b>	Plumbing and light fixtures are assumed to be adequate for an apartment complex in the subject area.
<b>Water Heaters:</b>	Hot water will be provided by individual electric water heaters.
<b>Insulation:</b>	Adequacy not known; assumed adequate.
<b>Heating/Cooling:</b>	Individual HVAC units with individually controlled thermostats.
<b>Parking:</b>	The subject is expected to have adequate open parking.
<b>Landscaping:</b>	The landscaping is expected to be attractive and well presented.
<b>Exterior Amenities:</b>	Courtyard areas, meeting room, common laundry, pool.
<b>Fence:</b>	No.
<b>Access Gates:</b>	No, but controlled access to building.
<b>Laundry:</b>	Central laundry facilities.
<b>Building Area:</b>	63,990 SF (NRA)
<b>Total GBA:</b>	88,032 SF
<b>Land/Bldg. Ratio:</b>	1.59:1 (NRA)
<b>Units/Acre Ratio:</b>	±61.55:1
<b>Elevators/Stairs:</b>	Yes/Yes
<b>Occupancy:</b>	±92.5% (stabilized)

**Year Built:** Proposed

**Condition:** The complex will be in new condition when completed. The building is estimated to have a useful life of 55 years.

**Functional Utility:** The subject improvements are anticipated to be adequately functional when compared with competing properties in the neighborhood.

### **Statement of Ownership**

The subject site is currently owned by the Behzad Bahrami who has owned the subject site for over three-years. The subject property is reportedly under a purchase agreement to Caritas of Austin for \$5,780,000 including a 3% commission. No other arms-length transactions involving the subject are known to have occurred within the last three years.

### **Purpose of Appraisal Report**

The purpose of this assignment is to analyze the subject property's multifamily market and determine whether sufficient potential demand exists to justify acquisition and construction of the subject property. For the purposes of this report, potential demand is the pool of households that are income qualified (household income does not exceed applicable program limits), age qualified, and can afford the proposed development's rents (rents are no more than 50% of household income).

### **Definitions**

The following applicable definition was abstracted from The Appraisal of Real Estate, Thirteenth Edition, by The Appraisal Institute.

### **Market Rent**

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements. Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, Fifth Edition, copyright 2010.

### **Market Analysis**

"A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing of the demographics of demand for a specific area or property type."

## **SCOPE OF APPRAISAL ASSIGNMENT**

### **Use of the Assignment**

The use of this assignment is understood to be for decision-making purposes of the client.

### **Development and Reporting Process of the Assignment**

Market data, including sales and lease information, was obtained from sources deemed to be reliable, including, but not limited to, on-site personnel. This report fully discusses all pertinent

data, descriptions, and discussions germane to the subject of this report. A copy of this report and the data included herein have been retained in my files.

### **Effective Date of the Assignment**

The descriptions, analyses, and conclusions of this report are applicable as of March 31, 2020.

### **Date of the Report**

The preparation of this report was completed on March 31, 2020.

### **Data Sources**

EnrichedData was consulted for apartment statistics. All rental information for the comparable properties has been verified by the market analyst. Census data was obtained from Environics Spotlight and Ribbon Demographics, recognized sources of demographic data throughout the United States and the U.S. Census Bureau.

### **Housing Tax Credit, Multifamily Bond, and Section 8 – Summarized**

The Housing Tax Credit (HTC), originally formulated as the “Low Income Housing Tax Credit,” was created by the Tax Reform Act of 1986 to spur the development of affordable housing for residents of moderate means. It is not federally subsidized housing. It is not housing for the impoverished, unemployed, or homeless. The Tax Credit Program was instituted to provide quality housing at reasonable costs.

The Multifamily Bond Program is similar to the HTC program in that it provides quality housing at affordable costs for residents of moderate means. The TDHCA issues tax-exempt and taxable multifamily MRB’s to fund loans to for-profit and qualifying nonprofit organizations for the acquisition or development of affordable rental units. Bond properties typically receive some tax credits as well as bonds. A recommendation is made to the TDHCA governing board and, if approved, additional approval is required by the Texas Bond Review Board. Properties financed through the programs are subject to unit set aside restrictions for lower income tenants and persons with special needs, tenant program initiatives, maximum rent limitations, and other requirements as determined by TDHCA and its board.

Tenants at HTC and bond properties must be income qualified. The income qualifications will adjust annually based on the median income for the Austin MSA.

The following table illustrates the maximum 2019 income for HTC projects (2020 rent/income limits not yet available).

# Report Details

**Name:** Pop-Facts® Demographic Snapshot 2020  
**Date / Time:** 2/3/2020 1:49:39 PM  
**Workspace Vintage:** 2020

## Trade Area

Name	Level	Geographies
ctS IN pma ESPERO RUTLAND	Census Tract	48453-001804; 48453-001805; 48453-001806; 48453-001819; 48453-001820; 48453-001821; 48453-001822; 48453-001823; 48453-001824; 48453-001826; 48453-001843; 48453-001844; 48453-001845; 48453-001849; 48453-001850

## Benchmark

Name	Level	Geographies
ctS IN pma ESPERO RUTLAND	Census Tract	48453-001804; 48453-001805; 48453-001806; 48453-001819; 48453-001820; 48453-001821; 48453-001822; 48453-001823; 48453-001824; 48453-001826; 48453-001843; 48453-001844; 48453-001845; 48453-001849; 48453-001850

## DataSource

Product	Provider	Copyright
Claritas Pop-Facts® Premier	Claritas	©Claritas, LLC 2020 ( <a href="https://en.environicsanalytics.ca/Spotlight/Abo">https://en.environicsanalytics.ca/Spotlight/Abo</a> )
SPOTLIGHT Pop-Facts® Premier	Claritas	©Claritas, LLC 2020 ( <a href="https://en.environicsanalytics.ca/Spotlight/Abo">https://en.environicsanalytics.ca/Spotlight/Abo</a> )

## **DEVELOPER BUDGET & PROFORMA**

Rent Schedule		
Unit types must be entered from smallest to largest based on "# of Bedrooms" and "Unit Size", then		Self Score Total: 140

Self Score Total:	140
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**Private Activity Bond Priority (For Tax-Exempt Bond Developments ONLY):**

<b>TOTAL</b>	135	63,990	102,843
Non Rental Income	\$14.02	per unit/month for:	<i>App fees, laundry, vending</i> 1,893
Non Rental Income	0.00	per unit/month for:	
Non Rental Income	0.00	per unit/month for:	
<b>+ TOTAL NONRENTAL INCOME</b>	<b>\$14.02</b>	per unit/month	1,893
<b>= POTENTIAL GROSS MONTHLY INCOME</b>			104,736
- Provision for Vacancy & Collection Loss		% of Potential Gross Income:	7.50% (7,855)
- Rental Concessions <i>(enter as a negative number)</i>		<b>Enter as a negative value</b>	
<b>= EFFECTIVE GROSS MONTHLY INCOME</b>			96,881
<b>x 12 = EFFECTIVE GROSS ANNUAL INCOME</b>			1,162,570



## Rent Schedule (Continued)

		% of LI	% of Total	
<b>HOUSING</b>	TC20%			0
	TC30%	20%	20%	27
	TC40%			0
	TC50%	80%	80%	108
	TC60%			0
	TC70%			0
	TC80%			0
	<b>HTC LI Total</b>			135
<b>TAX CREDITS</b>	EO			0
	MR			0
	<b>MR Total</b>			0
	<b>Total HTC Units</b>			135
<b>DIRECT LOAN (NHTF)</b>	HTF30%	100%	100%	25
	<b>NHTF LI Total</b>			25
	MR			0
	<b>MR Total</b>			0
	<b>HTF Total</b>			25

<b>BEDROOMS</b>	0			135
	1			0
	2			0
	3			0
	4			0
	5			0

		% of LI	% of Total	
<b>MORTGAGE REVENUE</b>	MRB20%			0
	MRB30%			0
	MRB40%			0
	MRB50%			0
	MRB60%			0
	MRB70%			0
	MRB80%			0
	<b>MRB LI Total</b>			0
<b>BOND</b>	MRBMR			0
	<b>MRBMR Total</b>			0
	<b>MRB Total</b>			0
	<b>MRB LI Total</b>			0
<b>DIRECT LOAN (HOME, TCAP RF, and/or NSP1 PI)</b>	30%			0
	40%			0
	LH/50%			0
	HH/60%			0
	HH/80%			0
	<b>Direct Loan LI Total</b>			0
	EO			0
	MR			0
	<b>MR Total</b>			0
	<b>Direct Loan Total</b>			0
<b>OTHER</b>	<b>Total OT Units</b>			34

<b>ACQUISITION + HARD</b>		DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.9(e)(2). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.
<b>Cost Per Sq. Ft</b>	\$ 151.63	
<b>HARD</b>		
<b>Cost Per Sq. Ft</b>	\$ 151.63	
<b>BUILDING</b>		
<b>Cost Per Sq. Ft</b>	\$ 169.56	

ANNUAL OPERATING EXPENSES				
<b>General &amp; Administrative Expenses</b>				
Accounting	\$	14,500		
Advertising	\$	2,450		
Legal fees	\$	7,002		
Leased equipment	\$	0		
Postage & office supplies	\$	5,145		
Telephone	\$	13,073		
Other		<i>dues, fees, licenses</i>	\$	11,645
Other		<i>employee engagement, training, uniforms</i>	\$	3,550
Total General & Administrative Expenses:			\$	57,365
Management Fee:		Percent of Effective Gross Income:	5.00%	\$ 58,128
<b>Payroll, Payroll Tax &amp; Employee Benefits</b>				
Management	\$	150,120		
Maintenance	\$	75,029		
Other		<i>payroll taxes</i>	\$	13,600
Other		<i>employee benefits</i>	\$	32,000
Total Payroll, Payroll Tax & Employee Benefits:			\$	270,749
<b>Repairs &amp; Maintenance</b>				
Elevator	\$	4,280		
Exterminating	\$	5,701		
Grounds	\$	10,449		
Make-ready	\$	3,491		
Repairs	\$	23,017		
Pool	\$	0		
Other		<i>Janitorial Contract</i>	\$	35,930
Other		<i>describe</i>	\$	
Total Repairs & Maintenance:			\$	82,868
<b>Utilities (Enter Only Property Paid Expense)</b>				
Electric		<i>comparable properties</i>	\$	65,860
Natural gas			\$	
Trash		<i>comparable properties</i>	\$	11,843
Water/Sewer		<i>comparable properties</i>	\$	34,061
Other		<i>describe</i>	\$	
Other		<i>describe</i>	\$	
Total Utilities:			\$	111,764
Annual Property Insurance:		Rate per net rentable square foot:	\$ 0.86	\$ 55,000
<b>Property Taxes:</b>				
Published Capitalization Rate:		8.25%	Source:	Travis CAD
Annual Property Taxes	\$	51,118		
Payments in Lieu of Taxes	\$			
Total Property Taxes:			\$	51,118
Reserve for Replacements:		Annual reserves per unit:	\$ 250	\$ 33,750
<b>Other Expenses</b>				
Cable TV	\$			
Supportive Services (Staffing/Contracted Services)	\$	20,500		
TDHCA Compliance fees (\$40/HTC unit)	\$	5,400		
TDHCA Direct Loan Compliance Fees (\$34/MDL unit)	\$			
TDHCA Bond Compliance Fees (TDHCA as Bond Issuer Only - \$25/MRB unit)	\$			
Bond Trustee Fees (ALL Tax-Exempt Bond Developments)	\$			
Security	\$	7,500		
Other		<i>describe</i>	\$	
Other		<i>describe</i>	\$	
Total Other Expenses:			\$	33,400
TOTAL ANNUAL EXPENSES		Expense per unit:	\$ 5586	\$ 754,142
		Expense to Income Ratio:	64.87%	
NET OPERATING INCOME (before debt service)				\$ 408,428
<b>Annual Debt Service</b>				
<i>First Mortgage Lender</i>		\$	305,935	
		\$		
		\$		
<i>TDHCA Bond-Issuer Admin Fee (0.10%)</i>		\$		
TOTAL ANNUAL DEBT SERVICE			\$	305,935
Debt Coverage Ratio:		1.34		
NET CASH FLOW				\$ 102,493

If a revised form is submitted, date of submission:

# Development Cost Schedule

Self Score Total: **140**

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the Total Cost column. Direct Loan Applicants should review costs ineligible for reimbursement with Direct Loan funds in 10 TAC §13.3(e), while all HTC Applicants must complete the Eligible Basis columns and the Requested Credit calculation below:

TOTAL DEVELOPMENT SUMMARY		
Total	Eligible Basis (If Applicable)	
Cost	Acquisition	New/Rehab.

Scratch Paper/Notes

## ACQUISITION

Site acquisition cost

Existing building acquisition cost

Closing costs & acq. legal fees

Broker Commission

Other (specify) - see footnote 1

**Subtotal Acquisition Cost**

5,600,000		
168,000		
\$5,768,000	\$0	\$0

paid by Purchaser per contract

## OFF-SITES<sup>2</sup>

Off-site concrete

Storm drains & devices

Water & fire hydrants

Off-site utilities

Sewer lateral(s)

Off-site paving

Off-site electrical

Other (specify) - see footnote 1

Other (specify) - see footnote 1

**Subtotal Off-Sites Cost**

\$0	\$0	\$0

**ALL OFF-SITE COSTS REQUIRE DOCUMENTATION. THOSE ENTERED IN BASIS REQUIRE MORE DOCUMENTATION!!! SEE 10 TAC §11.204(8)(E)(ii).**

## SITE WORK<sup>3</sup>

Demolition

Asbestos Abatement (Demolition Only)

Detention

Rough grading

Fine grading

On-site concrete

On-site electrical

On-site paving

On-site utilities

Decorative masonry

Bumper stops, striping & signs

COA required streetscape, water quality & mobilization

**Subtotal Site Work Cost**

115,000		
296,000		296,000
246,000		246,000
94,000		94,000
197,000		197,000
174,000		174,000
158,000		158,000
196,750		196,750
39,000		39,000
254,000		254,000
\$1,769,750	\$0	\$1,654,750

## SITE AMENITIES

Landscaping

Pool and decking

Athletic court(s), playground(s)

Fencing

Other (specify) - see footnote 1

**Subtotal Site Amenities Cost**

125,000		125,000
25,000		25,000
\$150,000	\$0	\$150,000

**BUILDING COSTS\*:**

Concrete	537,712		537,712
Masonry	356,810		356,810
Metals	46,250		46,250
Woods and Plastics	1,930,577		1,930,577
Thermal and Moisture Protection	740,509		740,509
Roof Covering	316,740		316,740
Doors and Windows	470,475		470,475
Finishes	1,835,317		1,835,317
Specialties	147,065		147,065
Equipment	479,640		479,640
Furnishings	18,600		18,600
Special Construction			
Conveying Systems (Elevators)	240,000		240,000
Mechanical (HVAC; Plumbing)	2,542,731		2,542,731
Electrical	1,187,574		1,187,574

**Individually itemize costs below:**

Detached Community Facilities/Building			
Carports and/or Garages			
Lead-Based Paint Abatement			
Asbestos Abatement (Rehabilitation Only)			
Structured Parking			
Commercial Space Costs			
Other (specify) - see footnote 1			
Subtotal Building Costs Before 11.9(e)(2)	\$10,850,000	\$0	\$10,850,000

Voluntary Eligible Building Costs (After 11.9(e)(2))\*  
Enter amount to be used to achieve desired score.

\$81.90 psf

\$6,070,019

If NOT seeking to score points under §11.9(e)(2), E77:E78 should remain BLANK. True eligible building cost should be entered in line items E33:E74. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E77:E78 that produces the target cost per square foot in D77:D78. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

TOTAL BUILDING COSTS & SITE WORK (including site amenities)		\$12,769,750	\$0	\$7,874,769
Contingency	5.00%	\$638,488		638,488
TOTAL HARD COSTS		\$13,408,238	\$0	\$8,513,256
OTHER CONSTRUCTION COSTS	%THC			%EHC
General requirements (<6%)	5.99%	803,153		509,944
Field supervision (within GR limit)				
Contractor overhead (<2%)	1.99%	266,824		169,414
G & A Field (within overhead limit)				
Contractor profit (<6%)	5.99%	803,153		509,944
TOTAL CONTRACTOR FEES		\$1,873,131	\$0	\$1,189,302

TOTAL CONSTRUCTION CONTRACT Before 11.9(e)(2)		\$15,281,368	\$0	\$9,702,558
---	--	--------------	-----	-------------

Voluntary Eligible "Hard Costs" (After 11.9(e)(2))\*  
Enter amount to be used to achieve desired score.

\$0.00 psf

If NOT seeking to score points under §11.9(e)(2), E96:E97 should remain BLANK. True eligible cost should be entered in line items E83 and E87:E91. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E96:E97 that produces the target cost per square foot in D96:D97. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

### SOFT COSTS<sup>3</sup>

Architectural - Design fees	611,255		611,255
Architectural - Supervision fees			
Engineering fees	229,221		229,221
Real estate attorney/other legal fees	110,000		110,000
Accounting fees	55,000		55,000
Impact Fees			
Building permits & related costs	376,090		376,090
Appraisal	7,500		7,500
Market analysis	8,000		8,000
Environmental assessment	10,000		10,000
Soils report	20,000		20,000
Survey	10,000		10,000
Marketing	25,000		
Hazard & liability insurance	60,000		60,000
Real property taxes	141,414		141,414
Personal property taxes			
Tenant Relocation	450,000		
Civil Feasibility Report	11,600		11,600
Unit and Common Area Furnishings	280,125		280,125
Green Consultant/Mat Testing/Submetering	105,000		105,000
<b>Subtotal Soft Cost</b>	\$2,510,204	\$0	\$2,035,204

[illegible]

**FINANCING:**

**CONSTRUCTION LOAN(S)<sup>3</sup>**

Interest	840,000		630,000
Loan origination fees	105,000		105,000
Title & recording fees	80,000		80,000
Closing costs & legal fees	40,000		40,000
Inspection fees	20,000		20,000
Credit Report			
Discount Points			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			

[illegible]

**PERMANENT LOAN(S)**

Loan origination fees	42,198	
Title & recording fees	25,000	
Closing costs & legal	25,000	
Bond premium		
Credit report		
Discount points		
Credit enhancement fees		
Prepaid MIP		
Other (specify) - see footnote 1		
Other (specify) - see footnote 1		

[illegible]

**BRIDGE LOAN(S)**

Interest			
Loan origination fees			
Title & recording fees			
Closing costs & legal fees			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			


**OTHER FINANCING COSTS<sup>3</sup>**

Tax credit fees	34,800		
Tax and/or bond counsel			
Payment bonds	191,017		
Performance bonds			
Credit enhancement fees			
Mortgage insurance premiums			
Cost of underwriting & issuance			
Syndication organizational cost			
Tax opinion			
Refinance (existing loan payoff amt)			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
<b>Subtotal Financing Cost</b>	\$1,403,015	\$0	\$875,000

**DEVELOPER FEES<sup>3</sup>**

Housing consultant fees <sup>4</sup>	90,000		90,000
General & administrative			
Profit or fee	2,045,000		1,801,000
<b>Subtotal Developer Fees</b>	12.19% \$2,135,000	\$0	14.99% \$1,891,000

**RESERVES**

Rent-up - new funds	80,000		
Rent-up - existing reserves*			
Operating - new funds	353,359		
Operating - existing reserves*			
Replacement - new funds			
Replacement - existing reserves*			
Escrows - new funds			
Escrows - existing reserves*			
<b>Subtotal Reserves</b>	\$433,359	\$0	\$0

**\*Any existing reserve amounts should be listed on the Schedule of Sources.**

<b>TOTAL HOUSING DEVELOPMENT COSTS<sup>5</sup></b>	\$27,530,947	\$0	\$14,503,762
--	--------------	-----	--------------

*The following calculations are for HTC Applications only.*

**Deduct From Basis:**

Federal grants used to finance costs in Eligible Basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units §42(d)(5)			
Historic Credits (residential portion only)			
<b>Total Eligible Basis</b>		\$0	\$14,503,762
**High Cost Area Adjustment (100% or 130%)			130%
<b>Total Adjusted Basis</b>		\$0	\$18,854,891
Applicable Fraction			100%
<b>Total Qualified Basis</b>	\$18,854,891	\$0	\$18,854,891
Applicable Percentage <sup>6</sup>			9.00%
<b>Credits Supported by Eligible Basis</b>	\$1,696,940	\$0	\$1,696,940
<b>Credit Request</b> (from 17.Development Narrative)	\$ 1,500,000		

**Requested Score for 11.9(e)(2)**

12

**\*11.9(c)(2) Cost Per Square Foot: DO NOT ROUND! Applicants are advised to ensure that the figure is not rounding down to the maximum dollar figure to support the elected points.**

Name of contact for Cost Estimate: **Mike Willemssen**

Phone Number for Contact: **(518) 514-8119**

If a revised form is submitted, date of submission:

[illegible]

Unit types should be entered from smallest to largest based on " # of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq. Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns T through AF.

**Specifications and Amenities (check all that apply)**

Building Configuration (Check all that apply):	<input type="checkbox"/>	Single Family Construction	<input checked="" type="checkbox"/>	SRO	<input type="checkbox"/>	Transitional (per §42(i)(3)(B))	<input type="checkbox"/>	Duplex
	<input type="checkbox"/>	Scattered Site	<input type="checkbox"/>	Fourplex	<input checked="" type="checkbox"/>	> 4 Units Per Building	<input type="checkbox"/>	Townhome

Development will have:	<b>x</b>	Fire Sprinklers	<b>YES</b>	Elevators	<b>2</b>	# of Elevators	<b>3500</b>	Wt. Capacity
------------------------	----------	-----------------	------------	-----------	----------	----------------	-------------	--------------

	Free	Paid		Free	Paid	
Number of Parking Spaces(consistent with Architectural Drawings):			Shed or Flat Roof Carport Spaces			Detached Garage Spaces
			Attached Garage Spaces	63		Uncovered Spaces
			Structured Parking Garage Spaces			

Floor Composition/Wall Height:	<input type="text" value="100"/>	% Carpet/Vinyl/Resilient Flooring	<input type="text" value="8'"/>	Ceiling Height
	<input type="text" value="n/a"/>	% Ceramic Tile	<input type="text" value="n/a"/>	Upper Floor(s) Ceiling Height (Townhome Only)
	<input type="text" value="n/a"/>	% Other	Describe: <input type="text"/>	

You are not required to distinguish the HC or AV Units from other Units that are the same size/floor plan.

[illegible]

If a revised form is submitted, date of submission:		Net Rentable Square Footage from Rent Schedule	63,990
---	--	--	--------

Common Area Square Footage (as specified on Architect Certification)	24,042
--	--------

Information below to be used by Supportive Housing Applicants only.

x	Total development Common Area as specified on Architect Certification:	Note that in order to qualify for points under 10	24,042
---	--	---	--------

Note that in order to qualify for points under 10 TAC §11.9(e)(2), at least 50 square feet of each 75 square of Common Area claimed must be conditioned space.

Ensure that this number matches your architectural drawings.

x	The additional square footage allowed for Supportive Housing per 11.9(e)(2) is:	10,125
---	---	--------

**x** The lesser of these two numbers added to NRA: 2/28/2020



## **APPRAISAL DISTRICT RECORDS**

Property

Account

Property ID:	251550	Legal Description:	LOT 15-17 BLK A BROOK MEADOW
Geographic ID:	0245110502	Zoning:	GR
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Protest

Protest Status:	
Informal Date:	
Formal Date:	

Location

Address:	1934 RUTLAND DR TX 78758	Mapsco:	
Neighborhood:	43NOR	Map ID:	024211
Neighborhood CD:	43NOR		

Owner

Name:	BAHRAMI BEHZAD	Owner ID:	212733
Mailing Address:	PO BOX 82653 AUSTIN , TX 78708-2653	% Ownership:	100.0000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$1,621,637	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$1,127,916	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
-----			
(=) Market Value:	=	\$2,749,553	
(-) Ag or Timber Use Value Reduction:	-	\$0	
-----			
(=) Appraised Value:	=	\$2,749,553	
(-) HS Cap:	-	\$0	
-----			
(=) Assessed Value:	=	\$2,749,553	

Taxing Jurisdiction

Owner:	BAHRAMI BEHZAD
% Ownership:	100.0000000000%
Total Value:	\$2,749,553

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax		
01	AUSTIN ISD	1.122000	\$2,749,553	\$2,749,553	\$30,849.98		
02	CITY OF AUSTIN	0.443100	\$2,749,553	\$2,749,553	\$12,183.27		
03	TRAVIS COUNTY	0.369293	\$2,749,553	\$2,749,553	\$10,153.91		
0A	TRAVIS CENTRAL APP DIST	0.000000	\$2,749,553	\$2,749,553	\$0.00		

2J	TRAVIS COUNTY HEALTHCARE DISTRICT	0.105573	\$2,749,553	\$2,749,553	\$2,902.79
68	AUSTIN COMM COLL DIST	0.104900	\$2,749,553	\$2,749,553	\$2,884.28
Total Tax Rate:		2.144866			
				Taxes w/Current Exemptions:	\$58,974.23
				Taxes w/o Exemptions:	\$58,974.23

## Improvement / Building

### All improvements valued at income

Improvement #1:	STRIP CTR >10000	State Code:	F1	Living Area:	26340.0 sqft	Value: N/A
Type	Description	Class CD	Exterior Wall	Year Built	SQFT	
1ST	1st Floor	C - 4		1982	26340.0	
407	LOADING DOCK	I - *		1982	204.0	
407	LOADING DOCK	I - *		1982	204.0	
408	LOADING RAMP	A - *		1982	220.0	
408	LOADING RAMP	A - *		1982	220.0	
408	LOADING RAMP	A - *		1982	220.0	
501	CANOPY	G - *		1982	2160.0	
551	PAVED AREA	AA - *		1982	52095.0	

## Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	LAND	Land	2.1578	93993.00	0.00	0.00	\$0	\$0

## Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2020	N/A	N/A	N/A	N/A	N/A	N/A
2019	\$1,621,637	\$1,127,916	0	2,749,553	\$0	\$2,749,553
2018	\$1,555,581	\$1,127,916	0	2,683,497	\$0	\$2,683,497
2017	\$1,522,084	\$1,127,916	0	2,650,000	\$0	\$2,650,000
2016	\$1,642,988	\$939,930	0	2,582,918	\$0	\$2,582,918
2015	\$1,765,017	\$234,983	0	2,000,000	\$0	\$2,000,000

## Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	8/28/2008	SW	SPECIAL WARRANTY DEED	BUFFALO-1934 LTD	BAHRAMI BEHZAD			2008150529TR
2	1/1/2005							

Questions Please Call (512) 834-9317

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## PLAT MAP



## **MISCELLANEOUS INFORMATION**

# **Allowances for Tenant-Furnished Utilities and Other Services**

U.S. Department of Housing and  
Urban Development  
Office of Public and Indian Housing

		Date (mm/dd/yyyy):				
Locality: <b>Housing Authority of the City of Austin, TX</b>		Unit Type: <b>Multi-Family (Elevator)</b>				
Utility or Service:	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>
Monthly Dollar Allowances						
<b>Heating</b>						
a. Natural Gas	\$8.00	\$9.00	\$10.00	\$11.00	\$12.00	\$13.00
b. Bottle Gas/Propane						
c. Electric	\$6.00	\$7.00	\$9.00	\$11.00	\$12.00	\$14.00
d. Oil / Other						
<b>Cooking</b>						
a. Natural Gas	\$2.00	\$2.00	\$3.00	\$4.00	\$5.00	\$6.00
b. Bottle Gas/Propane						
c. Electric	\$3.00	\$4.00	\$5.00	\$7.00	\$9.00	\$10.00
<b>Other Electric &amp; Cooling</b>						
Other Electric (Lights & Appliances) (Includes Monthly Charge)	\$22.00	\$24.00	\$30.00	\$35.00	\$41.00	\$46.00
Air Conditioning	\$10.00	\$11.00	\$16.00	\$20.00	\$25.00	\$29.00
<b>Water Heating</b>						
a. Natural Gas	\$4.00	\$4.00	\$6.00	\$8.00	\$10.00	\$12.00
b. Bottle Gas/Propane						
c. Electric	\$7.00	\$8.00	\$11.00	\$13.00	\$15.00	\$18.00
d. Oil / Other						
<b>Water, Sewer, Trash Collection</b>						
Water	\$37.00	\$38.00	\$45.00	\$53.00	\$60.00	\$67.00
Sewer	\$69.00	\$71.00	\$84.00	\$97.00	\$111.00	\$124.00
Trash Collection	\$29.00	\$29.00	\$29.00	\$30.00	\$30.00	\$36.00
<b>Tenant-supplied Appliances</b>						
Range / Microwave Tenant-supplied	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator Tenant-supplied	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
<b>Other--specify: Monthly Charges</b>						
Natural Gas Charge \$19.87	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
<b>Actual Family Allowances</b>		Utility or Service		per month cost		
To be used by the family to compute allowance. Complete below for the actual unit rented.		Heating		\$		
		Cooking		\$		
		Other Electric		\$		
		Air Conditioning		\$		
		Water Heating		\$		
Name of Family		Water		\$		
		Sewer		\$		
		Trash Collection		\$		
		Range / Microwave		\$		
		Refrigerator		\$		
Address of Unit		Other		\$		
		Other		\$		
		Other		\$		
		Other		\$		
		Total		\$		
Number of Bedrooms		Other		\$		



**Evidence of the Applicant's or General Partner's history of fundraising activities reasonably deemed to be sufficient to address any unanticipated operating losses**

**Fundraising Capacity**

Caritas of Austin has been in the community for 56 years, and has long standing and healthy relationships with the donor community. While raising \$3 million in private dollars annually, Caritas of Austin embarked on a \$6 million campaign to expand its services and increase its capacity, known as "Vision 2025," in 2018. This, includes Espero Austin at W. 24<sup>th</sup>, as well as the services to support the 87+ residents that will reside there. Currently, the Vision campaign has raised \$1 million from its closest donors. There are already two notable donors that have already committed a portion of their Campaign gift to directly support the Operational Subsidy for Espero Austin at W. 24<sup>th</sup> and Espero Austin at Rutland – locking in \$500,000 before the projects have started construction. The Campaign in its entirety is not limited to these commitments, but will continue to pursue an additional \$4.5 million over the next 3 years.

In addition to a successful record of private fundraising, Caritas of Austin also raises an impressive amount of funding from private foundations and governmental agencies. In 2018, Caritas of Austin had \$7,474,968 in revenue from governmental grants alone. Below is the funding raised in 2019 including grants over \$20,000:

Shield-Ayres \$15,000

Sooch Foundation \$25,000

Topfer Family Foundation \$35,000

Glimmer of Hope \$20,000

Isla-Carroll Turner Friendship Trust \$20,000

Religious Coalition to Assist the Homeless \$40,000

Texas Veterans Commission \$50,000

Veterans Administration \$552,312

FEMA Emergency Food and Shelter \$19,349.00

Travis County \$84,000 each year (contract for Community Kitchen)

HUD for Permanent Supportive Housing \$1,558,515

City of Austin for Best Single Source + \$3,702,268

City of Austin for Behavioral Health Services \$238,268



**Tab 17 – Development Narrative**  
**ESPERO AUSTIN AT W. 24<sup>th</sup> - AUSTIN, TEXAS**  
**TDHCA #20041**

**Evidence of Project-Based Rental or Operating Subsidies for a  
Minimum of 25% of Units**

**Operational Subsidy**

Caritas of Austin, as 100% member and manager of the GP, has provided the attached Operational Subsidy Agreement for 25% of the units at Espero Austin at W. 24<sup>th</sup>. The source of the Operational Subsidy Agreement will be funds secured by Caritas of Austin from private fundraising. There is a clause that states if project-based vouchers are awarded to the project that they can supplement the operational subsidy. Due to the fact that the goal of the property is ending homelessness, a majority of clients will utilize voucher funding. Caritas of Austin has already engaged in community conversations with the major voucher holders in the community: the Housing Authority of the City of Austin, the Housing Authority of Travis County and the Ending Chronic Homelessness Organizing Committee to secure vouchers for the project. Caritas of Austin, in partnership with The Vecino Group, are also applying for voucher funding through HUD's Section 811 Supportive Housing for Persons with Disabilities program and the Continuum of Care Program Competition. There are also existing tenant-based voucher programs – such as VASH and Section 8 – where residents will be referred with a voucher in-hand.

When Espero Austin at W. 24<sup>th</sup> is ready to open its doors, the strategy is for a majority of units to have some form of operational subsidy from vouchers with 25% of the units committed and funded under this Operating Subsidy Agreement. This strategy ensures that the Supportive Housing Development will maintain healthy operations throughout the entire Affordability Period while achieving its ultimate goal of ending homelessness.

## ESPERO AUSTIN AT W. 24<sup>TH</sup> OPERATING SUBSIDY AGREEMENT

THIS ESPERO AUSTIN AT W. 24<sup>TH</sup> OPERATING SUBSIDY AGREEMENT ("**Agreement**") is executed as of the 27<sup>th</sup> day of February, 2020 by and between Caritas of Austin a Texas nonprofit corporation ("**Caritas**") and Espero Austin at W. 24<sup>th</sup>, LP, a Texas limited partnership (the "**Partnership**"). Caritas and Project Owner are each a "**Party**" and collectively the "**Parties**."

### I. RECITALS

1.1. Caritas is the Sole Member and Manager of the General Partner of the Partnership as set forth in that certain Amended and Restated Agreement of Limited Partnership of Espero Austin at W. 24<sup>th</sup>, LP, a Texas limited partnership dated \_\_\_\_\_ (the "**Partnership Agreement**"). The Partnership was formed for the purpose of developing and operating an eighty-seven (87) unit affordable housing project located at 911-915 W. 24<sup>th</sup> Street, Austin, Texas, 78705, commonly referred to as "Espero Austin at W. 24<sup>th</sup>" (the "**Project**").

1.2. The Partnership is submitting an application for Low-Income Housing Tax Credits (the "**Tax Credits**") to the Texas Department of Housing and Community Affairs ("**TDHCA**"). The application also provides that the Project is willing to participate in programs offering rental assistance through subsidies and the Project will designate up to twenty-five percent (25%) of the Project Units as eligible for subsidies (the "**Subsidy Eligible Units**"), as more specifically defined in the Rent Schedule attached hereto as Exhibit A and incorporated herein by reference..

1.3. Project subsidies may include Project-based or tenant-based housing voucher programs (collectively "**Vouchers**") or rental subsidy made available directly through the nonprofit activities of Caritas for the Subsidy Eligible Units (the "**Operating Subsidy**").

1.3. The Parties acknowledge the desire to enter into this Agreement to designate the manner in which the Operational Subsidy will be accounted for, managed, and distributed.

1.4. Therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

### II. SUBSIDY AGREEMENT

2.1. **Operating Subsidy.** The purpose of the subsidy is to provide rental assistance to prospective affordable housing tenants seeking to reside within a Subsidy Eligible Unit at the Project. From time to time the Partnership and Caritas will agree upon a base amount of monthly Operational Subsidy necessary for the Subsidy Eligible Units of the Project, as budgeted by the Partnership. Caritas agrees to provide an

Operating Subsidy to Subsidy Eligible Units for the Term of this Agreement, subject to the requirements and restrictions herein and the specific limitations as follows:

- (a) The designated number of Subsidy Eligible Units shall not exceed twenty-five percent (25%) of the total Project units totaling twenty-two (22) units; and
- (b) The Operating Subsidy shall only be eligible to Subsidy Eligible Units not otherwise receiving any assistance through Vouchers; and
- (c) The Operating Subsidy for any Subsidy Eligible Unit shall not exceed fifty percent (50%) of the Median Family Income for the Project (the "**MFI**") as recognized by the United States Department of Housing and Urban Development ("**HUD**") or such other limitations as may be set forth in Project agreements with TDHCA. The Parties acknowledge that the MFI is subject to change and may impact the rental rates permitted and thereby alter the total amount of Operating Subsidy that may be required, but at no time shall the Operating Subsidy be greater than the maximum rent permitted by HUD and/or the TDHCA under Project agreements; and
- (d) The "Rent Schedule" attached hereto as Exhibit A that establishes the type, number, size, and initial estimated rent (subject to changes as denoted in Section 2.1(c) above) of Subsidy Eligible Units.

2.2. **Conditions.** Operational Subsidy payments are expressly conditioned upon:

- (a) The Partnership receiving an allocation of Tax Credits from TDHCA in an amount sufficient to support the development of the Project as set forth in the TDHCA application;
- (b) The closing of Tax Credit financing with a tax credit investor/syndicator on or before the 31st day of August, 2021; and
- (c) The completion of the construction of the Project.

2.3. **Payment.** Operational Subsidy payments will be payable on the first day of the month following the "Placed in Service" date, and on the first date of each calendar month thereafter. Should the Project fail to receive Housing Tax Credit financing, or should the Project fail to be "Placed-in-Service," then no Operational Subsidy payments will be owed.

2.4 **Noncontribution.** The Parties agree that any Operating Subsidy paid by Caritas shall not constitute any form of capital contribution to the Partnership nor be considered a loan or any other form of liability owed by the Partnership to Caritas.



2.5. **Term.** This Agreement shall be for a period of fifteen (15) years commencing on the "Placed-In-Service" date. The Agreement shall be renewable in five (5) year extension periods only by written agreement of the Parties.

2.6. **Use of Operating Subsidy.** The Parties agree that under no circumstances shall the Operating Subsidy be utilized for any purpose other than providing a subsidy for Subsidy Eligible Units.

2.7. **Adjustments.** From time to time throughout the Term of this Agreement, the monthly base Operation Subsidy payment may be adjusted pursuant to a written agreement between Caritas and the Partnership. Any excess Operating Subsidy received by and held by Partnership for any period during the Term shall be carried over by the Partnership and credited towards future Operating Subsidy payments. Any excess Operating Subsidy received by and held by the Partnership after the termination of this Agreement shall be returned to Caritas.

2.8. **Default.** The material breach of any provision of this agreement by any Party subject to the cure provided for in Section 2.9 shall be considered a default.

2.9. **Remedies.** If any Party defaults under this Agreement and fails to cure such default within thirty (30) days after receiving written notice of the default from the aggrieved Party or Parties, the aggrieved Party or Parties may exercise one or more of the following remedies:

- (a) cure the default and charge the cost thereof, including reasonable attorneys' fees, to the defaulting party, and all such costs shall be payable upon demand; and
- (b) obtain specific performance, injunctive relief, damages, or any other remedy available at law or in equity; and
- (c) terminate this Agreement.

Any action seeking one or more forms of relief shall not be a bar to an action at the same or subsequent time seeking other forms of relief. The costs of any such action, including reasonable attorneys' fees of the prevailing party, shall be paid by the party not prevailing. Any delay in realizing, or failure to realize, on any remedy herein for a default hereunder shall not be deemed a waiver of that default or any subsequent default of a similar or different kind, and no waiver or any right or remedy hereunder shall be effective unless in writing and signed by the person against whom the waiver is claimed.

### **III. GENERAL PROVISIONS**

3.1. **Notice.** Any notice which may be given, or is required to be given, by either Party to the other shall be given in writing by (1) either certified or registered mail,

postage prepaid, return receipt requested; (2) hand; or (3) nationally recognized overnight courier, and shall be deemed to have been given three days after so mailed or upon receipt, whichever is earlier.

If to Caritas: Caritas of Austin  
611 Neches Street  
Austin, Texas 78701  
Attn: Jo Kathryn Quinn  
E-mail: jkquinn@caritasofaustin.org

If to Partnership: Espero Austin at W. 24<sup>th</sup>, LP  
c/o Vecino Bond Group, LLC  
305 W. Commercial St.  
Springfield, MO 65803  
Attn: Richard Manzardo  
rick@vecinogroup.com

With a copy to: Spencer Fane LLP  
2144 E. Republic Rd., Suite B300  
Springfield, MO 65804  
Attn: S. Shawn Whitney  
swhitney@spencerfane.com

Either Party may from time to time change the address for such notice, or designate the name and address of an agent for receipt thereof, by notice given in accordance herewith. Notwithstanding the provisions of the foregoing, any notice under this Agreement shall be deemed to have been given when the party to whom the notice is directed is in actual receipt of the notice, regardless of the form of transmittal of the notice.

3.2. **Entire Agreement.** This Agreement states the entire agreement as of this date between the Parties with respect to the subject matter hereof and supersedes all preexisting oral or written agreements or commitments with respect thereto. This Agreement may be modified only by an agreement in writing executed by all of the Parties hereto.

3.3. **Survival of Representations.** All representations, warranties, covenants, and agreements made by the Parties hereto shall survive the execution and delivery hereof.

3.4. **Severability.** If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, such provision shall be severed or enforced to the extent possible and such invalidity, illegality or unenforceability shall not affect the remainder of this Agreement.

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3.5. **Governing Law.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas.

3.6. **Expenses of Enforcement.** In the event either Party shall institute suit or any other proceeding to enforce any rights under this Agreement, the prevailing party shall be entitled to recover all costs and expenses incurred in such suit, including court costs, expert witness fees and reasonable attorneys' fees.

3.7. **Third Party Beneficiaries.** The Parties do not intend that there be any third party beneficiary to this Agreement and this Agreement is exclusively for the benefit of the Parties. The Parties shall have the right to enforce this Agreement directly to the extent they may deem such enforcement necessary or advisable to protect its rights hereunder.

3.8. **Cooperation.** Caritas intends to use funding from various sources in order to fund the Operational Subsidy payments described herein. Caritas and the partnership agree to cooperate in developing and implementing standards to ensure that the Project facility and the services provided at the Project are compliant with the Project requirements set forth in the Partnership Agreement and all Project related agreements. Caritas is expressly prohibited from sharing any Project documents or other confidential materials of the Partnership of any kind with any Operating Subsidy funding source or any other party without the prior written authorization of the Partnership, except for such persons or entities expressly affiliated with Caritas required to have such information to satisfy any requirements or responsibilities of Caritas under the Agreement.

3.9. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one agreement that is binding upon all of the parties hereto

[Signature page follows]

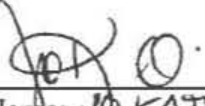
**WHEREFORE**, the parties execute this Agreement as of the day and year first above written.

"Partnership"

**ESPERO AUSTIN AT W. 24<sup>th</sup>, LP**, a Texas limited partnership


By: VBC-Caritas W. 24th Austin, LLC, its General Partner

By: Caritas of Austin, a Texas nonprofit corporation, its Sole Member and Manager

By:   
Printed Name: JO KATHRYN QUINN  
Title: PRESIDENT/CEO

"Caritas"

**CARITAS OF AUSTIN**, a Texas nonprofit corporation

By:   
Printed Name: JO KATHRYN QUINN  
Title: PRESIDENT/CEO



**Tab 17 – Development Narrative**  
**ESPERO AUSTIN AT W. 24th - AUSTIN, TEXAS**  
**TDHCA #20041**

Caritas of Austin has partnered with The Vecino Group – a national developer of mission-driven housing -- to develop two apartment communities that will be deeply affordable and intensely supportive. About 200 people in two different neighborhoods will have access to high-quality supportive living in transit-connected and amenity rich neighborhoods.

1. Espero Austin at W. 24<sup>th</sup> - #20041 - 911—915W. 24th Street
2. Espero Austin at Rutland - #20040 - 1934 Rutland Drive

Each development will be designed to seamlessly integrate into the surrounding neighborhood fabric with high-quality construction and aesthetically pleasing architecture. The goal with these projects is to have the most affordable and supportive housing possible while generating revenue to support the capacity of Caritas of Austin's services.

**About Caritas of Austin**

Caritas of Austin has been a pillar in the Austin community since its founding in 1964. Since the outset, Caritas has worked to assist those community members who need help in rebuilding their foundation: homeless, veterans, refugees, youth, single mothers, and those with a disability and/or mental health challenges. Caritas of Austin uses a community-based approach to make social service provision calculated and efficient.

For 14 years Caritas of Austin has operated supportive housing through various leasing partnerships across the City of Austin. While these partnerships have allowed Caritas to permanently end homelessness for hundreds of Austinites each year; they can more effectively expand their work and provide additional community impact if they own housing that is affordable and specifically designed to facilitate their on-site social support.

Caritas of Austin is expanding all of its programs and is in a position to perform a role in helping to fill this gap.

**About The Vecino Group**

The Vecino Group is a company devoted to development projects that address a broader community issue, set an example, give back and inspire. Caritas of Austin is proud to leverage the successful track record of The Vecino Group's Supportive Housing model and bring that capacity to Austin. They have properties across the U.S. that are similar in focus and target population. While this is The Vecino Group's first project in Texas, the firm has vast experience entering into new markets, the HTC program and making an impact.

- 18 Supportive Housing Communities in 7 states
- 1196 units of housing to end homelessness
- Raised \$2.7 million in supportive services

**Who is going to live there?**

Caritas of Austin will work with individuals who are in need of deeply affordable housing. The apartments will be priced for individuals whose income is \$33,150 or less.

Seventy-five percent of the apartments will be leased to individuals with varying needs of affordability and social support. The remaining 25% of the apartments will be dedicated to people who have experienced long-term



homelessness. Caritas of Austin will have on-site staff offering multi-disciplinary services designed to support residents and build well-being. Ninety-eight percent of Caritas' supportive housing clients are stable in housing and do not return to homelessness.

### **About Espero Austin at W. 24th**

Espero Austin at W. 24<sup>th</sup> will be a five story, stick-frame, elevator-served building hosting 87 efficiency apartments with targeted common area spaces including supportive service staff offices, fitness room and lounge area. The building will integrate principles of trauma-informed design to create a physical space that promote safety, well-being, and healing for its targeted population. The interior corridor building will have a secured front entry. Taking advantage of the transit-connected location and as allowed by the University Overlay District density bonus program, the property will provide parking spaces for staff, but parking will not be provided nor needed by the residents. Each furnished, efficiency apartment – at 392 or 475 square feet – will come with individual kitchens and bathrooms. The property will take advantage of its superior location in a dense, pedestrian-oriented, transit-connected community with medical, retail and service amenities in extremely close proximity.

### **Supportive Services and Funding**

Funding for the supportive services for Espero Austin at W. 24<sup>th</sup> will come from a combination of grants and fundraising from private foundations, corporations and individuals. This is the same method used to fund the current supportive services for the 500+ individuals Caritas of Austin served last year. Caritas of Austin has been in the community for 56 years, and has a long standing and healthy relationships with the donor community. They also maintain several cash reserves for building maintenance funds, if needed.

While raising \$3 million in private dollars annually, Caritas of Austin has embarked on a \$6 million campaign to expand its services and increase its capacity, known as "Vision 2025," in 2018. This will include Espero Austin at W. 24<sup>th</sup>, as well as the services to support the 135 residents that will reside there. Currently, the Vision campaign has raised \$1 million from its closest donors with over \$500,000 set-aside to specifically subsidize the operations of up to 25% of each property. The Campaign in its entirety is not limited to these commitments, but will continue to pursue an additional \$4.5 million over the next 3 years.

In addition to a successful record of private fundraising, Caritas of Austin also raises an impressive amount of funding from private foundations and governmental agencies. In 2018, Caritas of Austin had \$7,474,968 in revenue from governmental grants alone. Below is the funding raised in 2019 including grants over \$20,000:

- Shield-Ayres \$15,000
- Sooch Foundation \$25,000
- Topfer Family Foundation \$35,000
- Glimmer of Hope \$20,000
- Isla-Carroll Turner Friendship Trust \$20,000
- Religious Coalition to Assist the Homeless \$40,000
- Texas Veterans Commission \$50,000
- Veterans Administration \$552,312
- FEMA Emergency Food and Shelter \$19,349.00
- Travis County \$84,000 each year (contract for Community Kitchen)
- HUD for Permanent Supportive Housing \$1,558,515
- City of Austin for Best Single Source + \$3,702,268
- City of Austin for Behavioral Health Services \$238,268

## **HISTA DATA**

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 4 – Project Info**

**4b. Good Neighbor Policy**



## GOOD NEIGHBOR POLICY

### **ESPERO AUSTIN AT RUTLAND**

1934 Rutland Drive  
Austin, TX 78758

### **CONTACT**

Jo Kathryn Quinn, President and CEO  
Caritas of Austin  
P.O. Box 1947  
Austin, TX 78767  
(512) 646-1252  
[jkquinn@caritasofaustin.org](mailto:jkquinn@caritasofaustin.org)

### **COMMUNICATIONS PLAN FOR NEIGHBORHOOD ENGAGEMENT**

Before any other facets of a development are pursued, Caritas of Austin will approach the neighborhood and talk to key stakeholders about the project, target population and share examples of the future development.

The following steps have already or will soon be taken to communicate with the neighborhood surrounding the proposed development located at 1934 Rutland Drive, Austin, TX 78758:

**Preliminary Research:** Using the City of Austin's Community Registry site and general Internet searches, True Casa Consulting researched the neighborhood organizations that contain the proposed site and identified the following active organizations.

GO Austin VAMOS Austin  
North Austin Civic Association  
North Austin Civic Association Neighborhood Plan Contact Team  
North Growth Corridor Alliance

- 1) **Neighborhood Contact:** Caritas of Austin met with the Executive Committee of the North Austin Civic Association in February 2020.

This was only an initial meeting and we hope to continue and ongoing dialogue and partnership with this organization as we move the project forward through the development process.

- 2) **Neighborhood Notification** – The following organizations were notified as part of the TDHCA notification process:



GO Austin VAMOS Austin  
North Austin Civic Association  
North Austin Civic Association Neighborhood Plan Contact Team  
North Growth Corridor Alliance

Copies of those notifications are attached.

**3) Neighborhood Engagement –**

- Caritas will continue ongoing communication with surrounding neighborhood organizations including updates on development milestones and progress along the way.
- Caritas will create a social media platform that will contain the most updated information on the project for easy public dissemination.
- Caritas will invite neighborhood members to volunteer events to get more involved with the organization.

**4) Implementation/Ongoing Relations –** Caritas of Austin will implement the following processes to encourage ongoing relations with neighborhood members:

- Neighborhood members will be invited to the Ground Breaking and Ribbon Cutting events that will be held for the property. Neighborhoods will be given recognition for their support.
- Caritas of Austin will invite neighborhood members to participate in services programs being offered at our community.
- Caritas of Austin will invite and educate neighborhood members on the many ways to volunteer with the organization.
- Caritas of Austin will establish an open-door policy so that neighborhood members will feel comfortable communicating any concerns with either the on-site property management or the single point of contact.

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 4 – Project Info**

**4c. SMART Housing Letter**



# 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

February 4, 2020

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

Espero Austin at Rutland, LP – Espero Austin at Rutland (Project ID 693)

### To Whom It May Concern:

Espero Austin at Rutland, LP - (development contact: Jennifer Hicks: 512.203.4417 (m); [jennifer@truecasa.net](mailto:jennifer@truecasa.net)) is planning to develop a **135-unit, multi-family** development at 1934 Rutland Drive, Austin TX 78758. The project will be subject to a minimum 5-year affordability period after issuance of a certificate of occupancy, unless funding requirements are longer.

Neighborhood Housing and Community Development (NHCD) certifies the proposed project 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 **50% MFI**, the development will be eligible for 100% waiver of fees listed in Land Development Code, Chapter 25-1-704, as amended or other fees waived under a separate ordinance. The unit mix is as follows: **20% of the units (27 units) will serve households at or below 30% Median Family Income (MFI) and 80% of the units (108 units) will serve households at or below 50% MFI.** The expected fee waivers include, but are not limited to, the following fees:

AWU Capital Recovery Fees  
Building Permit  
Concrete Permit  
Electrical Permit  
Mechanical Permit  
Plumbing Permit

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

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

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

- ◆ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Contact Austin Energy Green Building: 512-482-5300 or [greenbuilding@austinenrgy.com](mailto:greenbuilding@austinenrgy.com)).
- ◆ Submit plans demonstrating compliance with the required 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 the required accessibility standards have been met.
- ◆ An administrative hold will be placed on the building permit, until the following items have been completed: 1) the number of affordable units have been finalized and evidenced through a sealed letter from project architect and/or engineer, 2) a Restrictive Covenant stating the affordability requirements and terms has been filed for record at the Travis County Clerk Office.

The applicant must demonstrate compliance with S.M.A.R.T. Housing standards after the after the certificate of occupancy has been issued 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.

Sincerely,



Sandra Harkins, Project Coordinator  
Neighborhood Housing and Community Development

Cc: Kristin Martinez, AE  
Mashell Smith, ORES

Ellis Morgan, NHCD

Jonathan Orenstein, AWU



**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 4 – Project Info**

**4d. MOU with ECHO**

**Memorandum of Understanding (MOU) Between  
Ending Community Homelessness Coalition (ECHO) and Rental Housing  
Development Assistance (RHDA) Applicant**

**I. OVERVIEW**

- To qualify for a Continuum of Care unit, applicants will meet the following definition of homelessness:
  1. "Households that qualify as homeless under the HUD HEARTH Act <sup>1</sup>Homeless definition paragraph one: (i) those whose primary nighttime residence is not designed as a sleeping accommodation for human beings, (ii) those in shelter, transitional housing, or motels paid for by charitable organizations, and (iii) those exiting institutions after 90 days or less and who were previously homeless;" and
  2. Be referred through Coordinated Assessment.
- The owner/agent will dedicate 100% of unit inventory at Espero Austin at Rutland to people experiencing homelessness with 75% dedicated to the Continuum of Care.

---

**II. GENERAL ROLES**

- The Owner/Agent will systematically alert ECHO of anticipated unit vacancies to be filled by the Continuum of Care, comply with the summary of time limitations outlined below, and comply with attached tenant screening criteria. Details outlined below.
- ECHO will assume responsibility for readying eligible homeless applicants to quickly apply to fill those vacancies and efficiently meet all requirements of the tenant screening and lease up process to the Owner/Agent's satisfaction. Details outlined below. Referred households will have the following characteristics:
  1. Homeless status has been certified
  2. Household matches the property's income, unit size restrictions, etc.
  3. Household has completed Coordinated Assessment
- For each referral, ECHO will identify the household as prioritized through the Coordinated Assessment system; individual household vulnerability and eligibility will be considered as part of the Coordinated Assessment process. ECHO will then pair that household with an appropriate support service program. These are support service programs, not governed by ECHO, that are often positioned to provide short term and/or long term support services to the households during their new tenancy that will promote their stability as tenants. Details outlined below.

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<sup>1</sup> *The Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH)*; May 20, 2009. The HEARTH Act amends and reauthorizes the McKinney-Vento Homeless Assistance Act .



### **III. RESPONSIBILITIES OF OWNER/AGENT**

- Provide ECHO, in a separate email, the following documents at least 30 days prior to the start of application acceptance:
  1. Standard Application
  2. Standard Lease Agreement - including specifications regarding utility payments
  3. List of documents needed for a complete application
  4. Property rules related to smoking, parking, pets, etc.
- Email ECHO point of contact with timely notification of a vacancy that will be assigned as a CoC unit and provide relevant information about the vacant unit.
- Copy assigned support service provider on all communication with a homeless applicant. Note that ECHO will obtain a Release of Information for each household to allow this communication to proceed.
- Whenever possible, accept initial applications by secure email or fax in order to decrease the number of visits the applicant and service provider need to make to the property.
- Screen the batch of up to three referred applicants for eligibility and suitability in the order received from ECHO (i.e. Applicant #1 and Applicant #2).
- Alert ECHO, assigned support service provider, and applicants of any deficiencies in applications.
- Make an eligibility determination within 5 business days whenever possible.
- Ensure a general response time for all communications with the MOU partner of 1-2 business days.

---

### **IV. RESPONSIBILITIES OF ECHO**

- Provide Owner/Agent with a batch of up to three applicants that meet the property's eligibility criteria within 5 business days of notification from the Owner/Agent of an available CoC unit. If the applicants are rejected or decline an offer of housing, ECHO can refer more applicants if requested by the Owner/Agent. If a suitable applicant is not identified within 30 business days, then the property may revert back to its standing waiting list to fill the vacancy.
- Provide the Owner/Agent with a complete referral package for each referral that includes:
  1. Completed housing application of the Owner/Agent.
  2. Required supporting documentation needed by the Owner/Agent to process applications::
    - a. Picture IDs for all adults
    - b. Income and asset documentation
  3. Verification of homelessness for CoC unit eligibility.
  4. Determination that household is most appropriate as determined by the Austin/Travis County Continuum-of-Care Coordinated Assessment process.

5. Release of Information from the referred households to authorize ECHO and the Owner/Agent to share information regarding the households' applications, including third party documents the development receives from doing third party verifications (i.e. bank statements, credit reports, etc).
  6. Contact information for assigned support service provider.
- Support the appropriate support service program in informing the applicants referred that this is only a referral and does not constitute an offer of housing and that the Owner/Agent will confirm eligibility for the housing and conduct a screening that will include a credit check, criminal background check, and landlord history check.
  - Support the appropriate support service program in accompanying the referred applicants for interviews with the Owner/Agent and lease signing at the property if the household needs that support.
  - For each referral, ECHO will identify the household as prioritized through the Coordinated Assessment process; individual household vulnerability and eligibility will be considered as part of the Coordinated Assessment process. ECHO will then pair that household with an appropriate support service program. These are support service programs, not governed or guaranteed by ECHO, that are often positioned to provide short term and/or long term human services to the households during their new tenancy that will promote their stability as new tenants.
  - Ensure a general response time for all communications with the MOU partner of 1-2 business days.
-

## V. SUMMARY OF TIME LIMITATIONS TO COORDINATION

Party	Step	Time Limitation
Owner/Agent	Email announcement of vacancy to be dedicated to homeless preference	<b>Immediately upon vacancy - or as soon as anticipated</b>
ECHO	Submit up to 3 referrals to fill vacancy in a ranking order for consideration	<b>5 business days</b>
Owner/Agent	Announce eligibility determination	<b>5 business days</b>
ECHO	Second attempt to fill unit before vacancy may go to general waiting list	<b>5 business days</b>
All parties	General response time for all communications between parties	<b>1-2 business days</b>

VI. ESTABLISHED POINTS OF CONTACT

**ECHO Point of Contact**

**Name:** Bree Williams

**Title:** Director of Community Housing

**Phone:** 512-940-9690

**Email:** [breewilliams@austinecho.org](mailto:breewilliams@austinecho.org)

**Address:** 300 E. Highland Mall Blvd. Suite 200

**Website:** [www.austinecho.org](http://www.austinecho.org)

**RHDA Applicant Point of Contact**

**Name:** Adelita Winchester

**Title:** Chief Programs Officer

**Phone:** 512-646-1250

**Email:** [awinchester@caritasofaustin.org](mailto:awinchester@caritasofaustin.org)

**Address:** Caritas of Austin, POB 1947, Austin, TX 78767-1947

**Website:** [caritasofaustin.org](http://caritasofaustin.org)

**VII. VACANCY INFORMATION**

Vacancy Announcement Email Contents

Property Name:

Contact Person:

Phone:

Email:

Date unit will be ready for occupancy:

# of Bedrooms:

Utilities tenant is responsible for:

Is this a first floor or elevator unit?

Is this an accessible unit?

Anything else an applicant should know about the unit?

**VIII. MOU ATTACHMENTS**

- RHDA Applicant should attach the following to this MOU:
  1. Rental Application and related document requirements, if available
  2. Standard Lease and utility payment specifications, if available
  
- ECHO should attach the following to this MOU:
  1. CoC Unit Screening Criteria
  2. Sample Release of Information



**IX. MOU SIGNATURES**

**ECHO**

**Name:** Matthew Mollica

**Title:** Executive Director

**Phone:** 860-287-2587

**Email:** matthewmollica@austinecho.org

**Address:** 300 E. Highland Blvd. Suite 200

**Website:** [www.austinecho.org](http://www.austinecho.org)

**Signature:**



**Date:** 05.01.20

**RHDA Applicant**

**Name:** Jo Kathryn Quinn

**Title:** President and CEO

**Phone:** 512-646-1252

**Email:** jkquinn@caritasofaustin.org

**Address:** Caritas of Austin, POB 1947, Austin, TX 78767-1947

**Website:** [caritasofaustin.org](http://caritasofaustin.org)

**Signature:**

**Date:**

Memorandum of Understanding (MOU) for Continuum of Care Units

IX. MOU SIGNATURES

ECHO

Name: Matthew Mollica

Title: Executive Director

Phone: 860-287-2587

Email: [matthewmollica@austinecho.org](mailto:matthewmollica@austinecho.org)

Address: 300 E. Highland Blvd. Suite 200

Website: [www.austinecho.org](http://www.austinecho.org)

Signature:

Date:

RHDA Applicant

Name: Jo Kathryn Quinn

Title: President and CEO

Phone: 512-646-1252

Email: [jkquinn@caritasofaustin.org](mailto:jkquinn@caritasofaustin.org)

Address: Caritas of Austin, POB 1947, Austin, TX 78767-1947

Website: [caritasofaustin.org](http://caritasofaustin.org)

Signature: 

Date: 5.1.2020

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 4 – Project Info**

**4e. Resident Services**

## **ESPERO AUSTIN AT RUTLAND**

### **Supportive Service Provision**

Caritas of Austin will be the Supportive Service Coordinator and the main provider of Supportive Services at Espero Austin at Rutland.

#### **CARITAS OF AUSTIN'S SUPPORTIVE SERVICE PHILOSOPHY**

Caritas of Austin believes that when every person has a stable place to call home, we can reach our full potential and contribute to the community. Each person we serve shares the devastating experience of homelessness. Some have lived on the streets for years, while the crisis has been more short-lived for others. Rebuilding one's life is complex and looks different for every individual. We employ customized, evidence-based solutions to end a family's homelessness and build stability for future generations. Caritas of Austin employs a "Housing First," "Housing Everywhere" and "Housing ASAP" approach to ending homelessness. It is nearly impossible to address well-being without a home, so connection to a permanent home is always the first priority. By fully reintegrating people into the Austin community after the shattering experience of homelessness, we not only increase their probability of success but also enrich the entire community.

The following list of supportive service programming will be offered and available to residents living at the Espero Austin properties.

#### **RELATIONSHIP-BASED CASE MANAGEMENT**

Our professional case managers, with the utmost respect and dignity, work as partners with clients to develop and achieve a personalized plan that's unique to each person's situation and goals. The plan can include goals of employment, building self-confidence, budgeting, health care and more. When needed, case managers help clients obtain treatment for mental health or substance use issues.

#### **MENTAL AND BEHAVIORAL HEALTH SERVICES**

Caritas of Austin has immediate access to mental and behavioral health services through a funding partnership with Austin Public Health including:

##### **PSYCHIATRIC NURSING SUPPORT AND MEDICATION MAINTENANCE**

A psychiatric registered nurse will provide the following services to eligible clients:

- Evaluate psychiatric medication compliance
- Evaluate overall client mental and physical health, i.e. taking vital signs, monitoring for medication side-effects, etc.
- Assess mental health needs
- Assess client's progress in meeting care plan goals
- Communicate regularly with the client's psychiatrist or primary care physician (as appropriate)

---

## INDIVIDUAL SUBSTANCE ABUSE/MENTAL HEALTH COUNSELING

A Professional mental health counselor(s) and/or professional Licensed Chemical Dependency Counselor(s) will provide mental health counseling, substance abuse counseling, or both to eligible clients. Clients will have hour-long counseling sessions for a period determined by the professional counselor.

### SUBSTANCE ABUSE TREATMENT

Substance abuse treatment services include:

- Assessment of substance abuse, mental health, and related problems
- Treatment plan development
- Professional counseling (cognitive-behavioral therapy, motivational interviewing, contingency management, etc.)
- Education regarding addiction and what to expect from treatment/recovery
- Information/referral to assist with post-treatment sobriety

### PEER MENTORING PROGRAM

Caritas will provide access to a Peer Mentor(s) who has experienced success in mental health treatment, recovery, and housing stability. The Peer Mentor(s) would be prepared to share experience/knowledge with others at an earlier stage of mental health treatment or recovery from alcohol and/or drug dependency.

Peer mentoring will provide the following services to clients:

- One-on-one coaching in which a peer mentor encourages, motivates, and supports a peer with mental health/substance abuse issues who is new to housing or at-risk of losing housing stability; Peer mentors may also assist clients with tasks such as setting housing goals and solving problems directly related to housing stability
  - Connecting the client with services and resources available in the community
  - Helping clients make new friends and begin building alternative social networks;
- Peer mentors may organize activities that range from opportunities to participate in team sports to family-centered holiday celebrations to payday get-togethers that are alcohol- and drug-free. These activities provide a sense of acceptance and belonging to a group, as well as the opportunity to practice new social skills.

### CLIENT TRANSPORTATION

Bus passes and/or taxi vouchers will be provided so that clients can attend psychiatric appointments, counseling appointments, substance abuse treatment, and/or other mental health/substance abuse recovery appointments.

### EMPLOYMENT

Caritas of Austin partners with around 300 local employers to place hundreds of people in jobs each year. Industries include healthcare, hospitality, manufacturing, HVAC, Commercial Driver's License, IT, government, and more.

---

## EMPLOYMENT SERVICES

- Individualized employment goals and plan
- Resume development
- Interview preparation
- Provide work uniforms and tools
- Provide bicycles and bus passes for work transportation
- Vocational training and professional certification
- Support pursuing higher education

## EDUCATION

We all reach our full potential when we have access to more than just physical resources. They need the knowledge, skills and opportunities to reach their goals. Caritas of Austin's Education program is aimed at giving people the tools necessary to succeed. Whether it's personal finance matters, developing vocational skills, or setting life goals, our Education program adds an additional layer of support to our comprehensive services.

### Education Classes

**Life Skills:** A series of classes that help clients develop life skills such as: Goal Setting, Establishing Boundaries, Strategies to Raise Self Esteem, and many more.

**Financial Literacy:** An assortment of classes to help clients manage their finances including Financial Planning, Savings, Building Credit, and others.

**Health and Well-Being:** A compilation of classes including topics such as; Eating Healthy, Choosing a Hobby that Works for You, and others.

**Employment Workforce Training:** A series of classes that builds job skills in the Hospitality Industry and the Food Industry.

**Speaker Series:** Classes provided by community partner agencies as a resource to our clients by YWCA, Asian Family Support Services of Austin (AFSSA), and Austin Police Department (APD).

Caritas of Austin classes are available to all clients at no cost.

## FOOD

Caritas of Austin's Food programs build physical well-being as people are transitioning out of homelessness. Hunger is an important issue in our community. In Travis County, nearly 20% of households are food insecure, meaning they lack consistent and reliable access to adequate, nutritious food. Together with our other services, food assistance builds a strong foundation as people work toward their life goals.

### Food Programs

#### Community Kitchen

Caritas of Austin provides a free, nutritious lunch to individuals Monday through Friday from 11:00 a.m. – 12:30 p.m. Lunch in Caritas' Community Kitchen may be the only meal someone eats on a given day.

The Community Kitchen is managed by our chef and primarily volunteer-operated. A similar model of nutrition supplementation will be provided at the Espero Austin properties.

### **Pantry**

An on-site food pantry will provide take-home groceries to residents. When you are struggling to make ends meet and must choose between putting food on the table and paying the bills, weekly groceries bring great relief.

### **SUPPORTIVE SERVICES AND FUNDING**

Funding for the supportive services for Espero Austin at Rutland will come from a combination of grants and fundraising from private foundations, corporations and individuals. This is the same method used to fund the current supportive services for the 500+ individuals Caritas of Austin served last year. Caritas of Austin has been in the community for 56 years, and has a long standing and healthy relationships with the donor community. .

While raising \$3 million in private dollars annually, Caritas of Austin has embarked on a \$6 million campaign to expand its services and increase its capacity, known as “Vision 2025,” in 2018. This will include Espero Austin at Rutland, as well as the services to support the 135 residents that will reside there. Currently, the Vision campaign has raised \$1 million from its closest donors with over \$500,000 set-aside to specifically subsidize the operations of up to 25% of each property. The Campaign in its entirety is not limited to these commitments, but will continue to pursue an additional \$4.5 million over the next 3 years.

In addition to a successful record of private fundraising, Caritas of Austin also raises an impressive amount of funding from private foundations and governmental agencies. In 2018, Caritas of Austin had \$7,474,968 in revenue from governmental grants alone. Below is the funding raised in 2019 including grants over \$20,000:

- Shield-Ayres \$15,000
- Sooch Foundation \$25,000
- Topfer Family Foundation \$35,000
- Glimmer of Hope \$20,000
- Isla-Carroll Turner Friendship Trust \$20,000
- Religious Coalition to Assist the Homeless \$40,000
- Texas Veterans Commission \$50,000
- Veterans Administration \$552,312
- FEMA Emergency Food and Shelter \$19,349.00
- Travis County \$84,000 each year (contract for Community Kitchen)
- HUD for Permanent Supportive Housing \$1,558,515
- City of Austin for Best Single Source + \$3,702,268
- City of Austin for Behavioral Health Services \$238,268

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 5 – Property Info**

**5a. Appraisal**

N/A



**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

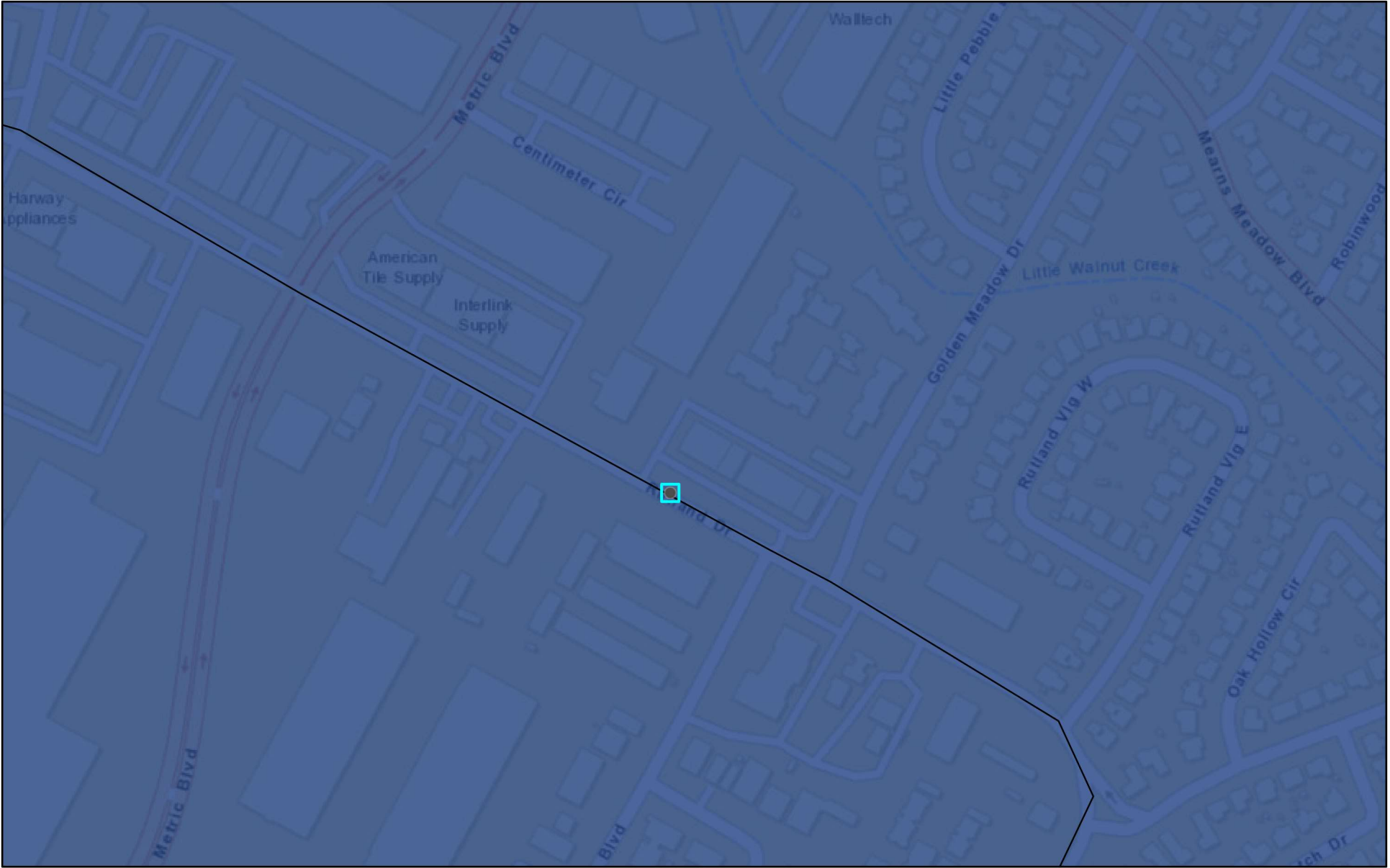
**ATTACHMENT TABS**

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**Attachment 5 – Property Info**

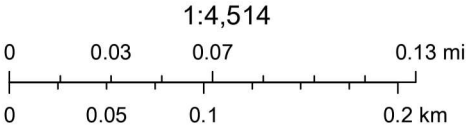
**5b. Property Maps**

# Council Districts and CT\_Espero Austin at Rutland



4/28/2020, 10:21:36 PM

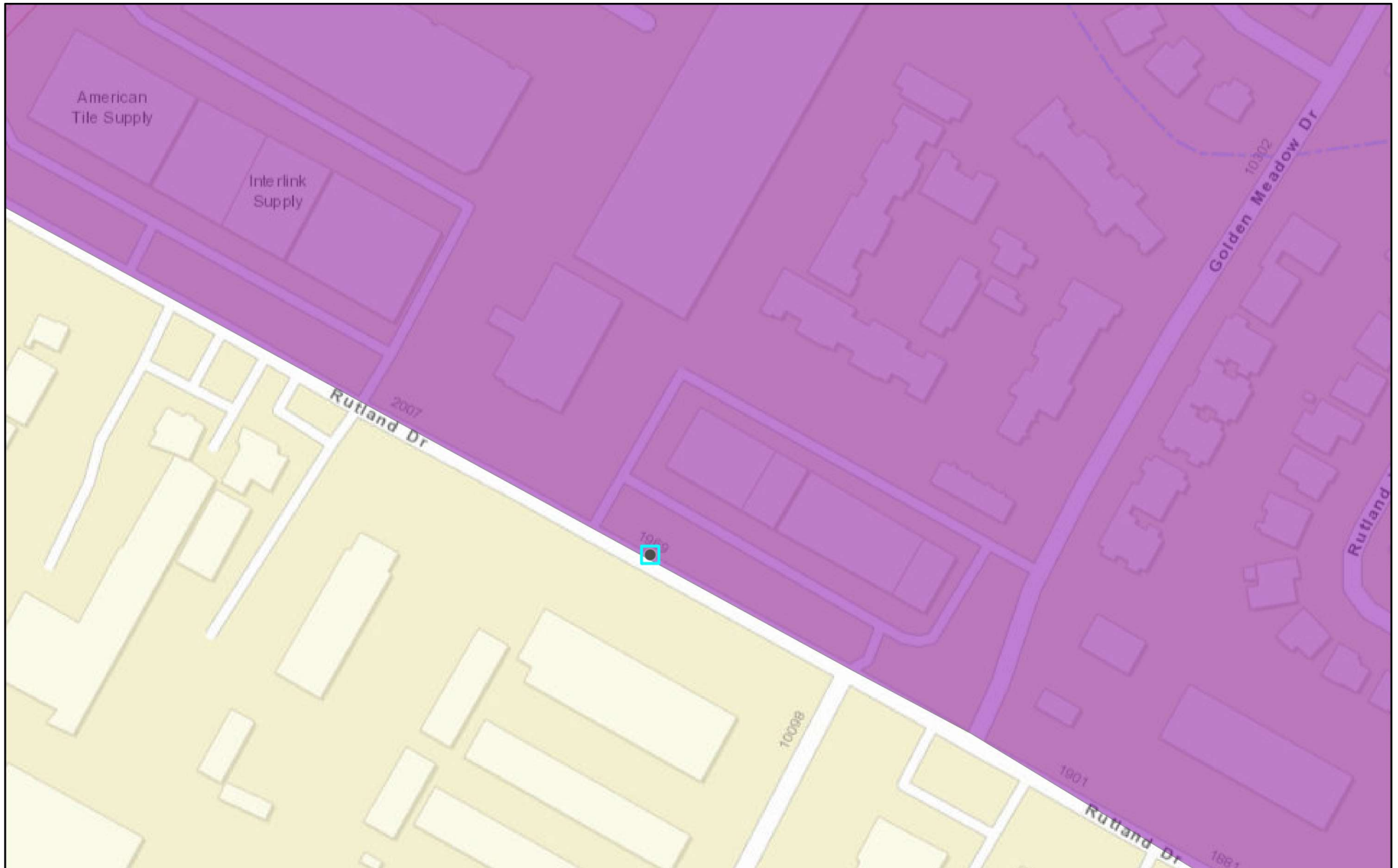
 Census Tracts  City Council Districts  
 4



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |

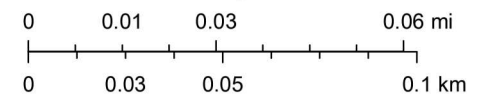
# Opportunity Values\_Espero Austin at Rutland



4/28/2020, 10:22:35 PM

 Emerging Opportunity

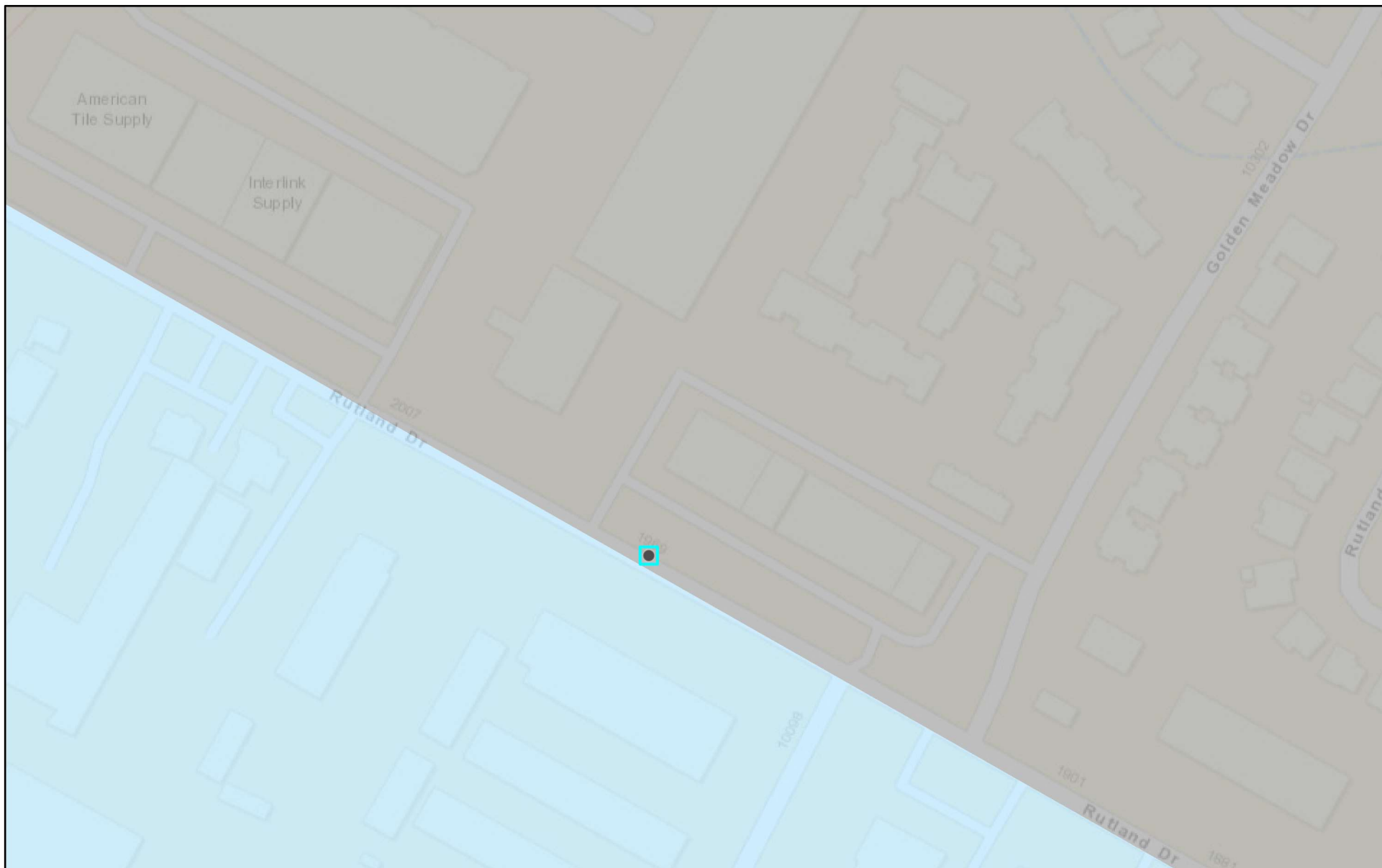
1:2,257



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |

# Gentrification Values\_Espero Austin at Rutland

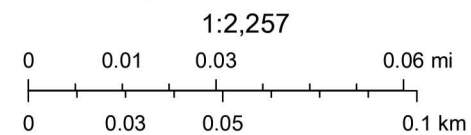


4/28/2020, 10:23:43 PM

Gentrification\_RHDAHODA\_view

Not Gentrifying

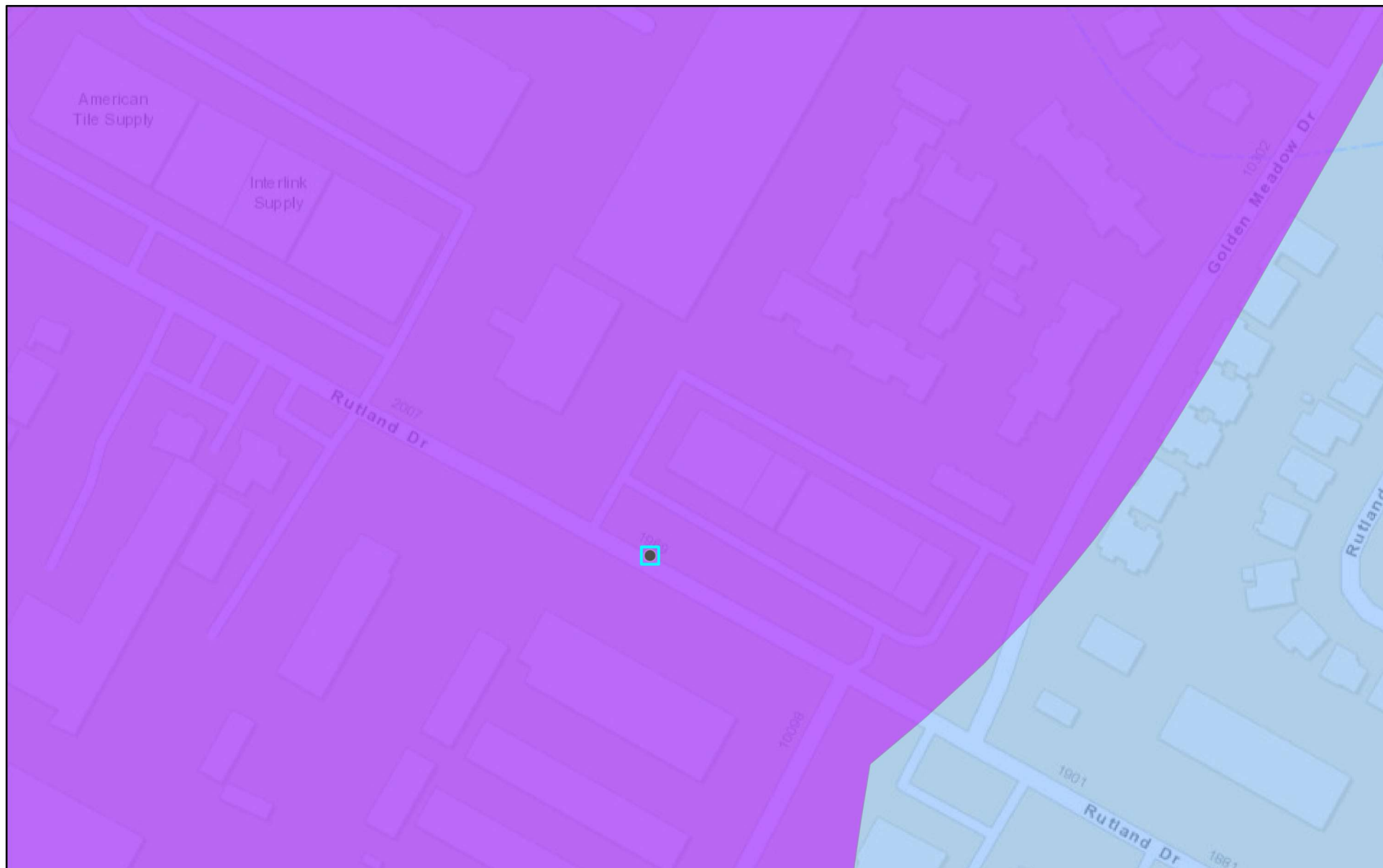
Susceptible





Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

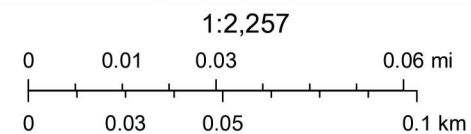
Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |

# Transit\_Espero Austin at Rutland



4/28/2020, 10:16:58 PM

-  High Frequency Bus Routes: 1/4-Mile Buffer
-  Bus Routes: 3/4-Mile Buffer

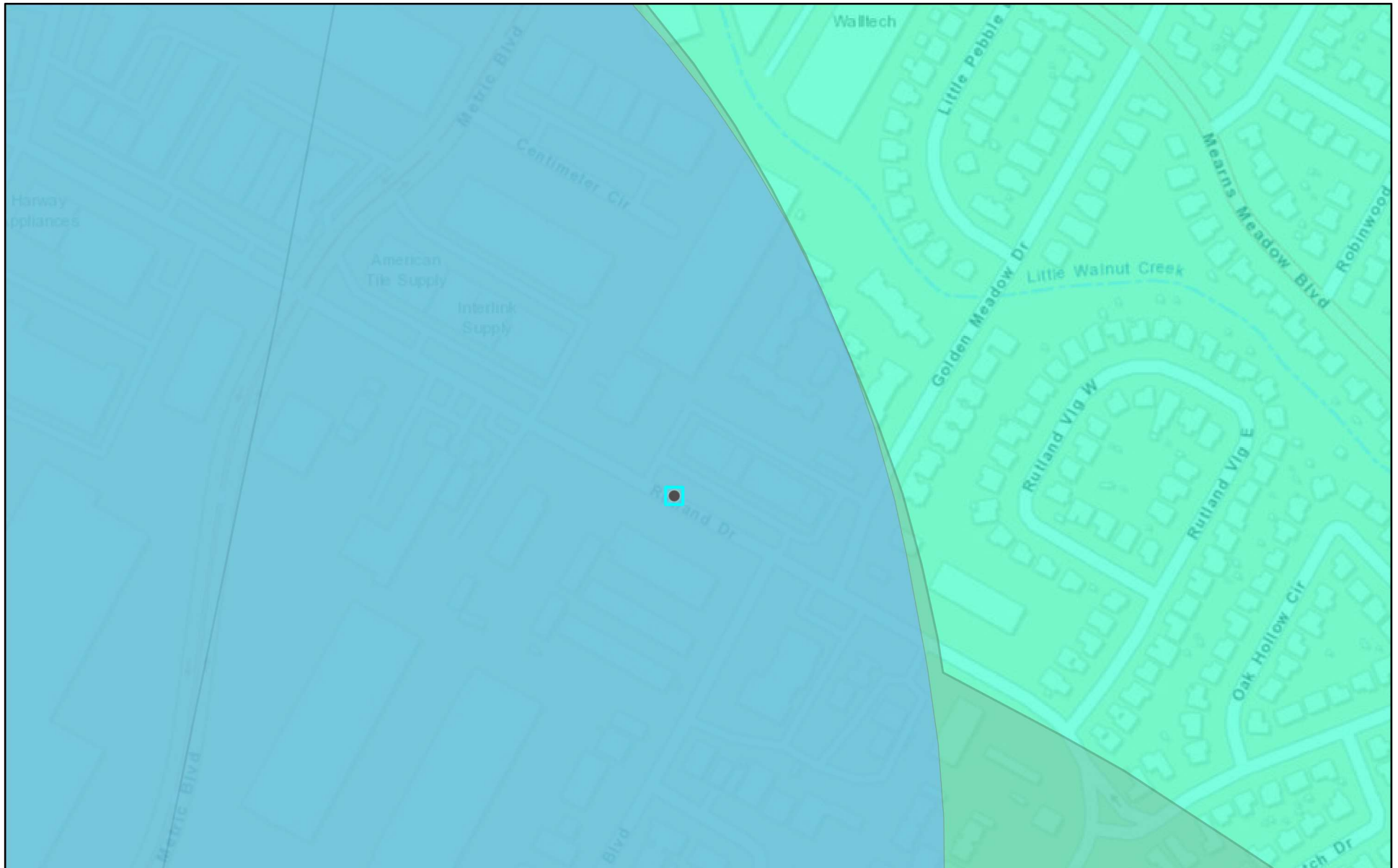


Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,



Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |

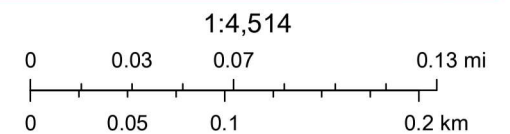


# Imagine Austin Centers and Corridors\_Espero Austin at Rutland



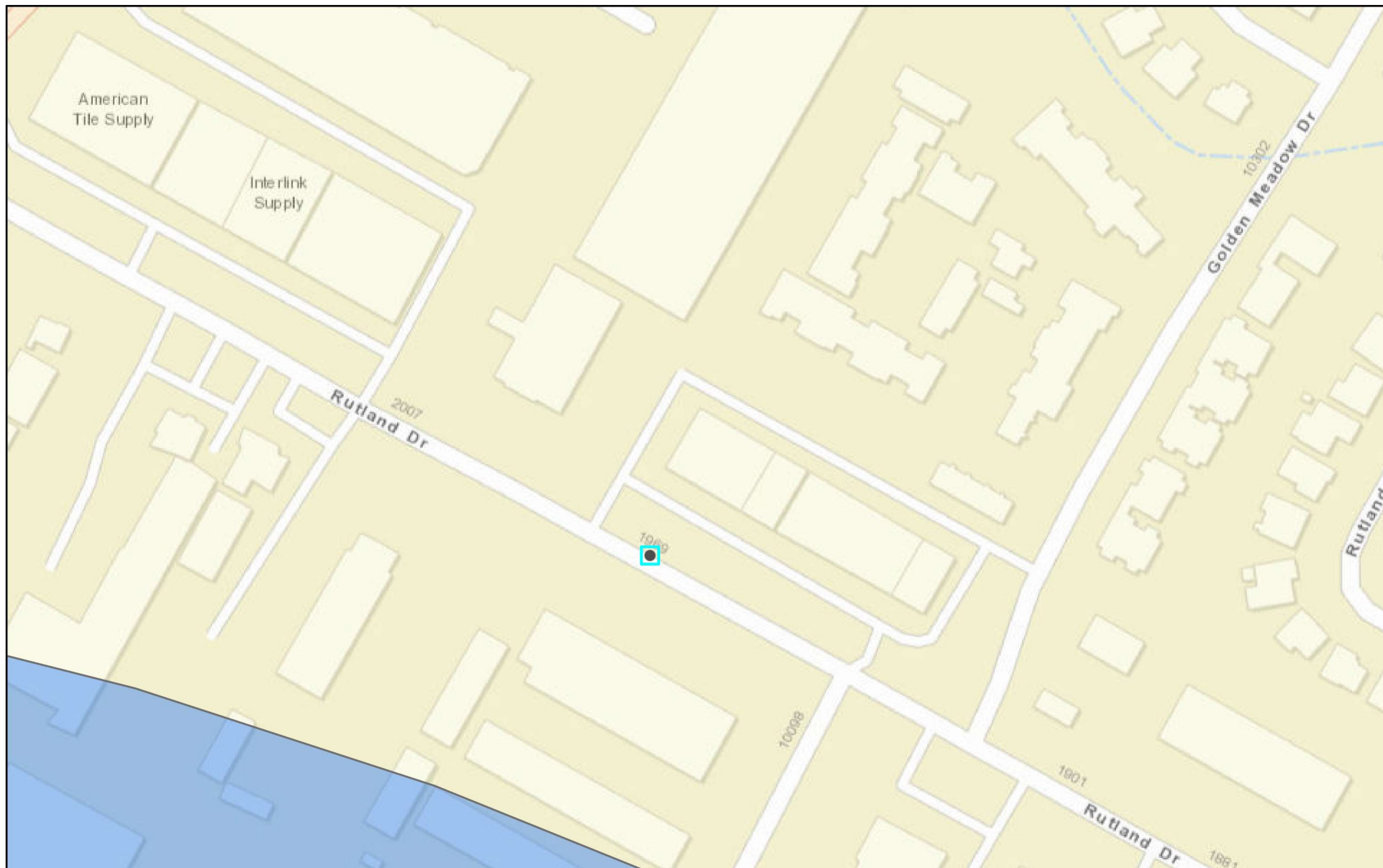
4/28/2020, 10:14:11 PM

 Mobility Bond Corridor: 1/2-Mile Buffer  Imagine Austin Corridor: 1/2-Mile Buffer  
 Imagine Austin Center: 1/2-Mile Buffer



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

# Healthy Food\_Espero Austin at Rutland



4/28/2020, 10:18:10 PM

 Healthy Food

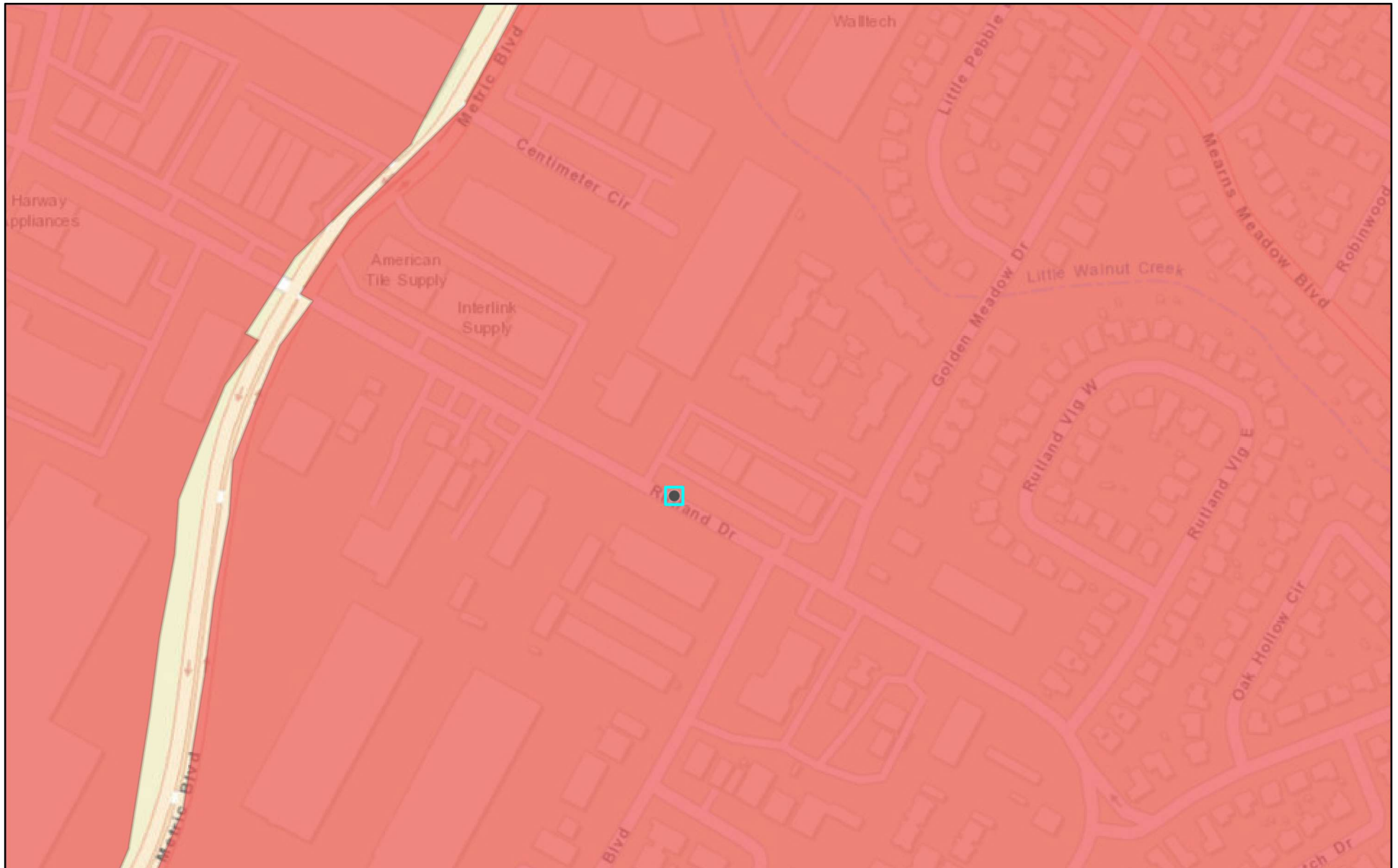
1:2,257

0 0.01 0.03 0.06 mi  
0 0.03 0.05 0.1 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |

# Elementary Schools\_Espero Austin at Rutland

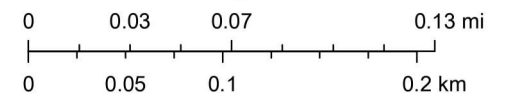


4/28/2020, 10:19:18 PM

Austin Elementary School Attendance Areas

Austin ISD

1:4,514



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

Web AppBuilder for ArcGIS  
Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS |





## FEMA Floodplains

The City of Austin Watershed Protection Department produced this product for informational purposes. It is not intended for or suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative locations of property boundaries. No warranty is made by the City of Austin regarding specific accuracy or completeness. Final determination of the floodplain status for a property must be based on a topographic survey by a Texas registered professional. For regulatory purposes, 100-Year floodplain elevations must be determined from an engineering model created in accordance with the Drainage Criteria Manual and approved by the City of Austin.

0 200 400 Feet



Prepared: 4/28/2020

Address

Contour

Index

Intermediate

Parcel

FEMA Floodplain

100 Year (Detailed-AE)

100 year (Shallow-AO)

100 Year (Approx-A)

X Protected by Levee

500 Year

Outside Austin City Limits

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 5 – Property Info**

**5c. Zoning Verification Letter**





# City of Austin

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

## Neighborhood Housing and Community Development Department

February 18, 2020

Jo Kathryn Quinn  
Caritas of Austin  
611 Neches Street  
Austin, TX 78701

**Re: Zoning Verification for the Property located at 1934 Rutland Drive, Austin, Travis County, Texas more particularly described as LOTS 15, 16, AND 17, BLOCK A, BROOK MEADOW, IN ADDITION TO THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 66, PAGE 44, PLAT RECORDS OF TRAVIS COUNTY TEXAS.**

Dear Ms. Quinn:

This letter is to confirm that the property located at 1934 Rutland Drive, Austin, Texas is zoned GR-NP.

Under the GR-NP classification applicable to this property, multi-family residential development is not permitted; however, this site applied for Affordability Unlocked – a residential affordable housing development bonus program passed by Ordinance No. 20190509-027 – which allows a qualifying development as a permitted use in a commercial base zoning district such as GR. A qualifying development is not required to comply with compatibility standards (except side setbacks per zoning district), maximum floor-to-area ratio, minimum site area requirements, or parking requirements other than accessible parking that would normally be required by code. Height bonuses are allocated based on the level of affordability.

Neighborhood Housing and Community Development (NHCD) has issued an Affordability Unlocked Development Bonus Certification as a Type 2 development under Affordability Unlocked that enables the development of the site as multifamily housing with the bonuses described above.

Sincerely,

Sandra Harkins, Project Coordinator  
Neighborhood Housing and Community Development



# City of Austin

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

## Neighborhood Housing and Community Development Department

February 18, 2020

**Espero Austin at Rutland, LP – Espero Austin at Rutland (Project ID 693)**  
Affordability Unlocked Development Bonus Certification

### TO WHOM IT MAY CONCERN:

Espero Austin at Rutland, LP - (development contact: Jennifer Hicks: 512.203.4417 (m); [jennifer@truecasa.net](mailto:jennifer@truecasa.net)) is planning to develop a 135-unit, multi-family development at 1934 Rutland Drive, Austin TX 78758. The applicant has elected to participate in the City of Austin's Affordability Unlocked Development Bonus Program, Type 2, so the development can receive waivers or modifications from certain development regulations as described in Ordinance No. 20199509-027.

Neighborhood Housing and Community Development (NHCD) certifies that the project, at the site plan submittal stage, meets the affordability requirements to qualify as a Type 2 development and is eligible to receive waivers and modifications of development regulations as described in Ordinance No. 20199509-027.

If changes are made through the review process, the applicant must notify NHCD and an amendment to the Affordability Unlocked Land Use and Restrictions Agreement must be made and a revised Affordability Unlocked Certification letter must be issued. An administrative hold will be placed on the building permits, until the following items have been completed: 1) the number of affordable units have been finalized and evidenced through a sealed letter from project architect, and 2) a Restrictive Covenant stating the affordability requirements and terms has been filed for record at the Travis County Clerk Office.

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.

Sincerely,

Sandra Harkins, Project Coordinator  
Neighborhood Housing and Community Development

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

---

**Attachment 5 – Property Info**

**5d. Proof of Site Control**

## PURCHASE AND SALE AGREEMENT

This **Purchase and Sale Agreement** (this “Agreement”) is made among **Behzad Bahrami**, an individual (“Seller”), and **Caritas of Austin**, a Texas nonprofit corporation, or its assigns (“Purchaser”) (Purchaser and Seller each referred to as a “Party” and collectively referred to as the “Parties”). As used in this Agreement, the “Effective Date” shall mean and refer to the date that the Title Company (defined below) acknowledges receipt of a fully executed counterpart of this Agreement.

### Recitals

1. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, certain real property located at **1934 Rutland Dr, Austin, Travis County, Texas 78758** (the “Land”), containing approximately 93,993 square feet of land and being more particularly described as:

Lots 15, 16 and 17, Block A, Brook Meadow, in addition to the city of Austin, Travis County, Texas, according to the map or plat thereof recorded in Volume 66, Page 44, Plat Records of Travis County Texas.

2. The Parties are executing this Agreement to set forth their mutual agreements and understandings with respect to the purchase and sale of the Land and the Parties’ respective rights and obligations in connection therewith.

### Agreements

**THEREFORE**, for and in consideration of the mutual covenants and representations herein contained, Seller and Purchaser agree as follows:

#### 1. Purchase and Sale.

1.1. **Purchase and Sale.** Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, for the consideration described below, the Land and all buildings, structures and other improvements situated thereon (collectively, the “Improvements”), together with all rights, titles and interests, if any, of Seller in and to (i) any land lying in or under the bed of any street, alley, road or right-of-way, open or proposed, abutting or adjacent to the Land, (ii) all easements appurtenant to the Land, (iii) all strips or gores, if any, between the Land and adjoining properties, and (iv) all other rights, privileges and appurtenances in any way related or pertaining to or for the benefit of the Land, including, without limitation, (a) all present and future rights to wastewater capacity, drainage capacity, water capacity or other utility facilities to the extent related to the Land (including, without limitation, the existing wholesale utility supply system currently providing

utilities to the Land), (b) all engineering plans and studies, topographical surveys, landscape plans, environmental studies, and all other plans, specifications and studies, to the extent related to the Land, and (c) all permits, approvals and licenses specifically associated with the Land and the development and use thereof (the Land, the Improvements and all rights and interests described in the forgoing clauses (i) – (iv), inclusive, are collectively referred to as the “Property”).

**2. Purchase Price.**


- 2.1. **Purchase Price.** The purchase price (the “Purchase Price”) for the Property shall be Five Million Six Hundred Thousand Dollars (\$5,600,000.00) and shall be paid by Purchaser in cash at the Closing and disbursed by the Title Company in accordance with the terms and provisions of this Agreement.

**3. Deposit; Independent Consideration.**

- 3.1. **Earnest Money.** Within three (3) Business Days after the Effective Date, Purchaser shall deliver to Austin Title Company (the “Escrow Agent” or the “Title Company”), 1717 W. 6<sup>th</sup> Street, Ste 102, Austin, Texas 78703, Attn: Troy Conover, Email: troy.conover@austintitle.com, Phone: 512-329-0777, (the “Title Company”), the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) (the “Earnest Money”) to be invested by the Title Company in an interest bearing account as Purchaser shall direct, so long as it is deposited in an account of a federally insured bank or savings and loan association. All interest accruing on the Earnest Money shall accrue for the benefit of Purchaser and shall constitute part of the Earnest Money. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be paid to Seller and such amount credited against the payment of the Purchase Price; and, if the sale of the Property is not consummated pursuant to the terms of this Agreement, the Earnest Money shall be disbursed in accordance with the terms of this Agreement.
- 3.2. **Earnest Money – Seller Accrual.** Notwithstanding anything to the contrary set forth in this Agreement, at the beginning of every thirty-day period that elapses during the Due Diligence Period (defined below), \$2,000 of the Earnest Money shall become non-refundable to Purchaser (“Seller’s Earnest Money Accrual”), except in the event of a Seller default hereunder. For example, if Purchaser exercises its option to terminate this Agreement after 45 days, then \$46,000 of the Earnest Money would be returned to Purchaser and \$4,000 of the Earnest Money would be paid to Seller.
- 3.3. **Independent Consideration.** Simultaneously with executing this Agreement, Purchaser has delivered to Seller the amount of Fifty and No/100 Dollars (\$50.00) (the “Independent Consideration”), which amount shall constitute independent consideration for Seller’s execution and delivery of this Agreement and Purchas-

## Escrow Receipt

Austin Title Company acknowledges receipt of earnest money in the amount of \$50,000 in the form of a wire on this day January 8, 2020.

By: 

Troy D. Conover, SVP/Manager

Austin Title Company  
Commercial Division  
1717 W. 6th St., Ste. 102  
Austin, Texas 78703  
(512) 329-0777  
Team.Conover@austintitle.com



**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 5 – Property Info**

**5e. Phase I ESA**

February 19, 2020

Texas Department of Housing and Community Affairs,  
a public and official department of the State of Texas  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

**Re:** Phase Engineering, Inc. Phase I Environmental Site Assessment (ESA) Report No. 202001193  
1934 Rutland Drive, Austin, Travis County, Texas 78758

To Whom It May Concern,

This letter is to certify that the Phase I Environmental Site Assessment (the "Report") relating to the above referenced property completed by Phase Engineering, Inc. (the "Consultant") may be conveyed to and relied upon by Texas Department of Housing and Community Affairs as if the Report had originally been prepared for them.

The report fee is Phase Engineering, Inc.'s sole benefit and findings are not contingent on compensation from the client or its affiliates. Any person signing this report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law. Phase Engineering has read and understands the department rules regarding this report as found in 2020 Qualified Allocation Plan as codified in 10 Texas Administrative Code, Chapter 11, Subchapter D, Section 11.305: Environmental Site Assessment Rules and Guidelines.

Thank you for using the professional environmental services of Phase Engineering, Inc. If you should have any questions, please contact me at 713-476-9844.

Sincerely,



James C. Dismukes, P.E.  
President  
Phase Engineering, Inc.

# Phase I Environmental Site Assessment

1934 Rutland Drive, Austin, Travis County, Texas 78758

February 19, 2020

**PEI Project No.: 202001193**



## Prepared for:

The Vecino Group  
and  
Texas Department of Housing and Community Affairs (TDHCA)

## Prepared by:

Phase Engineering, Inc.  
5524 Cornish Street  
Houston, Texas 77007



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# 1.0 Executive Summary

## 1.1 Site Summary

SITE SUMMARY	
Site Element	Comments
Subject Property Address	1934 Rutland Drive, Austin, Travis County, Texas 78758
Current Use of Subject Property	Multi-tenant retail center
Legal Description	Lots 15 through 17, Block A out of the Brook Meadow Addition (per tax records)
Current Owner	Behzad Bahrami
Current Uses of Adjoining Properties:	Northeast: Brook Meadow Village Apartments Southeast: Golden Meadow Drive, 7 Eleven and single family residential property Southwest: Rutland Drive, unoccupied office-warehouse property, a multi-tenant retail center (no environmentally sensitive businesses) and Fast Serv Northwest: Capital Collision and Texas Transportation Department warehouse
Site Reconnaissance Date	February 13, 2020
<b>Physical Setting</b>	
Topography	Elevation: Approximately 740-750 feet above mean sea level (msl) General Area Topographic Downgradient: Northeast
Groundwater Flow Direction	Assumed to be consistent with topographic gradient (See Section 5.3 for more information)
Depth to Groundwater	Approximately 11-20 feet below ground surface (bgs)
Sub-Surface Geology	Austin Chalk (Kau)
Underlying Aquifer(s)	Trinity Aquifer and Edwards (Balcones Fault Zone) Aquifer
Near Surface Soils	Urban land and Austin soils, 0 to 5 percent slopes (UsC)

Historical Use Subject Property							
Year Range	Property Use(s)	Aerial Photos	Topo Maps	Fire Insurance Maps	Street Directories	Interviews	Regulatory Files / Prior Reports
1940s - Early-1980s	Undeveloped land	✓	✓				
Early-1980s - 2020	Retail center (environmentally sensitive businesses include a pump repair shop, printing/copy shops and a medical radiology clinic)	✓	✓		✓	✓	

Historical Use Adjoining Properties	
Direction	Historical Use Description
Northeast Adjoining Property	Multi-family residential property and undeveloped land
Southeast Adjoining Property	Golden Meadow Drive, convenience stores/gasoline station, single and multi-family residential properties, attorney and accountant offices, construction contractors, data management service and undeveloped land
Southwest Adjoining Property	Rutland Drive, unoccupied office-warehouse property, a multi-tenant retail center (environmentally sensitive businesses include a copy/printing shop), bolt/fitting supply warehouses, data and computer management services, Senco Houston, Waynes Sheet Metal, Gray & Becker Incorporated, Precision Wood Products, Austin Auto Service Center, Integrated Diagnostic, Midtex Electric Exchange, Tileworks Of Texas, construction contractors, plumbing contractors, HVAC contractors, a propane fuel supplier, Allen Industries, interior designers, distribution warehouse property, a storage lot and undeveloped land
Northwest Adjoining Property	Capital Collision, storage and printing shop warehouse, Burnham Service Company, Lopca, Motorola, FM Two Way Radio Rentals, S&P Communications, Austin Pizza, Austin Capital and undeveloped land

## 1.2 Project Summary

ASTM Standard Considerations						
Report Section	No Further Action	REC	CREC	HREC	Other Environmental Considerations	Suggested Action
1.0 Current Use of Subject Property	✓					
1.0 Current Use of Adjoining Properties	✓					
4.0 User Provided Information	✓					
5.1 Standard Environmental Record Sources	✓					
5.4.1 Historical Information on Subject Property	✓					
5.4.3 Historical Information on Adjoining Properties	✓					
6.0 Site Reconnaissance	✓					
7.0 Interviews	✓					



Non-ASTM Scope Considerations			
Report Section	No Further Action Necessary	Further Action Necessary	Suggested Action
14.1 Asbestos-Containing Building Materials	✓		
14.2 Cultural and Historical Resources	✓		
14.3 Endangered Species	✓		
14.4 Lead-Based Paint	✓		
14.5 Lead in Drinking Water	✓		
14.6 Radon	✓		
14.7 FEMA Flood Map	✓		
14.8 Wetlands	✓		
14.9 Vapor Encroachment Screening	✓		
14.10 Noise Study		✓	Noise mitigation measures may be required
14.11 Explosive Hazards	✓		

## 1.2.1 Data Gap Summary

A data gap is a lack of or inability to obtain information required by ASTM Practice E1527-13 despite good faith efforts by the environmental professional to gather such information. Data gaps may result from incompleteness in any of the activities required by this practice, including, but not limited to site reconnaissance (for example, an inability to conduct the site visit), and interviews (for example, an inability to interview the key site manager, regulatory officials, etc.).

The following table summarizes general areas of the report that may encounter data gaps during the assessment process.

Report Element	Report Section	Data Gap	Description of Data Gap	Significant
<b>User Responsibilities</b>				
Completion of User Questionnaire	4.1	Yes	URQ not returned.	No
Land Title / Deed Records	5.4.1.4	N/A		
<b>Regulatory Agency Records</b>				
Standard Federal, State, Tribal and Local Records Review	5.1	Yes	No documentation was available to provide details of a UST removal investigation at the southwest adjoining property.	No
Additional Federal, State, Tribal and Local Records Review	5.2	No		
<b>Historical Sources</b>				
Aerial Photographs	5.4.1.1	No		
Fire Insurance Rate Maps	5.4.1.2	N/A		
Property Tax Records	5.4.1.3	No		
Land Title Records	5.4.1.4	N/A		
Topographic Maps	5.4.1.5	No		
Street Directories	5.4.1.6	Yes	Street directories could not be verified at the adjoining properties prior to 1970.	No
Other Historical Records	5.4.1.7	No		
Historical Use of Subject Property	5.4.2	No		
Historical Use of Adjoining Properties	5.4.3	No		
<b>Site Reconnaissance</b>				
Observations of Subject Property	6.0	No		

Report Element	Report Section	Data Gap	Description of Data Gap	Significant
Observation of Surrounding Properties	6.0	No		
<b>Interviews</b>				
Current Owner	7.1	No		
Key Property Manager	7.1	Yes	No property manager information provided.	No
Occupant(s)	7.1	Yes	No occupant information provided.	No
Past Owners / Managers / Occupants	7.1	N/A		
Adjoining Property Owners / Occupants	7.1	N/A		
State / Local Health/ Environmental Department	7.2	Yes	Public information response has not been received.	No
Local Fire Department	7.2	Yes	Public information response has not been received.	No
Local Building Permit / Inspection Department	7.2	Yes	Public information response has not been received.	No
Local Planning / Zoning Department	7.2	No		
Local Water Utility Company	7.2	No		

### 1.3 Findings and Opinions

Known or suspect environmental conditions associated with the subject property and the environmental professional's opinion(s) of the impact on the property of known or suspect environmental conditions identified are as follows:

<b><u>FINDING</u></b>
The subject property was historically occupied by facilities conducting pump repair, printing and copying shop and radiological testing activities.
<b>Standard Environmental Record Sources, Federal, State &amp; Tribal</b>
No regulatory agency listings were found in connection with this finding. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.
<b>Records Review</b>

Historical street directories indicate that the subject property, addressed as 1934 Rutland Drive, was occupied by a retail center with tenants of potential environmental concern, including the following:

- The subject property was occupied by a pump repair shop under the name Piper-Hydro Incorporated during the mid-1980s.
- The subject property was occupied by printing and copying shops under the names Ricoh America, Ricoh Copy Machine, Zeno Systems Uni-Copy Panasonic Division and The Copy Warehouse from the mid-1980s to the early-1990s.
- The subject property was occupied by a medical clinic under the name Austin Radiological Association conducting radiological testing and services from the late-1990s to the early-2000s.

Pump repair shops and printing and copying shops are known to store, use and dispose of hazardous substances and petroleum products possibly including degreaser solvents, paints, paint thinners, chlorinated printing press cleaner solvents, oil based printing inks, oil, hydraulic oil, lubricants, gasoline and diesel. Medical care facilities conducting radiological activities were known to use x-ray film fixers and developers containing silver and chromium prior to the introduction of digital equipment and to use Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) defined hazardous chemicals such as radioactive and priority pollutant metal containing X-Ray solutions. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported releases, the limited extent of operations identified in connection with environmentally sensitive tenants previously located onsite and current site conditions, the subject property does not appear likely to have been impacted by commercial activities previously conducted onsite.

This does not represent a recognized environmental condition.

#### **FINDING**

The southeast adjoining property was occupied by gasoline stations. A UST related release was documented at this site.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

The southeast adjoining property across Golden Meadow Drive, addressed as 1822 Rutland Drive under the names Conoco Phillips, Former Conoco Phillips 2782485, Speedy Stop 204 and 7-Eleven Store 36561, is a registered Underground Storage Tank (UST) facility, a Release Determination Report (RDR) submittal site and a Leaking Petroleum Storage Tank (LPST) site.

- Three 10,000 gallon gasoline USTs were reported to have been installed at this facility prior to September 1986 and were removed from the ground in March 2018. A 20,000 gallon gasoline UST and a 20,000 gallon UST with 8,000 gallon gasoline and 12,000 gallon diesel compartments were installed at this facility in May 2018 and are currently in use.
- Compliance investigations were conducted at this facility in July 2010, April 2013, February 2016 and September 2017. A petroleum product release was discovered at this facility during a due diligence related sub-surface investigation conducted in August 2004. This facility was issued an LPST case number in response to the discovered petroleum product impact. Subsequent soil and groundwater investigation activities and multiple groundwater monitoring events were conducted as a part of LPST response and characterization actions. The TCEQ issued a "No Further Action" letter for this site in November 2010 based on closure of exposure pathways. The groundwater monitoring well located in closest proximity to the subject property (MW-6) did not exhibit concentrations of impact from petroleum products at concentrations above regulatory action limits during the most recent groundwater monitoring event conducted in May 2010.
- A release determination investigation was initiated at this facility in October 2012 due to SIR records indicating that fuel reconciliation was out of variance for an unleaded gasoline UST. A deficiency was noted in connection with the investigation in December 2012 and no documentation regarding follow-up activities was available for review.
- A release determination investigation was conducted at this facility in connection with removal of USTs in March 2018. USTs and impacted tank pit soils were removed and disposed of off-site. No impact from petroleum products was detected in tank pit soils or tank pit water at concentrations in excess of limits previously established by LPST closure conditions in November 2010. The TCEQ issued a "No Further Action" letter for the UST removal related investigation in August 2018 indicating that no release had occurred in excess of established LPST closure conditions for this site.

See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

Historical street directories and aerial photographs indicate that the southeast adjoining property across Golden Meadow Drive, addressed as 1822 Rutland Drive, was occupied by convenience stores and gasoline stations under the names Circle K Stop, Circle K Corporation, American Check Cashiers, Speedy Stop, Speedy Check, Bailey Group and 7 Eleven from the early-1990s to the 2010s. Automotive service/fueling stations are known to store and distribute petroleum products in aboveground and underground storage tanks. The Texas Water Development Board (TWDB) map shows numerous plugged environmental soil boring wells located at the southeast adjoining property, addressed at 1822 Rutland Drive. The wells were installed and plugged in July 2017 and are believed to be associated with a property transaction or release determination related investigation at the gasoline station.

See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

The southeast adjoining property across Golden Meadow Drive, addressed as 1822 Rutland Drive, was occupied by a convenience store/gasoline station under the name 7 Eleven at the time of the site visit. No indications of a release were observed in association with this facility.  
See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.  
See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on the limited extent of detected impact and lack of reported or detected releases following LPST closure, the subject property does not appear likely to have been impacted by this facility.  
This does not represent a recognized environmental condition.

#### **FINDING**

The southwest adjoining property was occupied by commercial businesses conducting machine shop, wood fabrication, auto repair shop and radiological imaging activities.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

The southwest adjoining property across Rutland Drive, addressed as 1901 Rutland Drive under the name Masters Automotive, is a registered Underground Storage Tank (UST) facility. A gasoline UST of approximately 10,000 gallons was reported to have been installed at this facility prior to August 31, 1987 and was removed from the ground in May 1990. Release determination investigation activities conducted in connection with removal of the UST did not detect a release in excess of regulatory action limits. No groundwater is reported to have been encountered or sampled during the investigation. The Texas Water Commission (TWC, now the TCEQ) issued a "No Further Action" letter for removal of the UST in July 1990. No documentation was available upon request from the TCEQ detailing the results of the UST removal related release determination investigation. This is a data gap.  
See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

Historical street directories and aerial photographs indicate that the southwest adjoining property across Rutland Drive, addressed as 1901 and 1907 Rutland Drive, was occupied by commercial warehouses with tenants of potential environmental concern, including the following:

- The property addressed as 1907 Rutland Drive was occupied by a machine shop under the name Senco Houston and a sheet metal contractor under the name Waynes Sheet Metal during the mid-1970s.
- The property addressed as 1901 Rutland Drive was occupied by a wood products fabrication facility under the name Precision Wood Products from the early to mid-1970s.
- The property addressed as 1901 Rutland Drive was occupied by an auto repair shop under the name Austin Auto Service Center during the mid-1990s.
- The property addressed as 1901 Rutland Drive was occupied by a radiological imaging service under the name Integrated Diagnostic during the mid-1990s.

Machine shops, wood fabrication facilities and auto repair shops are known to store, use and dispose of hazardous substances and petroleum products possibly including degreaser solvents, paints, paint thinners, stains, lacquers, enamels, metal flux, cutting fluid, coolants, oil, hydraulic oil, lubricants, gasoline and diesel. Radiological imaging facilities were known to use x-ray film fixers and developers containing silver and chromium prior to the introduction of digital equipment and to use Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) defined hazardous chemicals such as radioactive and priority pollutant metal containing X-Ray solutions. No reported releases were found in connection with these facilities during records review conducted for this assessment.

See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance.  
See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.

See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported or detected releases and current site conditions, the subject property does not appear likely to have been impacted by these facilities. This does not represent a recognized environmental condition.

#### **FINDING**

The southwest adjoining property was historically occupied by a printing and copying shop.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

No regulatory agency listings were found in connection with this finding.  
See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

Historical street directories indicate that the southwest adjoining property across Rutland Drive, addressed as 1925 Rutland Drive, was occupied by a retail center with a printing and copying shop tenant operating during the mid-1980s under the name Kwik Kopy. Printing facilities are typically associated with storage and usage of hazardous substances and petroleum products possibly including chlorinated printing press cleaner solvents and oil based printing inks. No reported releases were found in connection with this facility during records review conducted for this assessment. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported releases and the limited extent of operations reported in connection with this facility, the subject property does not appear likely to have been impacted by this facility. This does not represent a recognized environmental condition.

#### **FINDING**

The southwest adjoining property was occupied by commercial businesses conducting fleet vehicle refueling and service, propane distribution and metal fabrication shop activities. A UST related release was documented at this site.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

The southwest adjoining property across Rutland Drive, addressed as 2001 Rutland Drive under the name W.G. Christianson Company Inc., is a registered Underground Storage Tank (UST) facility and a Leaking Petroleum Storage Tank (LPST) site.

- One 3,000 gasoline UST, two 1,000 gallon USTs and one 550 gallon UST were reported to have been installed at this facility prior to 1968 and were removed from the ground in February 1996.
- A petroleum product release was discovered at this facility during UST release determination sampling activities associated with UST removal operations in February 1996. This facility was issued an LPST case number in response to the discovered petroleum product impact. Impacted tank pit soils were excavated and disposed of off-site. No groundwater was encountered or sampled during the UST removal or related investigation activities. The Texas Natural Resource Conservation Commission (TNRCC, Now the TCEQ) issued a "No Further Action" letter for this site in April 1996.

See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**



Historical street directories indicate that the southwest adjoining property across Rutland Drive, addressed as 2001 and 2003 Rutland Drive, was occupied by commercial businesses of potential environmental concern, including the following:

- A construction, HVAC and plumbing contractor facility operating under the names Christianson Company and Christianson Air from the early-1980s to the mid-1990s. This facility is reported to have conducted fleet vehicle refueling and maintenance onsite.
- A propane fuel supply facility operating under the name Christianson Propane during the mid-1990s.
- A metal fabrication shop operating under the name Allen Industries during the late-1990s and early-2000s.

Auto service/repair facilities, propane supply facilities and metal fabrication shops are known to store, use and dispose of hazardous substances and petroleum products possibly including degreaser solvents, paints, paint thinners, detergents, wash water, metal flux, coolants, oil, hydraulic oil, lubricants, gasoline and diesel.

See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance.  
See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.

See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on the limited extent of detected impact and reported releases, the subject property does not appear likely to have been impacted by these facilities or the documented UST related release.

This does not represent a recognized environmental condition.

#### **FINDING**

The northwest adjoining property was occupied by an auto repair, body and paint shop.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

No regulatory agency listings were found in connection with this finding.

See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

Historical street directories indicate that the northwest adjoining property, addressed as 1950 Rutland Drive, was occupied by an auto repair, body and paint shop under the name Austin Capital during the late-2010s. Auto repair, paint and body shops are known to store, use and dispose of hazardous substances and petroleum products possibly including degreaser solvents, paints, paint thinners, metal flux, coolants, oil, hydraulic oil, lubricants, gasoline and diesel. No reported releases were found in connection with this facility during records review conducted for this assessment. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

The northwest adjoining property, addressed as 1950 Rutland Drive, was occupied by an auto repair, body and paint shop under the name Capital Collision at the time of the site visit. 55 gallon drums of unknown contents were noted at the northwest adjoining property. No indications of a release were observed in association with this facility. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported releases and current site conditions, the subject property does not appear likely to have been impacted by this facility. This does not represent a recognized environmental condition.

#### **FINDING**

The northwest adjoining property was occupied by a warehouse facility conducting auto service and printing shop activities.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

The northwest adjoining property, addressed as 2000 B Centimeter Circle under the names Texas Department of Transportation and TxDOT GSD Print Shop, is a Resource Conservation and Recovery Act (RCRA) generator of hazardous wastes and an Industrial and Hazardous Waste (IHW) registration and reporting facility. There are no RCRA violations on file for this facility with the Environmental Protection Agency (EPA). This facility has an IHW status of "Inactive" and is not undergoing corrective action. Waste Management Units (WMUs) registered at this facility consist of a hazmat storage room near a bindery area. Generated waste streams listed for this facility include California wash solvent and water from cleaning printing presses. A complete list of wastes generated at this facility is located in the appendix. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

Historical street directories indicate that the northwest adjoining property, addressed as 2000 Centimeter Circle, was occupied by an auto service company under the name Burnham Service Company and a storage/printing shop warehouse under the names Surplus & Recreation Warehouse and State Department Of Human Resources Distribution Center from the mid-1980s to the early-2000s. Auto service/repair shops and printing shops are known to store, use and dispose of hazardous substances and petroleum products possibly including degreaser solvents, detergents, wash water, chlorinated printing press cleaner solvents, oil based printing inks, coolants, oil, hydraulic oil, lubricants, gasoline and diesel. No reported releases were found in connection with these facilities during records review conducted for this assessment.

See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

The northwest adjoining property, addressed as 2000 Centimeter Circle, was occupied by a Texas Department of Transportation storage warehouse and printing shop at the time of the site visit. No indications of a release were observed in association with this facility.

See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.

See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported releases and current site conditions, the subject property does not appear likely to have been impacted by these facilities. This does not represent a recognized environmental condition.

#### **FINDING**

The nearby southeast property was occupied by commercial businesses conducting fleet vehicle refueling. A UST related release was documented at this site.

#### **Standard Environmental Record Sources, Federal, State & Tribal**

The property located approximately 0.04 mile southeast of the subject property, addressed as 1819 Rutland Drive under the names Oak Farms Dairy and Pure Milk Ice Cream Company, is a registered Aboveground Storage Tank (AST) facility, a registered Underground Storage Tank (UST) facility and a Leaking Petroleum Storage Tank (LPST) site.

- A 10,000 gallon gasoline UST was reported to have been installed at this facility prior to 1974 and was removed from the ground in November 1989. A 4,000 gallon diesel UST was reported to have been installed at this facility prior to 1971 and was removed from the ground in November 1989.
- A 10,000 gallon diesel AST was installed at this facility in March 2011 and is currently in use. The AST is located within a concrete containment barrier.
- A petroleum product release was discovered at this facility during UST release determination sampling activities associated with UST removal operations in November 1989. This facility was issued an LPST case number in response to the discovered petroleum product impact. Impacted tank pit soils and rock were excavated to a depth of 16 feet and disposed of off-site. The Texas Water Commission (TWC, now the TCEQ) issued a "No Further Action" letter for this site in January 1990.

See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### **Records Review**

None of the records reviewed during this assessment were found to be in connection with this finding. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### **Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### **Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

#### **OPINION**

Phase Engineering, Inc. has the opinion that based on the limited extent of detected impact, the subject property does not appear likely to have been impacted by this facility. This does not represent a recognized environmental condition.

## **1.4 Conclusions**

Phase Engineering, Inc. has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of subject property and more fully described within the report. Any exception to, or deletions from, this practice are described in Section 2.0 of the report.

Recognized environmental condition is defined in ASTM Standard E 1527-13 as “the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment.” Phase Engineering, Inc. has considered all migration pathways including soil, groundwater and vapor during evaluation of all identified environmental conditions. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

A controlled recognized environmental condition (CREC) is defined in ASTM Standard E 1527-13 as “a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.” Controlled recognized environmental conditions are recognized environmental conditions. This assessment has revealed no evidence of controlled recognized environmental conditions in connection with the property.

A historical recognized environmental condition (HREC) is defined in ASTM Standard E 1527-13 as “a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls.” A historical recognized environmental condition is not a recognized environmental condition. This assessment has revealed no evidence of historical recognized environmental conditions in connection with the property.

*De minimis* conditions are defined in ASTM Standard E 1527-13 as conditions “that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.” *De minimis* conditions are not recognized environmental conditions. This assessment has revealed no evidence of *de minimis* conditions in connection with the property.

## 1.5 Recommendations

Recommendations
The following recommendation is made with respect to the environmental aspects of the subject property: No further investigation is required to identify a recognized environmental condition.

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## **2.0 Introduction**

### **2.1 Purpose of Assignment**

The purpose of this assignment is to prepare a Phase I Environmental Site Assessment Report of the subject property and more fully described in this report; to conduct All Appropriate Inquiry as defined in EPA 40 CFR Part 312, to permit the user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended in 2002; and to identify, to the extent feasible pursuant to the processes prescribed in ASTM Standard E 1527-13 recognized environmental conditions in connection with the subject property. All migration pathways and environmental media (i.e. soil, groundwater, vapor) are considered in the determination of recognized environmental conditions.

In addition, the purpose for the Phase I Environmental Site Assessment is to satisfy the environmental responsibilities for the US Department of Housing and Urban Development (HUD) pursuant to 24 CFR 50.3(i).

### **2.2 Scope of Work**

The Phase I Environmental Site Assessment was prepared in accordance with the ASTM Standard Practice E 1527-13 for Environmental Site Assessments and the EPA Rule on All Appropriate Inquiries and within any additional limitations and deviations noted in the report. The general scope of work includes:

- Interviews with past and present owners, operators and occupants;
- Interviews with local government officials;
- Review of historical sources of information;
- Review of federal, state, tribal and local government records;
- Visual inspections of the property and adjoining properties;
- Preparation of report.

The Phase I Environmental Site Assessment does not include:

- Soil, groundwater, or building material sampling;
- Chain of title or environmental lien search;
- Any non-scope considerations, unless specifically contracted for, as listed in the ASTM Standard E 1527-13 Sections 13.1.5.1 through 13.1.5.14 (see Section 14 of this report).

### **2.3 Significant Assumptions**

Phase Engineering, Inc. assumes there are no hidden or unapparent environmental conditions of the property, subsoil, groundwater, structures or surroundings which would have an adverse effect on the property. Phase Engineering, Inc. assumes no responsibility for such conditions or for engineering or inspections which might be required to discover such conditions.

Record and interview information furnished to Phase Engineering, Inc., and contained in the report, were obtained from sources assumed to be reliable and believed to be true and correct. However, Phase Engineering, Inc. assumes no responsibility for any inaccuracies in such items which may be revealed as a result of subsequent action, either by Phase Engineering, Inc. or others. Accuracy or completeness of record information varies among information sources, including governmental sources. Record information is often inaccurate or incomplete. Numerous sites are considered unmapped because the federal or state databases do not adequately define the address and/or location to properly plot the site using standard geo-coding processes. Unmapped sites are generally reviewed using a zip code and street name search.

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Phase Engineering, Inc. is not obligated to identify mistakes or insufficiencies in information provided. Phase Engineering, Inc. will make a reasonable effort to compensate for mistakes or insufficiencies in the information reviewed that are obvious in light of other information of which Phase Engineering, Inc. has actual knowledge at the time of preparation of the report.

Groundwater flow is assumed to be in the direction of surface topography unless otherwise noted in the report.

## **2.4 Limitations and Exceptions of Assessment**

This report is prepared in general accordance to the ASTM Standard Practice for Environmental Site Assessments in accordance with Standard E 1527-13. No non-scope items as noted in the ASTM Standards of Practice taken into consideration, except as noted.

The findings and conclusions of this report are based on Phase Engineering, Inc. professional opinions of the environmental conditions identified using the methodology described in ASTM Standard E 1527-13. If greater certainty is desired by the user of the report, further investigation beyond the scope of the ASTM Standard E 1527-13 may be necessary.

Phase Engineering, Inc. has estimated neither the cost of the impact on the property nor the costs necessary to eliminate the recognized environmental conditions.

The report was limited to information concerning the observed physical characteristics of the site and adjoining properties, interviews, and standard environmental record sources.

No environmental site assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of the ASTM Standard is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property, and the practice recognizes reasonable limits of time and cost. The time and cost constraints as agreed to by the user or his representative may deem certain information common to the Phase I Site Assessment process to not be reasonably ascertainable or practically reviewable.

Appropriate inquiry does not mean an exhaustive assessment of a property. There is a point at which the cost of information obtained or the time required to gather it outweighs the usefulness of the information and, in fact, may be a material detriment to the orderly completion of the transaction.

Any sketches, maps, aerial photographs, or similar documents in the report may show approximate locations, property boundaries, or similar information and are included to assist the reader in visualizing the property. Phase Engineering, Inc. has made no survey of the site.

Phase Engineering, Inc. is not required to give testimony or appear in court or in other hearings or formal discussions regarding the subject property or this assessment unless prior arrangements are made.

Phase Engineering, Inc. assumes there are no hidden or unapparent environmental conditions of the site, subsoil, structures or surroundings which would represent a recognized environmental condition. Phase Engineering, Inc. assumes no responsibility for such conditions or for actions which might be required to discover such conditions.

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Information obtained from various sources is considered reliable and believed to be true and correct. Phase Engineering, Inc. will make a reasonable effort to compensate for mistakes or insufficiencies in the information reviewed that are obvious in light of other information of which Phase Engineering, Inc. has actual knowledge. Phase Engineering, Inc. assumes no responsibility for any inaccuracies in such items which may be revealed as a result of subsequent action, either by Phase Engineering, Inc. or others.

This report is prepared for the sole benefit of the user of the report and may not be relied upon by any other person or entity without the written authorization of and payment of a fee to Phase Engineering, Inc.

The report is valid for a period of 180 days from the date issued. Validity for AAI liability protections may be less. The report may not be used or updated by a third party without written authorization of and payment of a fee to Phase Engineering, Inc.

Phase Engineering, Inc. provides no legal opinion or advice. Consult a qualified attorney for any items of a legal nature.

## **2.5 Special Terms and Conditions**

No special terms or conditions were applicable to this report.

## **2.6 User Reliance**

This report is prepared for the sole benefit of the user of the report as identified in Section 4.0 of this report and may not be relied upon by any other person or entity without the written authorization of Phase Engineering, Inc. Each subsequent user must satisfy the User's Responsibilities set forth in Section 6 of the ASTM Standard E 1527-13 to qualify for the landowner liability protections under CERCLA.



## 3.0 Site Description

### 3.1 Subject Property Location and Description

Subject Property Address	1934 Rutland Drive, Austin, Travis County, Texas 78758
General Location	An area location map and a site sketch are located in Appendix I of this report.
Legal Description	Lots 15 through 17, Block A out of the Brook Meadow Addition (per tax records)
Current Owner(s)	Behzad Bahrami

### 3.2 Current Use of Subject Property

Current Use of the Property	Multi-tenant retail center
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### 3.3 Current Uses of Adjoining Properties

#### *Adjoining Property Uses*

To the Northeast	Brook Meadow Village Apartments
To the Southeast	Golden Meadow Drive, 7 Eleven and single family residential property
To the Southwest	Rutland Drive, unoccupied office-warehouse property, a multi-tenant retail center (no environmentally sensitive businesses) and Fast Serv
To the Northwest	Capital Collision and Texas Transportation Department warehouse

### 3.4 Description of Onsite Structures, Roads and Other Improvements

#### 3.4.1 Onsite Structures

The following structures are located at the subject property:

<b>Retail Center Building</b>	
Approximate Age	38
Number of Floors	1
Foundation Type	Slab-on-grade
Exterior Finish Type(s)	Masonry and glass
Heating Fuel Source	Natural gas
Description of Building Use / Occupant	Retail center consisting of Ritas Mexican restaurant, VJ Lounge (game room), MX Event Center, Marvin Fitness, Crafty Loaf (Bakery), Leather Replacement Upholstery and Teirra Calinte (gift shop) tenants.

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### 3.4.2 Roads

The following roads were observed onsite or adjacent to the subject property:

Road Details	
Road Name	Location of Road
Golden Meadow Drive	Southeast
Rutland Drive	Southwest
Gray Boulevard	Away southwest from the subject property

### 3.4.3 Other Improvements / Utilities at the Subject Property

The following utilities and other improvements were identified at the subject property:

Water Source	Municipal water system
Sanitary Sewer Source	Municipal sanitary sewer
Other Improvements	Concrete surface parking

## 4.0 User Provided Information

### 4.1 User Responsibilities Information

User(s) of this report: The Vecino Group and Texas Department of Housing and Community Affairs (TDHCA)

In order to qualify for one of the *Landowner Liability Protections* (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the “*Brownfields Amendments*”) the user *must* conduct the following inquiries required by 40 CFR 312.25, 312.28, 312.29, 312.30 and 312.31. These inquiries must also be conducted by EPA Brownfield Assessment and Characterization grantees. The *user* should provide the following information (if available) to the *environmental professional*. Failure to conduct these inquiries (or where the user has not provided conclusive answers) could result in a determination that “*all appropriate inquiries*” is not complete.

If any user of this report desires Landowner *Liability Protections* (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001, the user should complete the “user responsibilities” included in Appendix IV.

Question	Response
<b>1. Environmental cleanup liens that are filed or recorded against the property (40 CFR 312.25).</b>	
Did a search of recorded land title records (or judicial records where appropriate) identify any environmental liens filed or recorded against the property under federal, tribal, state or local law?	No comment received
<b>2. Activity and land use (AUL's) limitations that are in place on the site or that have been filed or recorded in a registry (40 CFR 312.26(a)(1)(v) and vi)).</b>	
Did a search of <i>recorded land title records</i> (or judicial records where appropriate) identify any AULs, such as <i>engineering controls</i> , land use restrictions or <i>institutional controls</i> that are in place of the property and/or have been filed or recorded against the property under federal, tribal, state or local law?	No comment received
<b>3. Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).</b>	
Do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business?	No comment received
<b>4. Relationship to the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).</b>	

Question	Response
Does the purchase price being paid for this property reasonably reflect the fair market value of the property?	No comment received
If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property?	No comment received
<b>5. Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).</b>	
<b>Are you aware of commonly known or reasonably ascertainable information about the property that would help Phase Engineering, Inc. to identify conditions indicative of releases or threatened releases? For example, as user,</b>	
(a.) Do you know the past uses of the property?	No comment received
(b.) Do you know of specific chemicals that are present or once were present at the property?	No comment received
(c.) Do you know of spills or other chemical releases that have taken place at the property?	No comment received
(d.) Do you know of any environmental cleanups that have taken place at the property?	No comment received
<b>6. The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).</b>	
As the user of this ESA, based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of contamination at the property?	No comment received

## 4.2 Reason for Performing Phase I

As per ASTM Standard E 1527-13, it is the user's responsibility to identify the reason for performing the Environmental Site Assessment, which may include, among other reasons, the intention to satisfy one of the requirements to qualify for one of the landowner liability protections under CERCLA. If no reason for performing the Environmental Site Assessment is provided by the user, it is assumed the report is to conduct all appropriate inquiry to satisfy one of the landowner liability protections under CERCLA.

## 5.0 Records Review

### 5.1 Standard Environmental Record Sources, Federal, State & Tribal

The following federal, state and tribal environmental records were searched. This information was provided by AAI Environmental Data and is subject to the AAI Data Disclaimer. Full descriptions on the search and facilities located are included in the Appendix . The AAI Data summary is as follows:

Source	Environmental Record	ASTM Search Distance (miles)	Subject Property	Adjoining Property	1/2 Mile	1 Mile	Total
<b>Federal Sites</b>							
EPA	SEMS**	1.000	0	0	1	3	4
EPA	RCRA***	Adjoining*	0	8	-	-	8
EPA	RCRA TSDF	0.500	0	0	0	-	0
EPA	RCRA CORRACT	1.000	0	0	0	1	1
NRC	ERNS	Subject Property	0	-	-	-	0
<b>State and Tribal Sites</b>							
TCEQ	SPL (NPL/CERCLIS)	1.000	0	0	0	0	0
TCEQ	MSW	0.500	0	0	0	-	0
TCEQ	CLI	0.500	0	0	0	-	0
TCEQ	AST	Adjoining*	0	1	-	-	1
TCEQ	UST	Adjoining*	0	6	-	-	6
TCEQ	LPST	0.500	0	4	6	-	10
TCEQ	RDR	Adjoining*	0	3	-	-	3
TCEQ	IOP	0.500	0	0	1	-	1
TCEQ	VCP	0.500	0	0	0	-	0
RRC TX	RRC-VCP	0.500	0	0	0	-	0
TCEQ	BROWNFIELD	0.500	0	0	0	-	0
TCEQ	IHW	Adjoining*	0	9	-	-	9
TCEQ	IHWCA	0.500	0	0	0	-	0
RRC TX	RRC-BRP	0.500	0	0	0	-	0
<b>Supplemental Databases</b>							
TCEQ	MSD	1.000	0	0	0	0	0
TCEQ	DCR	0.500	0	0	0	-	0
TCEQ	DCRP	0.500	0	0	0	-	0
NRC	ACRES	0.500	0	0	0	-	0
*Adjoining properties are defined as being within a search radius of 0.25 mi. from the subject property boundaries.							
**SEMS includes CERCLIS, NPL, NPL delisted, NFRAP, and IC/EC							
***RCRA includes RCRA and IC/EC							

<b>UNGEOCODED SITES</b>		
Environmental Records	ASTM Search Distance (miles)	Total Identified
Federal / State/ Tribal	Subject Property - 1.0 mile	None

### Ungeocoded Sites

Numerous sites / facilities are considered ungeocoded because the federal, state or local databases do not adequately define or represent the address and/or location to properly plot the site using standard geo-coding processes. Ungeocoded sites are generally reviewed using a zip code and street name search.

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There were no ungeocoded sites identified under this assessment.

## **Superfund Enterprise Management System (SEMS)**

Effective January 31, 2014, the Superfund program decommissioned CERCLIS and transitioned to the Superfund Enterprise Management System (SEMS). CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System) was a database used by the U.S. Environmental Protection Agency (EPA) to track activities under its Superfund program. The reports previously generated by the CERCLIS legacy system are now updated with SEMS – the Superfund Enterprise Management System – and include the same data and content. This database is the source for CERCLIS, NPL, NPL Delisted, NFRAP and IC/EC.

### **CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System)**

The CERCLIS List previously contained sites which are either proposed to or on the National Priorities List (NPL) and sites which are in the screening and assessment phase for possible inclusion on the NPL. The information on each site included a history of all pre-remedial, remedial, removal and community relations activities or events at the site, financial funding information for the events, and unrestricted enforcement activities.

### **CERCLIS NFRAP(Comprehensive Environmental Response, Compensation and Liability Information System / No Further Remedial Action Planned)**

NFRAP sites may be sites where, following an initial investigation, no contamination was found, contamination was removed quickly, or the contamination was not serious enough to require Federal Superfund action, CERCLA or NPL consideration.

### **NPL (National Priority List)**

The NPL list compiled by EPA pursuant to CERCLA 42 U.S.C. § 9605(a)(8)(B) of properties with the highest priority for cleanup pursuant to EPA's Hazard Ranking System. See 40 C.F.R. Part 300.

### **NPL Delisted (National Priority List - Delisted)**

Deletion of sites from the NPL may occur once all response actions are complete and all cleanup goals have been achieved. EPA is responsible for processing deletions with concurrence from the State. Deleted sites may still require five-year reviews to assess protectiveness. If future site conditions warrant, additional response actions can be taken, using the Superfund Trust Fund or by Potentially Responsible Parties. Relisting on the NPL is not necessary; however, sites can be restored to the NPL if extensive response work is required. EPA can also delete portions of sites that meet deletion criteria.

### **Federal Institutional Control / Engineering Control (IC / EC) Registries**

Land Use Controls (LUCs) - Land Use controls may consist of Institutional Controls (ICs) and Engineering Controls (ECs). LUCs help to minimize the potential for exposure to contamination and/or protect the integrity of a response action and are typically designed to work by limiting land and/or resource use or by providing information that helps modify or guide human behavior at a site. Institutional Controls (ICs) are non-engineering measures and are almost always used in conjunction with, or as a supplement to, other measures such as waste treatment or containment. There are four categories of ICs: Governmental Controls (zoning restrictions, ordinances, statutes, building permits or other provisions that restrict land or resource use at a site), Proprietary Controls (easements, covenants, Deed Restrictions), Enforcement and Permit Tools (consent decrees, administrative orders), and Informational Devices (State Registries of contaminated sites, deed notices and advisories). ICs are used when contamination is first discovered, when remedies are ongoing and when residual contamination remains onsite at a level that does not allow for unlimited use and unrestricted exposure after cleanup. Engineering Controls (ECs) encompass

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a variety of engineered and constructed physical barriers to contain and/or prevent exposure to contamination on a property. ECs are often installed during cleanup as a condition of a no further action determination and are generally intended to be in place for long periods of time.

## **Resource Conservation and Recovery Act (RCRA) Corrective Action Facilities (CORRACTS)**

Hazardous waste treatment, storage, or disposal facilities and other RCRA-regulated facilities (due to past interim status or storage of hazardous wastes beyond 90 days) that have been notified by the U.S. Environmental Protection Agency to undertake corrective action under RCRA. The CORRACTS list is a subset of the EPA database that manages RCRA data.

## **Resource Conservation and Recovery Act (RCRA) Non-CORRACTS Hazardous Waste Treatment, Storage, and Disposal Facilities (TSD)**

Those facilities on which treatment, storage and / or disposal of hazardous wastes takes place, as defined and regulated by RCRA.

## **Resource Conservation and Recovery Act (RCRA) Generators of Hazardous Wastes**

RCRA Resource Conservation and Recovery Act Information - RCRAInfo is the U.S. Environmental Protection Agency's comprehensive information and inventory system that supports the RCRA (1976) and HSWA (1984) through the tracking of events and activities regarding permit/closure status, compliance with Federal and State regulations and cleanup activities at facilities that generate, treat, store or dispose of hazardous waste. Information on cleaning up after accidents or other activities that result in a release of hazardous materials to the water, air or land is also reported through RCRAInfo. Corrective Action is a requirement under RCRA which requires TSD facilities owners and operators to investigate and cleanup hazardous waste releases into soil, groundwater, surface water and air.

## **Emergency Response Notification System (ERNS)**

The ERNS program is a cooperative data sharing effort among the Environmental Protection Agency (EPA) Headquarters, the Department of Transportation (DOT), National Transportation Systems Center (NTSC), the ten EPA Regions, the U.S. Coast Guard (USCG), and the National Response Center (NRC).

ERNS provide the most comprehensive data compiled on notifications of oil discharges and hazardous substances releases in the United States. The types of release reports that are available in ERNS fall into three major categories: substances designated as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; oil and petroleum products (Clean Water Act of 1972), as amended by the Oil Pollution Act of 1990; and all other types of materials. EARNs is a database of initial notifications and not incidents, so there are limitations to the data. There may be multiple reports for a single incident, and because reports are taken over the phone, misspellings, and locational information limit the quality of some data.

## **State / Tribal Equivalent - National Priority List (NPL)**

This list is the state / tribal equivalent to the EPA NPL list.

## **State / Tribal Equivalent Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) (SCL)**

This list is the state / tribal equivalent to the EPA CERCLIS list.

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## **State / Tribal Voluntary Cleanup Program Sites**

List of state / tribal sites undergoing investigation, remediation and / or response action under the applicable state / tribal environmental regulatory agency.

## **Solid Waste Landfills (SWLF)**

List of landfills, transfer stations, sludge application sites, illegal dump sites, recycling facilities, and medical waste generators and transporters.

## **Leaking Petroleum Storage Tank Sites (LPST)**

State lists of leaking underground storage tank sites. RCRA gives EPA and states, under cooperative agreements with the EPA, authority to cleanup releases from UST systems or require owners and operators to do so. (42 U.S.C. § 6991b).

## **Registered Storage Tanks**

Underground storage tanks (USTs) - Any tank, including underground piping connected to the tank, that is or has been used to contain hazardous substances or petroleum products and the volume of which is 10% or more beneath the surface of the ground.

Aboveground storage tanks (ASTs) - Any tank, including aboveground piping connected to the tank, that is or has been used to contain hazardous substances or petroleum products and the volume of which is 90% or more above the surface of the ground.

## **State / Tribal Institutional Control / Engineering Control Registries**

Engineering Controls (EC) – Physical modifications to a site or facility (for example, capping, slurry walls, or point of use water treatment) to reduce or eliminate the potential for exposure to hazardous substances or petroleum products in the soil or groundwater on the property. Engineering controls are a type of activity and use limitation (AUL).

Institutional Controls (IC) – A legal or administrative restriction (for example, “deed restrictions,” restrictive covenants, easements, or zoning) on the use of, or access to, a site or facility to (1) reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil or ground water on the property, or (2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. An institutional control is a type of Activity and Use Limitation (AUL).

IC / EC Registries – Databases of institutional controls or engineering controls that may be maintained by a federal, state or local environmental agency for purposes of tracking sites that may contain residual contamination and AULs. The names for these may vary from program to program and state to state.

## **Federal / State / Tribal Brownfields**

### **Federal - ACRES Assessment, Cleanup and Redevelopment Exchange System (EPA Brownfield)**

The EPA's ACRES database stores information reported by EPA Brownfields Grantees on Brownfields properties assessed or cleaned up with grant funding as well as information on Targeted Brownfields Assessments performed by EPA Regions. Recipients are awarded EPA Brownfields funding to address hazardous substances and/or petroleum contamination at brownfield properties. The EPA's Brownfields Program is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields.



### **State / Tribal - Brownfields Site Assessments (BSA)**

The BSA Program administers a grant provided by the EPA to perform Brownfields site assessment for local governments and non-profit organizations who are not responsible parties. State and local agencies work in close partnership with the EPA and other federal, state, and local redevelopment agencies, and stakeholders, to facilitate cleanup, transfer and revitalization of Brownfields through the development of regulatory, tax, and technical assistance tools.

### **Sites Found:**

Site Summary Table							
Map ID#	Type	Facility ID#	Facility Name	Address	Distance (mi) / Direction	Apparent Impact to Subject Property	Justification
1	RDR	13901	CONOCO PHILLIPS	1822 RUTLAND AUSTIN, TX	0.02 SE	No	See information in table below
2	LPST	116317	FORMER CONOCO PHILLIPS 2782485	1822 RUTLAND DR AUSTIN, TX	0.02 SE	No	See information in table below
3	RDR	20835	SPEEDY STOP 204	1822 RUTLAND DR AUSTIN, TX	0.02 SE	No	See information in table below
4	UST	48727	7-ELEVEN STORE 36561	1822 RUTLAND DR AUSTIN, TX 78758	0.02 SE	No	See information in table below
5	RDR	25832	7 ELEVEN STORE 36561	1822 RUTLAND DR AUSTIN, TX	0.02 SE	No	See information in table below
6	UST	53701	MASTERS AUTOMOTIVE	1901 RUTLAND DR AUSTIN, TX 78758	0.03 S	No	See information in table below
7	LPST	110408	W G CHRISTIANSON CO INC	2001 RUTLAND DR AUSTIN, TX	0.03 W	No	See information in table below
8	UST	46184	WG CHRISTIANSON	2001 RUTLAND DR AUSTIN, TX 78758	0.03 W	No	See information in table below

Site Summary Table							
Map ID#	Type	Facility ID#	Facility Name	Address	Distance (mi) / Direction	Apparent Impact to Subject Property	Justification
9	RCRA	TXR00007917	TEXAS DEPARTMENT OF TRANSPORTATION	2000 B CENTIMETER CIR AUSTIN, TX 78758	0.04 NW	No	See information in table below
10	IHW	88543	TXDOT GSD PRINT SHOP	2000B CENTIMETER CIR AUSTIN, TX 78758	0.04 NW	No	See information in table below
11	LPST	94863	PURE MILK ICE CREAM CO	1819 RUTLAND DR AUSTIN, TX	0.04 SE	No	See information in table below
12	AST	22545	OAK FARMS DAIRY	1819 RUTLAND DR AUSTIN, TX 78758	0.04 SE	No	See information in table below
13	UST	22545	OAK FARMS DAIRY	1819 RUTLAND DR AUSTIN, TX 78758	0.04 SE	No	See information in table below
14	IHW	82801	WAENOFFS	9906 GRAY BLVD STE F AUSTIN, TX 78758	0.06 SW	No	Distance
15	RCRA	TX000036438	WARENOFFS INC	9906 GRAY BLVD STE F AUSTIN, TX 78758	0.06 SW	No	Distance
16	IHW	75187	SHREVE AUTOMOTIVE REPAIR CENTER	1811 RUTLAND DR AUSTIN, TX 78758	0.09 SE	No	Distance
17	RCRA	TXD987992126	SHREVE AUTOMOTIVE	1811 RUTLAND DR AUSTIN, TX 78758	0.09 SE	No	Distance

Site Summary Table							
Map ID#	Type	Facility ID#	Facility Name	Address	Distance (mi) / Direction	Apparent Impact to Subject Property	Justification
18	IHW	32383	GRENTEK	2011 RUTLAND DR AUSTIN, TX 78758	0.1 W	No	Distance
19	IHW	23672	THE BLIND MAKER	2013 CENTIMETER CIR AUSTIN, TX 78758	0.1 NW	No	Distance
20	IHW	81325	ALS BODY WORKS	9815 BECK CIR AUSTIN, TX 78758	0.1 S	No	Distance
21	RCRA	TXD988090720	ALS BODY WORKS	9815 BECK CIR AUSTIN, TX 78758	0.1 S	No	Distance
22	UST	28840	XEROX ORG	2012 CENTIMETER CIR AUSTIN, TX 78758	0.13 NW	No	Distance
23	LPST	106499	CIRCLE K 3262	1747 RUTLAND DR AUSTIN, TX 78758	0.15 SE	No	Distance
24	UST	36533	CIRCLE K 3262	1747 RUTLAND DR AUSTIN, TX 78758	0.15 SE	No	Distance
25	RCRA	TXD988071072	AMERICAN TRANSFER & STORAGE	10519 BOYER AUSTIN, TX 78758	0.18 N	No	Distance
26	IHW	70432	SHREVE TRUCK AUTO REPAIR	9707 GRAY BLVD AUSTIN, TX 78758	0.2 S	No	Distance
27	RCRA	TXD078493095	SHREVE TRUCK AUTO REPAIR	9707 GRAY BLVD AUSTIN, TX 78758	0.2 S	No	Distance

Site Summary Table							
Map ID#	Type	Facility ID#	Facility Name	Address	Distance (mi) / Direction	Apparent Impact to Subject Property	Justification
28	RCRA	TXR00004884	AUCTION PARTNER	2112 RUTHLAND DR AUSTIN, TX 78758	0.22 NW	No	Distance
29	IHW	87034	AUCTION PARTNER	2112 RUTLAND DR AUSTIN, TX 78758	0.22 NW	No	Distance
30	IHW	66268	IMPORT AUTO REFINISHING	9702B BECK CIR AUSTIN, TX 78758	0.22 S	No	Distance
31	RCRA	TXD98104705	IMPORT AUTO REFINISHING	9702B BECK CIRCLE AUSTIN, TX 78758	0.22 S	No	Distance
32	LPST	101922	VIKING FENCE	9601 BECK CIR AUSTIN, TX	0.34 SW	No	Distance
33	SEMS	TXD00032748	TIGER WASTE SYSTEMS DBA TIGER TRASH	9601 BECK CIRCLE AUSTIN, TX 78758	0.34 SW	No	Distance
34	LPST	93647	ALAMO STEEL MACHINE CO	2311 RUTLAND DR AUSTIN, TX	0.39 W	No	Distance
35	LPST	94532	FEDERAL EXPRESS CORP	2020 DENTON DR AUSTIN, TX	0.41 N	No	Distance
36	LPST	94533	FEDERAL EXPRESS FACILITY	2106 DENTON DR AUSTIN, TX	0.42 N	No	Distance
37	IOP	73	Altex Electronics, Inc.	10705 Metric Boulevard Austin, TX 78758	0.48 N	No	Distance
38	LPST	103559	AMERICAN CAB CO	10315 MCKALLA PL AUSTIN, TX	0.49 NW	No	Distance

Site Summary Table							
Map ID#	Type	Facility ID#	Facility Name	Address	Distance (mi) / Direction	Apparent Impact to Subject Property	Justification
39	LPST	92924	AMERICAN CAB CO	10315 MCKALLA PL AUSTIN, TX	0.49 NW	No	Distance
40	SEMS	TXD04147052	MAGNUM ASSEMBLY INC.	1915 KRAMER LN. AUSTIN, TX 78758	0.57 N	No	Distance
41	RCRA_CERCLA	TXD000633982	J PICKLE RESEARCH CAMPUS	10100 BURNET RD AUSTIN, TX 78758-4445	0.97 NW	No	Distance
42	SEMS	TXD000633982	UNIVERSITY OF TEXAS BALCONES RES.	10100 BURNET ROAD AUSTIN, TX 78701	0.97 NW	No	Distance
43	SEMS	TXD980624878	AUSTIN CITY OF KRAMER LANE STORAGE UNIT	2412 KRAMER LANE AUSTIN, TX 78758	0.97 N	No	Distance

### Summary of Critical Identified Sites

The southeast adjoining property across Golden Meadow Drive, addressed as 1822 Rutland Drive under the names Conoco Phillips, Former Conoco Phillips 2782485, Speedy Stop 204 and 7-Eleven Store 36561, is a registered Underground Storage Tank (UST) facility, a Release Determination Report (RDR) submittal site and a Leaking Petroleum Storage Tank (LPST) site.

- Three 10,000 gallon gasoline USTs were reported to have been installed at this facility prior to September 1986 and were removed from the ground in March 2018. A 20,000 gallon gasoline UST and a 20,000 gallon UST with 8,000 gallon gasoline and 12,000 gallon diesel compartments were installed at this facility in May 2018 and are currently in use.
- Compliance investigations were conducted at this facility in July 2010, April 2013, February 2016 and September 2017. A petroleum product release was discovered at this facility during a due diligence related sub-surface investigation conducted in August 2004. This facility was issued an LPST case number in response to the discovered petroleum product impact. Subsequent soil and groundwater investigation activities and multiple groundwater monitoring events were conducted as a part of LPST response and characterization actions. The TCEQ issued a "No Further Action" letter for this site in November 2010 based on closure of exposure pathways. The groundwater monitoring well located in closest proximity to the subject property (MW-6) did not exhibit concentrations of impact from petroleum products at concentrations above regulatory action limits during the most recent groundwater monitoring event conducted in May 2010.
- A release determination investigation was initiated at this facility in October 2012 due to SIR records indicating that fuel reconciliation was out of variance for an unleaded gasoline UST. A deficiency was noted in connection with the investigation in December 2012 and no documentation regarding follow-up activities was available for review.
- A release determination investigation was conducted at this facility in connection with removal of USTs in March 2018. USTs and impacted tank pit soils were removed and disposed of off-site. No impact from petroleum products was detected in tank pit soils or tank pit water at concentrations in excess of limits previously established by LPST closure conditions in November 2010. The TCEQ issued a "No Further Action" letter for the UST removal related investigation in August 2018 indicating that no release had occurred in excess of established LPST closure conditions for this site.

The southwest adjoining property across Rutland Drive, addressed as 1901 Rutland Drive under the name Masters Automotive, is a registered Underground Storage Tank (UST) facility. A gasoline UST of approximately 10,000 gallons was reported to have been installed at this facility prior to August 31, 1987 and was removed from the ground in May 1990. Release determination investigation activities conducted in connection with removal of the UST did not detect a release in excess of regulatory action limits. No groundwater is reported to have been encountered or sampled during the investigation. The Texas Water Commission (TWC, now the TCEQ) issued a "No Further Action" letter for removal of the UST in July 1990. No documentation was available upon request from the TCEQ detailing the results of the UST removal related release determination investigation. This is a data gap.

**ESPERO AUSTIN AT RUTLAND  
AUSTIN, TEXAS**

**ATTACHMENT TABS**

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**Attachment 5 – Property Info**

**5f. SHPO**

N/A