

## Executive Summary/Project Proposal

Guadalupe Neighborhood Development Corporation (GNDC) is dedicated to use its resources exclusively for charitable and educational purposes related to the development and rehabilitation of high-quality affordable housing for low to moderate income families. GNDC also works for the improvement, revitalization and preservation of the residential neighborhood. GNDC is committed to respect the people it serves and is dedicated to improve the quality of life in the neighborhoods where it works.

This request for OHDA funds is for the site work and construction costs necessary to build 32 affordable homes to be completed through two phases of construction for Ada Anderson Village. Ada Anderson Village is the homeownership portion of the Norman Commons collaborative development between Foundation Communities, GNDC, and Austin Housing Finance Corporation (AHFC).

AHFC will donate 1.97 acres of land to the GNDC Community Land Trust (CLT). A Community Land Trust designation will be applied to all homeownership units. The CLT will allow the land to be valued very low and constant and the home gets valued at initial sales price and subsequent fixed resale price. GNDC will have the right of first refusal and intends to be the buyer whenever a CLT home gets sold. This model will ensure continued affordability and stewardship of these units for the benefit of the surrounding neighborhood.

In the CLT, the homes will be sold to eligible buyers and the related land will be leased through a ground lease to the home buyers for a term of 99 years. 8 homes will be sold to households below 60% AMI, and 24 homes will be sold to households between 60% to 80% AMI. GNDC prioritizes tenants and people with generational ties to East Austin for their homeownership program.

This application is for Phase 1 costs for sitework and the first half of the units to be built. The number indicated in the "previous requests" line is actually for the future request for Phase 2. The Development timeline is for Phase 1 to be completed.

## Project Summary Form

1) Project Name Ada Anderson Place	2) Project Type 100% Affordable	3) New Construction or Rehabilitation New Construction
4) Address(s) or Location Description 3801 Tannehill Lane 78721		5) Mobility Bond Corridor East MLK/FM 969
6) Census Tract 22.1	7) Council District District 1	8) Elementary School NORMAN EL
9) Affordability Period 99 Years		
10) Type of Structure Single Family	11) Occupied? No	12) How will funds be used? Construction

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

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (+) Bedroom	Total
Up to 20% MFI						0
Up to 30% MFI						0
Up to 40% MFI						0
Up to 50% MFI						0
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>

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

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (+) Bedroom	Total
Up to 60% MFI			5	3		8
Up to 80% MFI			3	17	4	24
Up to 120% MFI						0
No Restrictions						0
<b>Total Units</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>20</b>	<b>4</b>	<b>32</b>

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

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

Accessible Units for Sensory Impairments			
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**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?

No

17) Is the property within 1/4 mile of a High-Frequency Transit Stop?

No

18) Is the property within 3/4 mile of Transit Service?

Yes

19) The property has Healthy Food Access?

No

**20) Estimated Sources and Uses of funds**

**Sources**

Debt	6,540,000
Equity	390,000
Grant	100,000
Other	1,778,685
Deferred Developer Fee (not applicable for OHDA)	
<b>Previous AHFC Funding</b>	<b>2,869,972</b>
<b>Current AHFC Request</b>	<b>3,199,222</b>

**Total \$ 14,877,879**

**Uses**

Acquisition	1,778,685
Off-Site	
Site Work	1,050,000
Sit Amenities	
Building Costs	10,587,280
Contractor Fees	349,118
Soft Costs	240,000
Financing	
Developer Fees	872,796

**Total \$ 14,877,879**

## Development Schedule

	Start Date	End Date
<b>Site Control</b>	Jan-22	Mar-23
Acquisition	Dec-24	
Zoning	Mar-23	Mar-23
Environmental Review	Jan-22	Jan-22
<b>Pre-Development</b>	Nov-23	Jul-25
Contract Execution	Mar-25	
Closing of Other Financing	Mar-25	
Development Services Review	Nov-23	Jul-25
<b>Construction</b>	Apr-25	Jun-26
Site Preparation	Apr-25	Nov-25
25% Complete	Feb-26	
50% Complete	Mar-26	
75% Complete	May-26	
100% Complete	Jun-26	
<b>Marketing</b>	Jun-25	Jun-26
Pre-Listing	Jun-25	Jun-26
Marketing Plan	Jun-25	Jun-26
Wait List Process	Jun-25	Jun-26
<b>Disposition</b>	Jul-26	Aug-26
Lease Up	Jul-26	Aug-26
Close Out	Aug-26	Aug-26

1  
2  
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8  
9



## Development Budget

	Total Project Cost	Requested AHFC Funds	Description
<b>Pre-Development</b>			
Appraisal			
Environmental Review			
Engineering	60,000		
Survey			
Architectural	180,000		
<b>Subtotal Pre-Development Cost</b>	\$240,000	\$0	
<b>Acquisition</b>			
Site and/or Land	1,778,685	10,000	
Structures			
Other (specify)			
<b>Subtotal Acquisition Cost</b>	\$1,778,685	\$10,000	
<b>Construction</b>			
Infrastructure			
Site Work	1,050,000	800000	
Demolition			
Concrete			
Masonry			
Rough Carpentry			
Finish Carpentry			
Waterproofing and Insulation			
Roofing and Sheet Metal			
Plumbing/Hot Water			
HVAC/Mechanical			
Electrical			
Doors/Windows/Glass			
Lath and Plaster/Drywall and Acoustical			
Tiel Work			
Soft and Hard Floor			

Paint/Decorating/Blinds/Shades			
Specialties/Special Equipment			
Cabinetry/Appliances			
Carpet			
Other (specify)	10,587,280	4,047,280	All Hard costs
Construction Contingency	349,118	349,118	
<b>Subtotal Construction Cost</b>	\$11,986,398	\$5,196,398	
<b>Soft &amp; Carrying Costs</b>			
Legal			
Audit/Accounting			
Title/Recordin			
Architectural (Inspections)			
Construction Interest			
Construction Period Insurance			
Construction Period Taxes			
Relocation			
Marketing			
Davis-Bacon Monitoring			
Developer Fee	872,796	872,796	
Other (specify)			
<b>Subtotal Soft &amp; Carrying Costs</b>	\$872,796	\$872,796	
<b>TOTAL PROJECT BUDGET</b>	\$14,877,879	\$6,079,194	

2,879,972

## Projected Affordability Data for Home Sales (OHDA)

	Unit Model 1	Unit Model 2	Unit Model 3	Unit Model 4	Unit Model 5
Number of Units	5	3	17	3	4
Number of Bedrooms	2	2	3	3	4
Square Footage	1228	1228	1584	1584	1655
Anticipated Sale Price	\$210,000	\$240,000	\$248,800	\$235,000	\$280,800
Borrower Contribution	\$0	\$0	\$0	\$0	\$0
Homebuyer Subsidy	\$40,000	\$40,000	\$15,000	\$40,000	\$40,000
Total Principal Amount of Mortgage	\$170,000	\$200,000	\$233,800	\$195,000	\$240,800
Anticipated Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Monthly Principal Amount	\$1,075	\$1,265	\$1,475	\$1,235	\$1,522
Monthly Interest	\$0	\$0	\$0	\$0	\$0
Estimated Monthly Taxes	\$200	\$200.00	\$225.00	\$200.00	\$275.00
Estimated Monthly Insurance	\$80.00	\$80.00	\$90.00	\$90.00	\$100.00
<b>TOTAL Estimated PITI</b>	<b>\$1,355</b>	<b>\$1,545</b>	<b>\$1,790</b>	<b>\$1,525</b>	<b>\$1,897</b>

Project Name	Ada Anderson Place	
Project Type	100% Affordable	
Council District	District 1	
Census Tract	22.1	
Prior AHFC Funding	\$2,869,972	
Current AHFC Funding Request Amount	\$3,199,222	
Estimated Total Project Cost	\$14,877,879	
High Opportunity	No	
High Displacement Risk	NO	
High Frequency Transit	No	
Imagine Austin	No	
Mobility Bond Corridor	East MLK/FM 969	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	0	# of rental units at < 30% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	0%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 50%, max of 75
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	0	# of rental units at < 50% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	0%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 25%, max of 75
< 60% MFI	8	# of units for purchase at < 60% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	0%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	1	% of annual goal * units * 50%, max of 75
< 80% MFI	24	# of units for purchase at < 80% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% of City's affordable housing goal near high frequency transit
Imagine Austin	0%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	1	% of annual goal * units * 25%, max of 75
Unit Score	1	MAXIMUM SCORE = 300
INITIATIVES AND PRIORITIES		
Continuum of Care	0	Total # of units provided up to 100 per year
Continuum of Care Score	0	(total CoC Units/100 + HF Units/50)*20
Access to Healthy Food	No	Within 1 Mile of Healthy Food (City GIS)
Continuum of Care Weighted Score	0	Mobility, Access to Jobs, Community Institutions, Social Cohesion
2 Bedroom Units	8	Total Affordable 2 Bedroom units
3 Bedroom Units	20	Total Affordable 3 Bedroom units
4 Bedroom Units	4	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	20	Multi-bedroom Unit/Total Units * 20
TEA Grade	86	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	9	Educational Attainment, Environment, Community Institutions, Social Cohesion, E
Accessible Units	3	mobility and sensory units
Non-PSH, Non-Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	2	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	32	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	41%	% of total project cost funded through AHFC request
Leverage Score	6	3 points per 5% reduction in leverage below 50% (max 30)
AHFC Per Unit Subsidy (including prior amounts)	\$189,662	Amount of assistance per unit
Subsidy per unit score	1	(\$200,000 - per unit subsidy)*25/\$200,000
AHFC Per Bedroom Subsidy	\$65,970	Amount of assistance per bedroom
Subsidy per Bedroom Score	17	(\$200,000 - per bedroom subsidy)*25/\$200,000
Debt Coverage Ratio (Year 5)	0.00	Measured at the 5 Year mark
Debt Coverage Ratio Score	0	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	24	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	57	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		

Ada Anderson Village/Tannehill  
Guadalupe Neighborhood Development Corporation  
OHDA Application Attachment Tabs

# 1. Applicant Entity

## Developer's Experience

GNDC is a 501(c)(3) Texas non-profit corporation with nearly 40 years of service as an affordable housing provider to families from East Austin. Since its formation in 1981, GNDC has rehabilitated over 100 homes and has made home owners of over 70 families, including 28 homeowners in its Community Land Trust (CLT) program. GNDC also offers an ongoing rental program of more than 180 units that provide high quality, long-term affordable housing units to families and special needs populations such as the elderly, disabled, and single-parent households from GNDC's service area. GNDC provides property management services for all of its rental housing and has done so since the organization's inception.

GNDC is widely regarded as the most effective and active neighborhood development corporation in Austin and has moved to a leading position among the builders of "green" housing in Austin. GNDC has received many awards in recognition of its benefits to Austin and Central Texas. GNDC's achievements are best exemplified by the successful preservation of community character and neighborhood integrity in light of dramatic changes that include commercial encroachment, steady gentrification and rising property taxes that are displacing the historically Hispanic and African American families that have lived in Central East Austin. GNDC is one of a handful of Community Housing Development Organizations (CHDO) in Austin that meets specific requirements for development expertise, board membership, and community representation.

GNDC is one of few nonprofits helping low to moderate income families become homeowners in the city. GNDC pioneered its Community Land Trust Program in 2012, the first in Texas, and now has 28 CLT homeowners in the program. CLT homeownership creates long-term, stable, affordable housing. Because the land is owned by GNDC and the home has restricted resale value, the homeowner is largely exempt from rapidly rising property taxes. GNDC oversees and manages the property tax process and ensures long-term care of the home through a Stewardship Fund that escrows a small monthly payment used for eventual repairs and maintenance. To date, none of GNDC's CLT homeowners has defaulted on their mortgage. GNDC also works to ensure homes are as energy efficient as possible and has worked with Austin Energy to receive rebates on solar panels and other green components for the CLT homes, making them even more affordable to owners.

GNDC has developed project management, market analysis, site selection and control, planning and construction experience and skills throughout its nearly forty years of existence. GNDC partners with equally experienced architects, engineers, and other development team members for its housing projects. All architects have extensive experience and are leaders in the field of green building and historic preservation. GNDC works to ensure projects are as energy efficient as possible and has worked with Austin Energy to receive rebates on solar panels and other green components for a significant portion of its new construction and rehab projects.



## 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 GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION (file number 55666001), a Domestic Nonprofit Corporation, was filed in this office on April 06, 1981.

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 November 03, 2020.



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

Ruth R. Hughs  
Secretary of State



GNDCC

Guadalupe Neighborhood Development Corporation

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**Supporting affordable housing in East Austin since 1981.**

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**The Guadalupe Neighborhood Development Corporation (GNDC)** dedicates its resources to the development of high quality affordable housing for very low to moderate income persons.

We work for the improvement, revitalization and preservation of the residential neighborhoods within our East Austin service area, giving highest priority to families with generational ties to the Guadalupe target neighborhoods.

For over 40 years, **GNDC** has been developing and managing high quality, affordable rental and ownership properties in East Austin. It currently owns and manages sixty-four single-family properties, two multi-family family properties and operates 30 Community Land Trust properties.



# Jeremiah Program Moody Campus

**GNDC** opened thirty-five units of supportive and transitional housing for single parents with preschool age children at 1200 Paul Teresa Saldana Street in the *Guadalupe-Saldana Net-Zero Subdivision* in 2017.

In partnership with Jeremiah Program Austin, the *Jeremiah Program Moody Campus* provides highly affordable apartments, a fully licensed child development center, life-skills training and educational support in order to move families out of poverty two generations at a time.

This \$7 million project was developed from private fundraising in partnership with the Jeremiah Program. GNDC raised \$2 million from the City of Austin Housing Finance Corporation.

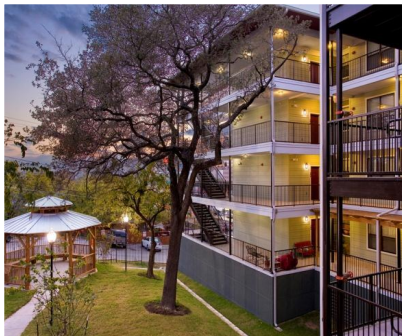




## La Vista de Guadalupe

In August of 2008, **GNDC** completed construction of La Vista de Guadalupe, an affordable multifamily housing project that sits prominently on top of a hill on 8th street, directly behind the French Legation Museum, and offers a stunning view of downtown Austin. There are twenty two units in total and units range from one-bedroom, two-bedroom, and three-bedroom. All units are equipped with nine foot ceilings, dishwashers, and washers and dryers.

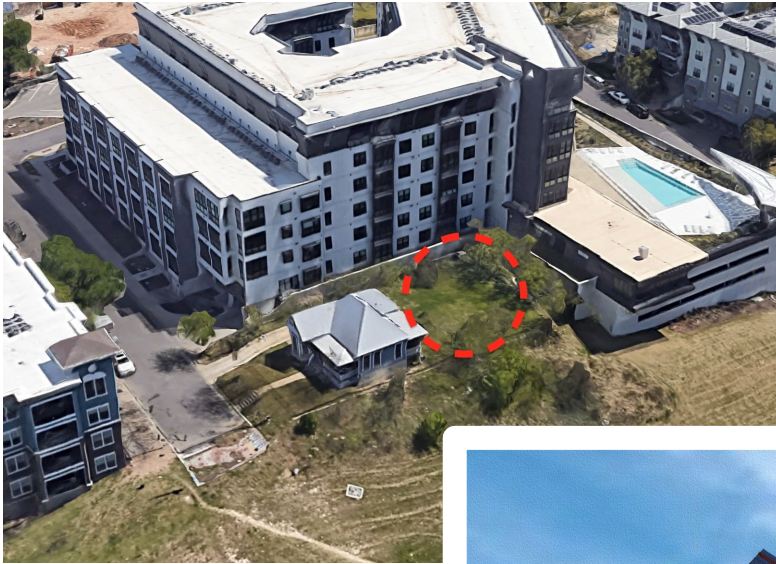
*La Vista de Guadalupe* provides 22 extremely affordable rents. It has 3 units for households earning from up to 30% Median Family Income (MFI), 15 units for folks earning up to 50% MFI, and 4 units for households earning up to 60% MFI.



This Low Income Housing Tax Credit project was made possible by the [Texas Department of Housing & Community Affairs](#), which awarded GNDC over three million dollars in 9% tax credits. The [Austin Housing Finance Corporation](#), [Wells Fargo Bank](#), and the [Meadows Foundation](#) provided additional funding. GNDC donated the land and is now in full ownership of the development 15 year slater.



# La Vista de Lopez

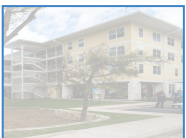


GNDC closed on financing for La Vista de Lopez in July of 2023. This HUD 202 Senior Housing Project will serve 27 low-income seniors with affordable housing and on-site services provided by Family ElderCare.

8 of the units will serve household earning up to 30% MFI, and 5 of those units are reserved for qualified individuals receiving or eligible for Medicaid Long-Term Services and Supports. The remaining 19 units will serve households earning up to 50% MFI.

This \$17 million project is a 4% Low Income Housing Tax Credit Project with Private Activity Bonds induced by the Texas State Affordable Housing Corporation (TSAHC) with support from the Austin Housing Finance Corporation, U.S. Department of Housing and Urban Development, Texas Department of Housing and Community Affairs, and multiple community foundations.

La Vista de Lopez will complete construction and open in Spring of 2025.

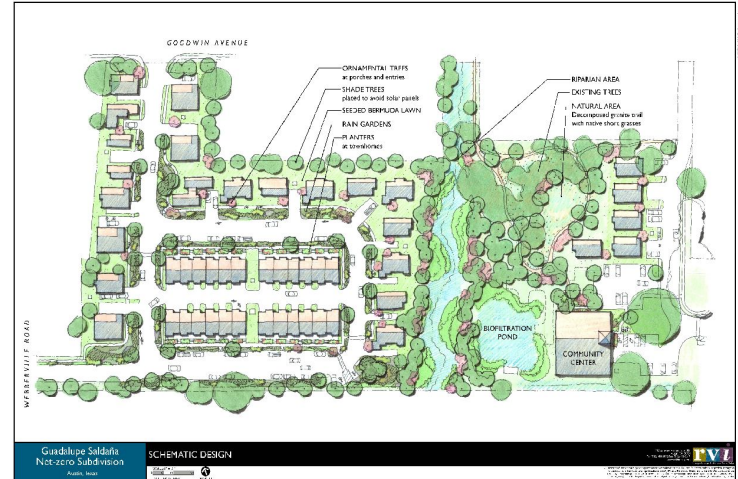




# Guadalupe-Saldana Net-Zero Subdivision

The GSNZ Subdivision will ultimately include 125 units of "super-green homes" that merges sustainable design and supportive social services with affordable rental and homeownership homes. The Enterprise Green Community certified development is a transformed brownfield site with 30 Community Land Trust (CLT) homes, 8 very-low income duplexes, and 9 CLT homes under construction, plus a small park and community center.

The site will include an additional 42 units of CLT housing that are under pre-development. The subdivision is made possible through the support from the Austin Housing Finance Corporation, Texas Department of Housing and Community Affairs, Enterprise Community Partners, Wells Fargo, Kresge Foundation, Cynthia and George Mitchell Foundation, Wells Fargo Bank, Bank of America, BBVA Compass, and Shelter with Spirit, as well as Austin Energy and the Austin Brownfield Office.



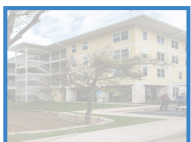
# City of Austin Homeownership Partnerships

**GNDC** has been awarded 2 lots owned by the City of Austin for the development of affordable homeownership in its Community Land Trust Program. GNDC has a total of 59 units under pre-development, ready for site work, in its City of Austin Homeownership Pipeline.

Johnny Limon Village will be 27 units of CLT homeownership, 20 for households up to 80%MFI, and 7 for households up to 60% MFI.

Ada Anderson Village will be 32 affordable CLT units of homeownership in the CLT program, and is being developed in partnership with GNDC's multifamily development partner Foundation Communities.

GNDC's CLT program is supported by The Meadows Foundation, Wells Fargo, the Reissa Foundation, and Enterprise Communities.



# GNDC Staff + Board

## GNDC STAFF

Mark Rogers, Ph.D. – Executive Director

Rachel Stone – Assistant Executive Director

Sophia Checa – Project Manager

Cristina Guajardo – Administrative Coordinator

Yolanda Alemán-Limón – Property Manager

Linda Rodriguez – Assistant Property Management

## CONSULTANTS

Marla Koosed – Financial Manager

## GNDC BOARD

Joseph A. Martinez – President

Enrique Gil – Director

Michael Guajardo – Vice President

Marla Torrado – Director

Jesse Hernandez – Treasurer

Bino Cadenas – Director

Candace Fox – Secretary

Margie Verdin – Director





# Mark C. Rogers, Ph.D.

Mark@guadalupendc.org



## Areas of expertise

**Nonprofit residential development, affordable housing, green building, partnership development**

## Experience

**Executive Director, Guadalupe Neighborhood Development Corporation** 1994-Present

- Leads the growth of Guadalupe Neighborhood Development Corporation while focusing on its mission of preserving the residential character of, and prioritizing the households with ties to, the neighborhoods where it works.
- Oversees the operations and growth of the corporation while minimizing debt. 78% of GNDC's operating budget is generated by rental income.
- Oversees the development projects which include the 11-acre Guadalupe-Saldana Net-Zero Subdivision planned for 125 units of affordable, green housing, a growing portfolio of Community Land Trust homes, and the management of 105 rental units, and a variety of scattered site development initiatives.
- Coordinates partnerships and collaborations for various initiatives, including the Alley Flat Initiative with the University of Texas School of Architecture's Center for Sustainable Development and the Austin Community Design and Development Center and the Jeremiah Program Moody Campus with the Jeremiah Program Austin.
- Supervises development staff regarding grant and financing applications.
- Manages the design and programming of the development of new properties.
- Oversees compliance requirements to ensure the funding requirements for various projects.
- Manages the corporations and partnership assets and develops budgets for each.

## **Private Consultant**

**2004-Present**

Works with several nonprofit and for-profit developers on a variety of projects including small subdivisions and infill rental and ownership projects.

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## PROJECTS LIST & COMPLETION DATE

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|---|---|
| • GNDC Exterior Rehab Project, 16 rental units, 1994            | • 807 Waller Community Land Trust home, 2014                              |
| • Major Interior Rehab Project, 18 rental units, 1996           | • Guadalupe-Saldana Net-Zero, 125 units. Rental & ownership 2005-ongoing: |
| • Montopolis Good Neighbor Program, 6 lease-to-own Rehabs, 1999 | • 4 Duplex Project. 8 new rental units, 2013                              |
| • Guadalupe Area Infill Project, 17 new homes, 2004             | • Rainey Street Relocation, 4 rehab homes, 2014                           |
| • Guadalupe HIP 2000, 9 rental units, new and rehab, 2003       | • Jeremiah Program Moody Campus. 35 new multifamily rental units, 2017    |
| • RHDA Rental Infill Project, 7 new rental units, 2007          | • Father Joe Znotas Street Phase II, 8 CLT ownership, 2018                |
| • La Vista de Guadalupe, 22 LIHTC rental units, 2008            | • Father Joe Znotas Street Phase III, 4 CLT ownership, 2018               |
| • SOL Rental Project, 8 rental units, Acquisition, 2009         | • RHDA Scattered Infill. 7 rental units. 2019                             |
| • SOL Ownership Project, 6 Home ownership shared equity, 2010.  |   |
| • 1313 Willow Community Land Trust home, 2012                   |   |

# Rachel R. Stone

| Rachel@guadalupendc.org

## EMPLOYMENT EXPERIENCE:

**Assistant Executive Director, GNDC, *Austin TX*, 2018-Present**

- Development of Strategic Partnerships and Fundraising Relationships.
- Development of Affordable housing through completion of SMART Housing and Zoning Applications.
- Community outreach and engagement.

**Program Development Manager, ICAST, *Austin TX/Denver CO*, 2015-Present**

- Developed and managed financing, youth development and clean energy programs for a 501(c)3 national nonprofit dedicated to green rehab and preservation of multifamily affordable housing;
- Provide legal, technical assistance, research, and policy analysis on best practices for executing energy, affordable housing, workforce development, health, and financing programs;

**Policy Coordinator, SPEER, *Austin TX*, 2014**

- Coordinated and streamlined collaboration between Austin and other local Texas governments' energy efficiency initiatives through a City Energy Leadership Council.
- Drafted and edited model resolution, contract, application and provided technical assistance for cities and counties to use in the establishment of local Property-Assessed Clean Energy (PACE) programs.
- Researched and drafted extensive policy papers; organized and led webinars, workshops, and panels.

**Clean Energy Attorney, Environment Texas, *Austin TX*, 2013–2014**

- Led advocacy efforts expanding policies to promote solar power, wind power, and energy efficiency at the local and state level in Texas.
- Drafted and published research and policy fact sheets, developed media campaigns and coalitions, provided outreach and coordination of grassroots organizing.

**Staff Attorney, U.S. Dept. Housing & Urban Development, *Fort Worth TX*, 2011-2013**

- Provided research, counseling and written memoranda to resolve legal and regulatory questions regarding fair housing, community development grants, and government ethics.
- Assisted FEMA on disaster response, improved collaboration with outside agencies and government grantees, and proactively identified training and improvement needs within agency.

## RELATED CLINICS & INTERNSHIPS:

**Student Attorney, UT Community Development Clinic, *Austin TX*, 2010–2011**

**Law Clerk, Lower River Colorado Authority, *Austin TX*, 2010**

**Law Clerk, Texas Civil Rights Project, *Austin TX*, 2009**

**GIS Technician, City of Austin Watershed Protection, *Austin TX*, 2006–2007**

**Intern for the Mayor's Staff, City of New Haven City Hall, *New Haven CT*, 2005**

**Neighborhood Services Intern, Providence City Hall, Providence RI, 2004**

## COMMUNITY ENGAGEMENT:

**Treasurer, Solar Austin Board of Directors, *Austin TX*, 2014-Present**

**Executive Committee Member, Austin Housing Coalition, *Austin TX*, 2017-Present**

**Vice President, Artstillery Board of Directors, *Dallas TX*, 2017-Present**

**Affordable Housing Group Chair, 2018 Bond Election Advisory Task Force, *Austin TX*, 2016-2018**

## LICENSURE & EDUCATION:

**Texas State Bar Admission, 2011**

**J.D., The University of Texas School of Law, 2011 *Austin TX***

- Justice Center Award Recipient for Extraordinary Commitment to Public Service, 2011
- UT Center for Public Policy and Dispute Resolution Mediation Certification, 2010
- Related coursework: Administrative Law, Community Development Clinic, Regulation & Public Policy, Land Use Regulation, Property & Governance

**B.A., Brown University, 2006 *Providence RI***

- Double Major: Urban Studies & Literary Arts

# SOPHIA CHECA

## CONTACT ME

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## ACCOMPLISHMENTS

### City of Solvang

- Worked with the Building Department to increase the efficiency of processing projects through the Planning and Building Divisions
- Established the first orientation for the Planning Commission and Design Review Committee

### Texas Homeless Network

- Increased the amount of Continuum of Care Program funding in the Texas Balance of State Continuum of Care by \$2,765,333, or 38%, from 2018 to 2019
- Reorganized, de-centralized power, and expanded the team to better serve our partners across the Texas Balance of State Continuum of Care
- Promoted to Chief Operations Officer, a new position at the agency, for exemplary work standardizing and streamlining internal processes

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## OTHER SKILLS

- Spanish-speaking
- Policy development
- Creative problem solving
- Public speaking

## WORK EXPERIENCE

### PROJECT MANAGER

Guadalupe Neighborhood Development Corporation |  
July 2023 – Present

### PLANNING MANAGER

City of Solvang | October 2022 – July 2023

### ASSISTANT PLANNER

City of Solvang | September 2021 – October 2022

### CHIEF OPERATIONS OFFICER

Texas Homeless Network | September 2020 –  
September 2021

### DIRECTOR OF CONTINUUM OF CARE PROGRAMS

Texas Homeless Network | September 2018 –  
September 2020

### ASSISTANT DIRECTOR OF CONTINUUM OF CARE PROGRAMS

Texas Homeless Network | June 2017 – September 2018

### SYSTEMS CHANGE COORDINATOR

Texas Homeless Network | November 2013 – June 2017

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## EDUCATION HISTORY

### UNIVERSITY OF TEXAS AT AUSTIN

#### LBJ SCHOOL OF PUBLIC AFFAIRS

Master of Public Affairs, May 2012

- Nonprofit Studies Certificate
- 2011 Spirit of LBJ Award Recipient

### UNIVERSITY OF CALIFORNIA, BERKELEY

Bachelor of Arts – Political Science, December 2008

# YOLANDA ALEMÁN-LIMÓN

---

**EXPERIENCE:**    **Property Manager**    October 1, 2003 – Present

***Guadalupe Neighborhood Development Corporation***

- Receive all correspondence in person, telephone, mail, e-mail and fax
- Receive and record receipts for rental payments for 71 GNDC properties and La Vista de Guadalupe apartment complex
- Receive and receipt payments for 3 mortgage properties.
- Prepare and issue payments for all bills, including taxes, insurance premiums, maintenance and repair of properties, following the established procurement policies.
- Files kept in appropriate settings and locations to accommodate access by authorized Board, Staff, Auditors, Funding Providers, and Investors.
- Collect necessary income information from applicants and from new and existing tenants to determine eligibility for certification or re-certification in various programs.
- Oversee compliance with Federal, State and City guidelines and regulations in accordance to Low-Income Housing Tax Credit; HOME and RHDA programs.
- Prepare new and renewal leases.
- Manage move-out and move-in process.
- Prepare and deliver notices for late rent, late mortgage, lease violations and eviction.

**Senior Patient Account Representative**

February 1993 - September, 2009

***City of Austin, Health and Human Services***

- Insured Billing and Collection of all first, second and third party billing.
- Verified insurance data from Medicaid Software for accuracy and completeness.
- Managed appeals for Medicaid, Medicare and HMO's in a timely manner
- Managed patient accounts to verify insurance or guarantor payer paid for services rendered.
- Contacted appropriate clinic sites by e-mail, fax or phone
- Managed itemized billing statements for Law Firms and other professional agencies.
- Collected and applied fees for the itemized statements.
- Directed 6 co-workers, served as Acting-Supervisor when needed.

**Senior Administrative Clerk**

October 1985 - February 1993

***City of Austin, Woman and Children (WIC) Program***

- Interviewed clients to ensure eligibility for State and City guidelines.
- Explained program to clients and issued WIC coupons.
- Translated for Spanish-speaking clients.
- Maintained and documented weekly inventory of coupons.
- Prepared reports for State and Federal agency departments.

**EDUCATION:**    **G.E.D Austin Community College, Austin, Texas**

1985

**SKILLS:**    **Bilingual in Spanish, Proficient in Microsoft Word, bookkeeping, and accounting**



# LINDA RODRIGUEZ

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## PROFESSIONAL EXPERIENCE

### Assistant Property Manager

Guadalupe Neighborhood Development Corporation - Austin, TX

May 2018 - Present

- Receive and record rental and fee payments for the Guadalupe-Saldana Net Zero Subdivision duplexes, apartments and Community Land Trust homes.
- Coordinate and oversee vendor contracts for repairs, cleaning, and waste management.
- Income verification and eligibility certification for rental applications.
- Customer service and program coordination with the Jeremiah Program.
- Manage compliance with Federal, State, and City program guidelines and regulations
- Prepare new and renewal leases, manage move-in and move-out processes, and deliver all notices to tenants regarding the property and their lease contracts.

### Senior Claims Analyst/Appeals Adjustor

Covenant Management Systems - Austin, TX

July 1998 - June 2017

- Researched and analyzed claims for potential recovery of claims paid in error.
- Processed medical claims for HMO/PP0/3rd party carriers, Government Chip & STAR.
- Responsible for refund checks and investigated causes of over payments.
- Assisted with cross training of new analysts regarding procedures and programs.
- Reviewed claims for appropriate for payment, denial, or requesting for information.
- Analyzed and provided timely responses to provider and member claims complaints.
- Documented, investigated and resolved member complaints regarding quality of care.
- Gathered and analyzed data to make quality improvement to policies and procedures.
- Provided performance metrics via auditing tools and reports.

### Accounts Payable/Receivable Department

Austin Regional Clinic - Austin, TX

January 1998 - July 1998

- Responsible for processing of accounts payable invoices to ensure the prompt payment of vendor while compiling with Company's polices.
- Issued Payments within 30 days and utilized internal computer software (Oracle).
- Responsible for printing daily checks and mailing payments.
- Completed file management for all invoices within a timely manner.
- Software: Mediview, EZ Cap, Virtual Examiner and Grievance and Appeal software.
- Worked with Customer Service, Authorization, Contracting and Eligibility Departments.

## PROFESSIONAL SKILLS

HIPPA Compliance; Receiving Payments; Refund Checks; Billing; Eligibility Processing; Contracting; Clerical Support; Data Archiving; Customer Service; MS Excel/ Outlook.

## EDUCATION

Accounting Certification, Mansfield Business School –Austin, TX

1990

Internal Revenue Service  
District Director

Department of the Treasury

FEB 9 1983

Date: FEB 04 1983

Employer Identification Number:

74-2247265

Accounting Period Ending:

OCTOBER 31

Foundation Status Classification:

170(b)(1)(A)(vi) and 509(a)(1)

Advance Ruling Period Ends:

OCTOBER 31, 1986

Person to Contact:

EO TECHNICAL ASSISTOR

Contact Telephone Number:

(214) 767-2728

EO:7215:WHJ

▷ GUADALUPE NEIGHBORHOOD DEVELOPMENT  
CORPORATION  
1212 EAST 9TH STREET  
AUSTIN, TX 78702

Dear Applicant:

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

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in section 170(b)(1)(A)(vi) and 509(a)(1).

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

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

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section 509(a)(1) organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

1100 Commerce St., Dallas, Texas 75242

(over)

Letter 1045(DO) (6-77)



If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

Generally, you are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. If you have paid FICA taxes without filing the waiver, you should call us. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

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

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

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than \$10,000.\* If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

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

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

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

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

cc: JAMES W. PIPER

ENCLOSURE: 872-C

Sincerely yours,



R. C. Voskuil  
District Director

For tax years ending on and after December 31, 1982, organizations whose gross receipts are not normally more than \$25,000 are excused from filing Form 990. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990.

Letter 1045(DO) (6-77)



**Department of the Treasury  
Director, Exempt Organizations**

**Internal Revenue Service  
P.O. Box 2508  
Cincinnati, OH 45201**

**Date:** MAY 24 2000

Guadalupe Neighborhood Development  
Corporation  
1113 E 9th St.  
Austin, TX 78702

**Employer Identification Number:**  
74-2247265

**Document Locator Number:**  
310069476EO

**Contact Person - ID Number:**  
Mr. Evans - 31-02826

**Contact Telephone Number:**  
(877) 829-5500 Toll-Free

**Our Letter Dated:**  
October, 1986

**Addendum Applies:**  
No

Dear Sir or Madam:

We have received your correspondence dated February 23, 2000, which includes Form 8734.

Since your organization was issued its determination letter, the Internal Revenue Code has been revised and organizations exempt under 501(c)(3) are classified as either private foundations or public charities described in 509(a). Our records do not indicate that we have made this determination for your organization.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

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

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Steven T. Miller  
Steven T. Miller  
Director, Exempt Organizations

Letter 1050 Modified (DO/CG)





# Montemayor Britton Bender PC

CERTIFIED PUBLIC ACCOUNTANTS

## **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

### CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

31 DECEMBER 2022 AND 2021

## **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

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**Montemayor Britton Bender PC**  
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management  
Guadalupe Neighborhood Development Corporation

**INDEPENDENT AUDITOR'S REPORT**

**Opinion**

We have audited the accompanying consolidated financial statements of Guadalupe Neighborhood Development Corporation (GNDC), a nonprofit organization, which comprise the consolidated statement of financial position as of 31 December 2022, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of GNDC as of 31 December 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GNDC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

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



In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GNDC's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GNDC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about GNDC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards (page 31), as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental schedule of Community Land Trust sources and uses of funds (page 34) is presented for additional analysis as required by Texas property tax code 11.1827, and is also not a required part of the consolidated financial statements. The supplemental financial statements of Guadalupe Jeremiah LP (pages 24-25), schedule of consolidating statement of financial position (page 35) and schedule of consolidating statement of activities (page 36) are presented for additional analysis, and are also not a required part of the consolidated financial statements. The schedule of expenditures of federal awards, the supplemental schedule of Community Land Trust sources and uses of funds, the supplemental financial statements of Guadalupe Jeremiah LP, the schedule of consolidating statement of financial position, and the schedule of consolidating statement of activities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the supplemental schedule of Community Land Trust sources and uses of funds, the supplemental financial statements of Guadalupe Jeremiah LP, the schedule of consolidating statement of financial position, and the schedule of consolidating statement of activities are fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated 26 May 2023 on our consideration of GNDC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of GNDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GNDC's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Montoya Smith Bender PC". The signature is written in a cursive, flowing style.

26 May 2023  
Austin, Texas

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$524,695	\$982,769
Current portion of notes receivable	5,100	5,100
Grants receivable	0	250,000
Prepaid insurance and other	<u>86,223</u>	<u>69,212</u>
	<u>616,018</u>	<u>1,307,081</u>
<b>NONCURRENT ASSETS</b>		
Real estate held for sale	194,850	0
Long-term portion of notes receivable	3,016,264	3,022,566
Long-term interest receivable	1,618,423	1,515,743
Fixed assets	3,790,902	2,750,169
Rental real estate	<u>10,580,276</u>	<u>11,016,833</u>
	<u>19,200,715</u>	<u>18,305,311</u>
	<u><u>\$19,816,733</u></u>	<u><u>\$19,612,392</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$119,044	\$0
Accrued liabilities and deferred revenue	243,176	299,313
Retainage payable	97,267	0
Current portion of notes payable	<u>255,792</u>	<u>99,858</u>
	<u>715,279</u>	<u>399,171</u>
<b>NONCURRENT LIABILITIES</b>		
Minority interest	4,955,993	4,955,993
Long-term portion of notes payable	<u>10,898,307</u>	<u>10,845,743</u>
	<u>15,854,300</u>	<u>15,801,736</u>
	<u>16,569,579</u>	<u>16,200,907</u>
<b>NET ASSETS</b>		
Without donor restrictions—undesignated	2,996,286	2,863,265
With donor restrictions—purpose restrictions	<u>250,868</u>	<u>548,220</u>
	<u>3,247,154</u>	<u>3,411,485</u>
	<u><u>\$19,816,733</u></u>	<u><u>\$19,612,392</u></u>

The accompanying notes are an integral part of this financial statement presentation.

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Rent	\$646,145	\$0	\$646,145
Forgiveness of interest	529,440	0	529,440
Foundation and corporate contributions	311,650	150,000	461,650
Interest income	102,680	0	102,680
Consulting income	81,005	0	81,005
Developer fee	35,915	0	35,915
Fee for service contract	25,000	0	25,000
Other	96,270	0	96,270
Net assets released from restriction	<u>447,352</u>	<u>(447,352)</u>	<u>0</u>
	<u>2,275,457</u>	<u>(297,352)</u>	<u>1,978,105</u>
EXPENSES			
Program	1,975,224	0	1,975,224
Management and general	136,451	0	136,451
Fundraising	<u>30,761</u>	<u>0</u>	<u>30,761</u>
	<u>2,142,436</u>	<u>0</u>	<u>2,142,436</u>
CHANGE IN NET ASSETS	133,021	(297,352)	(164,331)
BEGINNING NET ASSETS	<u>2,863,265</u>	<u>548,220</u>	<u>3,411,485</u>
ENDING NET ASSETS	<u><u>\$2,996,286</u></u>	<u><u>\$250,868</u></u>	<u><u>\$3,247,154</u></u>

The accompanying notes are an integral part of this financial statement presentation.

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Sale of houses with simultaneous debt forgiveness	\$555,000	\$0	\$555,000
Related debt forgiveness	1,360,952	0	1,360,952
Cost of sales	<u>(910,102)</u>	<u>0</u>	<u>(910,102)</u>
	<u>1,005,850</u>	<u>0</u>	<u>1,005,850</u>
Foundation and corporate contributions	367,989	484,570	852,559
Rent	640,646	0	640,646
Forgiveness of interest	523,058	0	523,058
Interest income	107,832	0	107,832
Developer fee	74,199	0	74,199
Employee retention credit	48,000	0	48,000
Fee for service contract	35,000	0	35,000
Other	145,750	0	145,750
Net assets released from restriction	<u>44,707</u>	<u>(44,707)</u>	<u>0</u>
	<u>2,993,031</u>	<u>439,863</u>	<u>3,432,894</u>
EXPENSES			
Program	1,918,005	0	1,918,005
Management and general	142,153	0	142,153
Fundraising	<u>24,779</u>	<u>0</u>	<u>24,779</u>
	<u>2,084,937</u>	<u>0</u>	<u>2,084,937</u>
CHANGE IN NET ASSETS	908,094	439,863	1,347,957
BEGINNING NET ASSETS	<u>1,955,171</u>	<u>108,357</u>	<u>2,063,528</u>
ENDING NET ASSETS	<u>\$2,863,265</u>	<u>\$548,220</u>	<u>\$3,411,485</u>

The accompanying notes are an integral part of this financial statement presentation.



**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEARS ENDED 31 DECEMBER 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	(\$164,331)	\$1,347,957
Depreciation	562,655	562,168
Amortization	7,297	7,297
Forgiveness of debt	(5,367)	(1,360,952)
Contributed land	0	(52,818)
Change in real estate held for sale	(194,850)	710,692
Change in prepaid insurance and other	(17,011)	(29,641)
Change in grants receivable	250,000	(250,000)
Change in interest receivable	(102,680)	(107,816)
Change in accounts payable	119,044	(103,976)
Change in retainage payable	97,267	0
Change in accrued liabilities and deferred revenue	<u>(56,136)</u>	<u>61,108</u>
	<u>495,888</u>	<u>784,019</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Notes receivable principal payments received	6,302	5,225
Additions to construction in progress	(1,143,318)	(314,547)
Purchase of housing units	<u>(23,514)</u>	<u>(43,270)</u>
	<u>(1,160,530)</u>	<u>(352,592)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on debt	(104,532)	(324,779)
Proceeds from debt	<u>311,100</u>	<u>109,411</u>
	<u>206,568</u>	<u>(215,368)</u>
<b>NET CHANGE IN CASH</b>	(458,074)	216,059
<b>BEGINNING CASH</b>	<u>982,769</u>	<u>766,710</u>
<b>ENDING CASH</b>	<u>\$524,695</u>	<u>\$982,769</u>
<b>CASH PAID FOR INTEREST</b>	<u>\$19,165</u>	<u>\$26,396</u>

The accompanying notes are an integral part of this financial statement presentation.

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 1: ORGANIZATION**

Guadalupe Neighborhood Development Corporation (GNDC) is a Texas nonprofit corporation set up to provide affordable housing to families in the Austin area with very low to moderate incomes. In 2005, GNDC established a new entity and became the sole member of GNDC GP, LLC. In turn, GNDC GP, LLC became the general partner of Guadalupe-Saldana Affordable Homes, LP. Because GNDC has 100% of the voting interest in GNDC GP, LLC, and GNDC GP, LLC has a controlling financial interest in Guadalupe-Saldana Affordable Homes, LP (as general partner), the financial statements consolidate the financial statements of the 3 entities. Inter-company balances have been eliminated in the consolidation. GNDC GP, LLC's sole purpose is to serve as general partner of Guadalupe-Saldana Affordable Homes, LP. Guadalupe-Saldana Affordable Homes, LP owns land where GNDC will build approximately 125 homes. The accompanying consolidated financial statements report all of the activity of various funding sources which includes rental and interest income, contributions, forgivable debt, and sales of houses.

During 2007, GNDC established La Vista de Guadalupe, LLC (La Vista) with GNDC as the sole member. La Vista is serving as the 0.01% general partner in a low income housing development and GNDC is serving as the developer of the development. The financial statements of La Vista are not material and have not been consolidated. In addition, although GNDC (La Vista) serves as the general partner in the development, other partners, as stipulated in the partnership agreements, retain the controlling financial interest in the development.

In 2015, GNDC established GNDC Saldana GP, LLC (GNDC Saldana GP), with GNDC being the sole member. GNDC Saldana GP and the Jeremiah Program Austin, LLC subsequently formed a partnership, Guadalupe Jeremiah LP (Guadalupe Jeremiah), with GNDC Saldana GP as the general partner, and Jeremiah Program Austin, LLC as a limited partner. As GNDC, through GNDC Saldana GP, has a controlling financial interest in and is the primary beneficiary of Guadalupe Jeremiah, the financial statements of Guadalupe Jeremiah are consolidated with GNDC. Inter-company balances have been eliminated in the consolidation. In 2019, Guadalupe Jeremiah constructed a residential rental facility with 35 units for single parents pursuing education and career opportunities.

In 2020, GNDC established GNDC Lopez GP, LLC (GNDC Lopez GP), with GNDC being the sole member. The purpose of this company is to provide affordable housing to low income individuals and track transactions in connection the La Vista de Lopez, an affordable housing project in Austin. To date there has been no activity under GNDC Lopez GP.

### **FINANCIAL STATEMENT PRESENTATION**

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor restrictions.

#### Net Assets With Donor Restrictions

Net assets subject to donor-imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### **BASIS OF ACCOUNTING**

GNDC uses the accrual method of accounting which recognizes revenue when earned and expenses when incurred.

### **REVENUE**

Unconditional grants and contributions received are recorded at fair value on the date of the award as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions.

### **FEE FOR SERVICE CONTRACT**

Revenue under fee for service contracts is earned upon completion of set objectives and deliverables.

### **FORGIVENESS OF INTEREST**

GNDC has several forgivable loans with stated interest rates of zero percent. Interest related to these loans is considered forgiven annually if GNDC is in compliance with the terms of the loan agreements. The forgiven interest is calculated using a market rate of 5%.

### **RENTAL OPERATIONS**

GNDC leases its real estate properties as single family residences under operating leases that are cancellable with 30 days notice. There were 64 available housing units for lease in 2022 and 2021. Generally, these leases have twelve month terms, automatically renewing on a month-to-month basis thereafter. Tenants pay a monthly rate established in lease agreements.

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **PROPERTY SALES**

Revenue from property sales is recognized at a point in time upon completion of the sale when the title of the property transfers to the customer. Payment is due upon completion of the sale. The sales price is established in the purchase agreements. There is typically no financing component because payments are received within one year of the sale.

#### **SUBSEQUENT EVENTS**

Management of GNDC has evaluated subsequent events for disclosure through the date of the Independent Auditor's Report, the date the consolidated financial statements were available to be issued.

#### **ESTIMATES**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **FUNCTIONAL EXPENSE ALLOCATION**

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are depreciation, payroll, insurance, utilities, legal, and other, which are allocated based on personnel time spent on each area as estimated by management.

#### **NOTES RECEIVABLE**

Notes receivable are stated at the principal amount outstanding. Interest income on notes receivable is recognized over the term of the note and is computed using the simple interest method on principal amounts outstanding.

#### **INCOME TAXES**

In accordance with Section 501(c)(3) of the Internal Revenue Code, GNDC is exempt from federal income taxes. Consequently, no provision for Federal income taxes is included in the accompanying consolidated financial statements.

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Guadalupe Saldana and Guadalupe Jeremiah have elected to be taxed as limited partnerships. Under such elections, federal taxable income or loss and tax credits are passed through to the individual partners. Texas state taxes are imposed at the entity level. Any federal taxes due by GNDC, as the general partner, or any state taxes due by the limited partnerships, are recognized in the financial statements when incurred, as tax expense and tax liability. At 31 December 2022 and 2021, respectively, no interest, penalties, federal taxes, or state taxes have been or are required to be accrued. GNDC's policy is to record interest and penalties related to income taxes as interest and other expense and federal or state taxes as tax expense.

#### **FIXED ASSETS**

Acquisitions of property and equipment valued at \$1,000 or more and a useful life greater than one year are capitalized at cost if purchased, or estimated fair market value on the date of donation, if contributed. Repairs and maintenance costs are expended as incurred. Depreciation is computed using the straight-line method based on the estimated useful life of the asset, which is 5 years for furniture and equipment, 20 years for infrastructure and 25 years for buildings.

#### **RENTAL REAL ESTATE**

Rental real estate consists of land, housing units, and closing costs. Rental real estate is capitalized at cost, which includes the cost of preacquisition, acquisition, development, and construction. Housing units leased are depreciated using the straight-line method based on an estimated useful life of 25 and 5 years, respectively. Housing units leased and held for sale are restricted for rental and sales to families with low incomes. Housing units held for sale are set to be sold to families with low income in subsequent years. Upon the sale of housing units, the difference between the cost and sale proceeds results in a net gain or loss.

### **NOTE 3: CONTINGENCIES**

GNDC receives forgivable loans and cost reimbursement grants from the City of Austin to assist with implementation of its program. Should GNDC not comply with the terms of the loans and grants or should any costs be determined to be ineligible, GNDC will be responsible for reimbursing the grantor for these amounts. Management believes there will be no such disallowance.

As part of a development agreement, GNDC guaranteed to fund operating deficits, if any, of La Vista apartments up to \$85,000 via an unsecured loan to La Vista with interest at 8%. As of 31 December 2022 and 2021, no operating deficits have been incurred.

GNDC has a shared interest in the gain at sale for several properties. GNDC will recognize income upon the sale of the property based on the appreciated value at the date of sale.

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 3: CONTINGENCIES

GNDC received land from the City of Austin for affordable housing. Should GNDC not comply with the terms of the deed of trust on the land, GNDC will be responsible for paying the City of Austin \$52,818, the value of the land at the time of the agreement. Management believes there will be no such disallowance.

### NOTE 4: COMMITMENTS

Under the terms of various agreements with funding agencies, GNDC is required to provide certain services including, but not limited to, using certain properties for low income housing and maintaining certain levels of insurance.

### NOTE 5: MINORITY INTEREST LIABILITIES

	<u>2022</u>	<u>2021</u>
Saldana LLP interest in Guadalupe-Saldana Affordable Homes	\$61,296	\$61,296
Jeremiah Program Austin, LLC interest in Guadalupe-Jeremiah LP	<u>4,894,697</u>	<u>4,894,697</u>
	<u>\$4,955,993</u>	<u>\$4,955,993</u>

### NOTE 6: RELATED PARTY TRANSACTIONS

As of 31 December 2022 and 2021, GNDC had interest receivable of \$1,618,423 and \$1,515,743 respectively, and notes receivable of \$2,741,018 and \$2,781,266, respectively, due from Guadalupe Family Community, L.P., an organization with common officers.

GNDC purchased a property from a board member for \$261,000 in 2015, the property was appraised for \$510,000 at the time of purchase. As of 31 December 2022 and 2021, GNDC owed the board member \$173,350 and \$190,750, respectively, which will be paid with a 0% interest 15 year note. Payments on the note were deferred for three years.

### NOTE 7: CONCENTRATIONS

92% of notes payable are due to one lender as of 31 December 2022 and 2021, respectively. See Note 14. In 2022 and 2021, 91% and 92% of notes receivable are due from one borrower.

At 31 December 2022 and 2021, GNDC had cash balances in excess of FDIC insurance amounting to \$117,650 and \$496,665 respectively. GNDC has not experienced any losses due to this credit risk.

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 8: FINANCING RECEIVABLE

GNDC has a financing receivable agreement with one borrower. The receivable is performing and current, and is fully collateralized by property. Thus, no allowance is needed.

### NOTE 9: RENTAL REAL ESTATE

<u>GNDC</u>	<u>2022</u>	<u>2021</u>
64 housing units in 2022 and 2021 (with \$1,191,631 land)	\$7,112,316	\$7,088,802
Closing costs	67,105	33,006
Land	1,119,557	1,119,557
Accumulated depreciation	<u>(3,028,656)</u>	<u>(2,810,456)</u>
	<u>5,270,322</u>	<u>5,430,909</u>
<u>Guadalupe Jeremiah</u>		
35 housing units in 2022 and 2021	6,885,287	6,885,287
Accumulated depreciation	<u>(1,575,333)</u>	<u>(1,299,363)</u>
	<u>5,309,954</u>	<u>5,585,924</u>
	<u>\$10,580,276</u>	<u>\$11,016,833</u>

### NOTE 10: FIXED ASSETS

<u>GNDC</u>	<u>2022</u>	<u>2021</u>
Construction in progress	\$2,247,049	\$1,139,017
Furniture and equipment	20,232	19,045
Accumulated depreciation	<u>(18,096)</u>	<u>(17,463)</u>
	<u>2,249,185</u>	<u>1,140,599</u>
<u>GNDC Saldana GP</u>		
Land	827,975	827,975
Infrastructure	1,362,347	1,362,347
Accumulated depreciation	<u>(648,604)</u>	<u>(580,752)</u>
	<u>1,541,718</u>	<u>1,609,570</u>
	<u>\$3,790,903</u>	<u>\$2,750,169</u>

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 11: FUNCTIONAL EXPENSES

Functional expense allocation at 31 December 2022:

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Depreciation	\$506,390	\$45,012	\$11,253	\$562,655
Interest	548,605	0	0	548,605
Payroll	420,150	21,463	13,658	455,271
Repair and maintenance	229,572	0	0	229,572
Insurance	82,698	7,351	1,838	91,887
Utilities	75,635	6,723	1,681	84,039
Accounting	0	46,580	0	46,580
Legal	30,600	2,720	680	34,000
Amortization	7,297	0	0	7,297
Other	<u>74,277</u>	<u>6,602</u>	<u>1,651</u>	<u>82,530</u>
	<u>\$1,975,224</u>	<u>\$136,451</u>	<u>\$30,761</u>	<u>\$2,142,436</u>

Functional expense allocation at 31 December 2021:

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Depreciation	\$505,951	\$44,974	\$11,243	\$562,168
Interest	554,459	0	0	554,459
Payroll	345,322	30,695	7,674	383,691
Repair and maintenance	203,908	0	0	203,908
Utilities	72,361	6,432	1,608	80,401
Insurance	63,973	5,686	1,422	71,081
Legal	40,874	3,634	908	45,416
Accounting	0	43,035	0	43,035
Dead deal costs	37,264	0	0	37,264
Amortization	7,297	0	0	7,297
Other	<u>86,596</u>	<u>7,697</u>	<u>1,924</u>	<u>96,217</u>
	<u>\$1,918,005</u>	<u>\$142,153</u>	<u>\$24,779</u>	<u>\$2,084,937</u>



# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 12: CONSTRUCTION CONTRACT COMMITMENTS**

On 18 February 2020, GNDC entered into a contract with U.S. Department of Housing and Urban Development to develop supportive housing for the elderly. The total contract amount is \$4,048,000 to construct, acquire, or rehabilitate 26 dwelling units. A single purpose entity was formed for this project. No amounts have been expended for this project.

On 13 April 2020, GNDC entered into a contract with Hatch + Ulland Owen Architects for the design, architectural and engineering services for a high-rise elder housing community in Austin. The total contract amount, including amendments, is \$423,085 and the remaining commitment is approximately \$91,000 at year end.

On 25 March 2021, GNDC entered into a contract with Bellwether Enterprise Real Estate Capital, LLC for mortgage insurance processing and underwriting services. The total contract amount is \$175,390 and the remaining commitment at year end is approximately \$123,000 at year end.

On 19 May 2022, GNDC entered into a contract with Civiltude for engineering services on the Gardner project. The total contract amount is \$116,600 and the remaining commitment at year end is approximately \$52,600.

On 1 July 2022, GNDC entered into a contract with Spring Architects for architectural services on the Gardner project. The total contract amount is \$154,000 and the remaining commitment at year end is approximately \$132,000.

On 23 May 2022, GNDC entered into a contract with Spring Architects for architectural services on the Tannehill project. The total contract amount is \$160,000 and the remaining commitment at year end is approximately \$131,000.

On 3 March 2022, GNDC entered into a contract with 2<sup>nd</sup> Street Development LLC for multiple services on the East Knight project. The total contract amount is \$450,000 and the remaining commitment is approximately \$448,000.

### **NOTE 13: NOTES RECEIVABLE**

During 2010, GNDC entered into six note receivable agreements as the result of the sale of six properties. The properties were sold by an independent party at appraised fair market value, but with the seller accepting amounts less than fair market value. The cash portion of the sales were financed by the purchasers with bank mortgages and down payment assistance from the City of Austin. The difference between the appraised value sales price and the cash required at purchase was secured by a third lien held by GNDC. The third lien note also provided GNDC with a share of equity based on the percentage value of its lien relative to the appraised value of the property. Based on current market value estimates, GNDC's interest in any appreciated value over the recorded value of the third lien notes is not considered significant at year end.

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 13: NOTES RECEIVABLE

One property was sold during 2017, and GNDC received the portion of the third lien used to acquire the property, \$21,615, plus \$12,585 for its share of equity based on the appreciated value, calculated as the difference between the initial property value and the appraised value at resale. One property was sold during 2018, and GNDC received the portion of the third lien used to acquire the property, \$37,050, plus \$9,447 for its share of equity based on the appreciated value, calculated as the difference between the initial property value and the appraised value at resale.

The notes are collateralized by real property as described in the note agreements. GNDC's access to the collateral is based on normal legal foreclosure processes. If the debtors fail to perform according to the terms of the agreements, and the collateral proves to be of no value, GNDC would incur a loss equal to the principal balance receivable.

	<u>2022</u>	<u>2021</u>
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate. See Note 14 for the related note payable to the City of Austin in the same amount.	\$2,138,239	\$2,138,239
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate, note bears a 1.5% interest rate.	40,423	40,423
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate, note bears 0% interest rate.	78,399	78,399
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate, note bears 0% interest rate.	102,365	102,365
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate, note bears 0% interest rate.	75,640	75,640
Note receivable from Guadalupe Family Community, L.P., collateralized by real estate, note bears 4.9% interest rate.	350,000	350,000
Notes receivable agreements (4 in 2020 and 2019), collateralized by real estate, notes bear a 0% interest rate, monthly payments are scheduled to begin in 2040. In the event of default, the receivable will begin to accrue interest at 10%.	139,100	139,100
Note receivable from one borrower, collateralized by real estate, note bears an interest rate of 0%.	<u>97,198</u>	<u>103,500</u>
	3,021,364	3,027,666
Less current portion of notes receivable	<u>(5,100)</u>	<u>(5,100)</u>
Long-term portion of notes receivable	<u>\$3,016,264</u>	<u>\$3,022,566</u>

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 14: NOTES PAYABLE

	<u>2022</u>	<u>2021</u>
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 31 March 2112, GNDC is in compliance with all terms and conditions of the Loan Agreement.	\$600,000	\$600,000
Note payable to Austin Housing Finance, collateralized by rental real estate, bearing interest at 0%, due in monthly installments through 1 April 2023.	3,250	9,750
Notes payable to Austin Housing Finance, collateralized by rental real estate. The notes bear a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 1 March 2107, GNDC is in compliance with all terms and conditions of the Loan Agreements.	102,354	102,354
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 23 April 2108, GNDC is in compliance with all terms and conditions of the Loan Agreement.	850,000	850,000
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 11 November 2049, GNDC is in compliance with all terms and conditions of the Loan Agreement.	435,500	435,500
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 1 February 2027, GNDC is in compliance with all terms and conditions of the Loan Agreement.	395,000	395,000
Note payable to Austin Housing Finance, collateralized by GNDC's note receivable from Guadalupe Family Community, L.P., which in turn, is collateralized by the underlying rental real estate. The note bears a 0% interest rate until maturity. The principal and interest shall be forgiven in its entirety if on 1 September 2049, GNDC is in compliance with all terms and conditions of the Loan Agreement. See Note 13 for related note receivable.	2,138,239	2,138,239

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **NOTE 14: NOTES PAYABLE**

	<u>2022</u>	<u>2021</u>
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 31 January 2108, GNDC is in compliance with all terms and conditions of the Loan Agreement.	1,000,000	1,000,000
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 30 April 2049, GNDC is in compliance with all terms and conditions of the Loan Agreement.	60,000	60,000
Note payable to Austin Housing Finance, collateralized by real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 20 December 2108, GNDC is in compliance with all terms and conditions of the Loan Agreement.	555,000	555,000
Notes payable to Texas Department of Housing and Community Affairs, at 0 % interest, collateralized by real estate. \$162,000 is payable in monthly installments beginning 1 August 2014 until maturity, 1 July 2044. \$161,000 is forgiven in annual increments of \$5,368, through maturity, 1 August 2043, provided GNDC is in compliance will all terms and conditions of the Loan Agreement.	228,826	239,593
Note payable to Austin Housing Finance, collateralized by real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 31 December 2032, GNDC is in compliance with all terms and conditions of the Loan Agreement.	50,000	50,000
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 31 December 2114, GNDC is in compliance with all terms and conditions of the Loan Agreement.	2,000,000	2,000,000

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 14: NOTES PAYABLE

	<u>2022</u>	<u>2021</u>
Note payable to Austin Housing Finance, with a 0% interest rate, collateralized by rental real estate. The note will be forgiven as each of the housing units are sold. The remaining balance will be forgiven in its entirety on 31 August 2110, if GNDC is in compliance with all terms and conditions of the Loan Agreement.	550,000	550,000
Note payable to Mary Helen Lopez (a former board member), at 0% interest, with a face value of \$261,000, payable in monthly payments of \$1,450 starting June 2020 until June 2033, discounted to present value at a rate of 6%.	99,166	113,042
Note payable to Austin Housing Finance, collateralized by rental real estate. The note bears a 0% interest rate until maturity and the principal and interest shall be forgiven in its entirety if on 31 October 2116, GNDC is in compliance with all terms and conditions of the Loan Agreement.	1,281,460	1,281,460
Note payable to Austin Housing Finance, collateralized by real estate. The note bears a 0% interest rate until maturity. The loan will be partially forgiven upon the sale of each home and fully forgiven when both homes have been sold to eligible buyers.	240,000	85,000
Note payable principal amount \$571,000 with Frost Bank, collateralized by real estate. The notes bear a 4.174% interest rate, monthly payments of principal and interest are \$7,866 until maturity on 29 October 2027.	409,204	480,663
Note payable principal amount \$290,000 with Horizon Bank, collateralized by real estate. The note bears 5% interest rate until maturity, monthly payments of interest are due beginning 15 July 2022 continuing regularly through 15 June 2023.	<u>156,100</u>	<u>0</u>
	<u>\$11,154,099</u>	<u>\$10,954,601</u>

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE 14: NOTES PAYABLE**

Maturities

2023	\$255,792
2024	99,658
2025	103,010
2026	106,505
2027	110,149
Thereafter	<u>10,478,985</u>
	<u><u>\$11,154,099</u></u>

**NOTE 15: NET ASSETS WITH DONOR RESTRICTIONS**

<u>Subject to expenditure for specified purpose:</u>	<u>2022</u>	<u>2021</u>
Capacity building	\$8,210	\$18,831
Covid 19 relief	0	24,129
Affordable housing	87,973	475,000
La Vista de Lopez communications room	25,000	0
East Knight	100,000	0
Other projects	<u>29,685</u>	<u>30,260</u>
	<u><u>\$250,868</u></u>	<u><u>\$548,220</u></u>

<u>Release from donor restrictions:</u>	<u>2022</u>	<u>2021</u>
Capacity building	\$10,621	\$28,294
Affordable housing	387,027	0
Home buyer education	25,000	0
Covid 19 relief	24,129	15,933
Other projects	<u>575</u>	<u>480</u>
	<u><u>\$447,352</u></u>	<u><u>\$44,707</u></u>

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 16: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, within one year of the statement of financial position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash	\$524,695	\$982,769
Grants receivable	0	250,000
Current portion of notes receivable	<u>5,100</u>	<u>5,100</u>
	529,795	1,237,869
Less amounts unavailable for general expenditure within one year, due to donor-imposed restrictions	<u>(250,868)</u>	<u>(548,220)</u>
	<u>\$278,927</u>	<u>\$689,649</u>

As part of GNDC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The policy is that monthly revenues are to cover monthly expenses. Monthly revenues and expenditures are deposited in and deducted from GNDC's operating accounts. As a part of GNDC's policy, separate accounts are maintained for tenant security deposits and maintenance/replacement reserves. GNDC also tracks federal loan amounts in a separate account for construction costs.

Several of GNDC's notes payable are forgivable upon maturity if GNDC is in compliance with the Loan Agreements, see Note 14 for the terms of each note.

### NOTE 17: REVENUE FROM CONTRACTS WITH CUSTOMERS

#### DISAGGREGATION OF REVENUE

	<u>2022</u>	<u>2021</u>
Revenue earned at a point in time	<u>\$106,005</u>	<u>\$590,000</u>

Revenue earned at a point in time consists of the gross amount earned for homes sold during the year, amounts earned for the completion of specific performance obligations under the fee for service contract, and consulting fees. Property sales are recorded net of the cost of homes on the statement of activities.

# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 17: REVENUE FROM CONTRACTS WITH CUSTOMERS

#### CONTRACT BALANCES

Accounts receivable relates to the sale of a property in prior years. The receivable balance at 31 December 2022 and 2021 was \$98,525 and \$103,625 respectively. The receivable is due in monthly installments of \$425 through 2042.

### NOTE 18: FEE FOR SERVICE CONTRACTS

During 2019 GNDC entered into a fee for service contract for the for \$667,125 for the design of Nueva Escuela and development of a new partnership. The revenue is earned at a point in time upon completion of each performance obligation. A detail of the transaction price for each performance obligation is as follows; these amounts were specified in the contract.

<u>Performance obligation</u>	<u>Year</u>	<u>Amount</u>
Execution of Contract	2019	\$25,000
Final Conceptual Design and First Community Engagement Convening	2020	50,000
Technical Assistance	2020	94,875
Design Development Documents	2020	96,000
First Community Engagement and Technical Assistance	2020	18,250
Land/Ownership Agreement, Second Community Engagement Convening, and Finalize Development Plan	2020	131,000
Final Construction Documents	2021	10,000
Building Permit and Partnership Agreement	2021	25,000
Finalize Development Plan	2022	15,000
Financial Plan	2022	10,000
Service Delivery Research + Best Practices	2023	30,000
Draft On-Site Service Plan	2023	40,000
Management and Lease Agreements and School and Tenant Outreach	2023	32,000
Operating Agreements and On-Site Service Agreements	2023	40,000
On-Site Service Coordination Prototype and Toolkit for Scaling Housing + School Model	2024	<u>50,000</u>
		<u>\$667,125</u>



# GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 19: CONTRIBUTED NONFINANCIAL ASSETS

For the year ended 31 December 2022, contributed nonfinancial assets recognized within the statement of activities include:

Interest	\$529,440
Attorney fees	<u>34,000</u>
	<u>\$563,440</u>

GNDC recognized contributed nonfinancial assets within revenue, including interest and contributed attorney fees. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Interest for forgivable loans is forgiven annually as GNDC is in compliance with loans. Forgivable interest is used for program activities and is valued at the estimated fair value in the financial statements based on current rates for similar loans.

Attorney fees are used for program activities and are valued at the estimated fair value in the financial statements.

### NOTE 20: ADOPTION OF NEW ACCOUNTING STANDARD

During the year, GNDC adopted Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. The standard also increases the disclosure requirements for contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the financial statements, with the exception of increased disclosures.

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

**SUPPLEMENTAL BALANCE SHEET**

**GUADALUPE JEREMIAH LP**

**31 DECEMBER 2022**

**ASSETS**

**CURRENT ASSETS**

Cash	\$111,874
Accounts receivable and other	<u>2,049</u>
	113,923

RENTAL REAL ESTATE	<u>5,774,354</u>
--------------------	------------------

\$5,888,277

**LIABILITIES AND PARTNERS' EQUITY**

**CURRENT LIABILITIES**

Due to limited partner–Jeremiah Program Austin, LLC	\$52,126
Accrued liabilities and deferred revenue	<u>30,207</u>
	82,333

PARTNERS' EQUITY	<u>5,805,944</u>
------------------	------------------

\$5,888,277

See Independent Auditor's Report.

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

**SUPPLEMENTAL STATEMENT OF NET INCOME AND CHANGES IN PARTNERS' EQUITY**

**GUADALUPE JEREMIAH LP**

**YEAR ENDED 31 DECEMBER 2022**

**INCOME**

Rental income	\$89,539
Contributions	215,099
Other	<u>4,887</u>
	<u>309,525</u>

**EXPENSES**

Depreciation	300,090
Repairs and maintenance	157,254
Utilities	56,955
Management fees	33,000
Insurance	35,801
Other	<u>29,925</u>
	<u>613,025</u>

NET INCOME (LOSS)	(303,500)
-------------------	-----------

BEGINNING PARTNERS' EQUITY	<u>6,109,444</u>
----------------------------	------------------

ENDING PARTNERS' EQUITY	<u><u>\$5,805,944</u></u>
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See Independent Auditor's Report.



Montemayor Britton Bender PC  
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management  
Guadalupe Neighborhood Development Corporation

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Guadalupe Neighborhood Development Corporation (GNDC), which comprise the consolidated statement of financial position as of 31 December 2022, the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated 26 May 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered GNDC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of GNDC's internal control. Accordingly, we do not express an opinion of the effectiveness of GNDC's internal control.

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

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



deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### Report on Compliance and Other Matters

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

#### Purpose of this Report

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

Montezuma Smith Bender PC

26 May 2023  
Austin, Texas



**Montemayor Britton Bender PC**  
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management  
Guadalupe Neighborhood Development Corporation

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**A. Report on Compliance for Each Major Federal Program**

Opinion on Each Major Federal Program

We have audited GNDC's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of GNDC's major federal programs for the year ended 31 December 2022. GNDC's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, GNDC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended 31 December 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of GNDC and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of GNDC's compliance with the compliance requirements referred to above.



### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to GNDC's federal programs.

### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on GNDC's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about GNDC's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding GNDC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of GNDC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of GNDC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### B. Report on Internal Control Over Compliance

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned



functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of the testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Montgomery Spitzer Bender PC

26 May 2023  
Austin, Texas



**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED 31 DECEMBER 2022**

Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	Assistance Listing <u>Number</u>	Agency or Pass- through <u>Number</u>	Original Loan <u>Amount</u>	Loan Balance at Beginning of Year	<u>Expenses</u>	<u>Total</u>
U.S. Department of Housing and Urban Development:						
HUD Section 8–Rental Assistance	14.195			<u>N/A</u>	<u>\$0</u>	<u>\$87,288</u>
Passed Through the Austin Housing Finance						
Community Housing Development Organization	14.218		<u>\$1,550,000</u>	<u>\$550,000</u>		<u>550,000</u>
Home Investment Partnership Program	14.239	GNDC 5–La Vista	2,138,239	2,138,239		2,138,239
Home Investment Partnership Program	14.239	GNDC 6	395,000	395,000		395,000
Home Investment Partnership Program	14.239	SOL RENTAL	850,000	850,000		850,000
Home Investment Partnership Program	14.239	728EX000308	22,750	9,750		9,750
Home Investment Partnership Program	14.239	SOL RENTAL	200,000	200,000		200,000
Home Investment Partnership Program	14.239		240,000	85,000	155,000	240,000
Home Investment Partnership Program	14.239		1,281,460	1,281,460		1,281,460
Home Investment Partnership Program	14.239	UEI PFHKKJJ9JJ47	126,860	0	126,860	126,860
Home Investment Partnership Program	14.239	UEI PFHKKJJ9JJ47	<u>934,740</u>	<u>0</u>	<u>934,740</u>	<u>934,740</u>
			<u>6,189,049</u>	<u>4,959,449</u>	<u>1,216,600</u>	<u>6,176,049</u>
Passed though Texas Department of Housing and Community Affairs Neighborhood Stabilization Program	14.239		<u>323,000</u>	<u>239,593</u>	<u>0</u>	<u>239,593</u>
			<u>\$8,062,049</u>	<u>\$5,749,042</u>	<u>\$1,216,600</u>	<u>\$7,052,930</u>

This schedule is prepared on the same basis of accounting as described in the notes to the financial statements on pages 8 through 23. See Note 14 for ending loan balances. GNDC did not elect to use the 10% de minimis indirect cost rate.

See Independent Auditor's Report.

# **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

### **I. SUMMARY OF AUDITOR'S RESULTS**

#### **A. FINANCIAL STATEMENTS**

- |   |            |
|---|------------|
| 1. Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. Internal control over financial reporting:   |            |
| a. Material weakness(es) identified?  | None noted |
| b. Significant deficiency(ies) identified that are not considered material weakness(es)?                              | None noted |
| c. Noncompliance material to financial statements?  | None noted |

#### **B. FEDERAL AWARDS**

- |  |                               |
|--|-------------------------------|
| 1. Internal controls over major programs:  |                               |
| a. Material weakness(es) identified?   | None noted                    |
| b. Significant deficiency(ies) identified that are not considered material weakness(es)?                     | None noted                    |
| 2. Type of auditor's report issues on compliance with major programs:  | Unmodified                    |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) | No                            |
| 4. Major program:<br>Home Investment Partnership Program   | Assistance<br>Listing #14.239 |
| 5. Dollar threshold used to distinguish between Type A and Type B programs:                                  | \$750,000                     |
| 6. Auditee qualified as low-risk auditee?  | Yes                           |

### **II. FINANCIAL STATEMENT FINDINGS**

- |                  |            |
|------------------|------------|
| A. Current year: | None noted |
| B. Prior year:   | None noted |

### **III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None noted

See Independent Auditor's Report.



**Montemayor Britton Bender PC**  
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management  
Guadalupe Neighborhood Development Corporation

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
OF THE TEXAS PROPERTY TAX CODE**

We have audited the compliance of Guadalupe Neighborhood Development Corporation (GNDC) with types of compliance requirements described in Sections 11.182 and 11.1825 of the Texas Property Tax Code, *Organizations Constructing or Rehabilitating Low-Income Housing: Property Not Previously Exempt*, for the year ended 31 December 2022. Compliance with the requirements of the Texas Property Tax Code is the responsibility of GNDC's management. Our responsibility is to express an opinion on GNDC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above occurred. An audit includes examining, on a test basis, evidence about GNDC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on GNDC's compliance with those requirements.

In our opinion, GNDC complied, in all material respects, with the requirements referred to above for the year ended 31 December 2022.

This report is intended for the information of the Board of Directors, management, others within the organization and state or federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Montemayor Britton Bender PC*

26 May 2023  
Austin, Texas

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AUSTIN, TEXAS 78747  
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FAX: 512.442.0817  
[www.montemayor.team](http://www.montemayor.team)

**GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**

**SUPPLEMENTAL SCHEDULE OF COMMUNITY LAND TRUST  
SOURCES AND USES OF FUNDS**

**YEAR ENDED 31 DECEMBER 2022**

Sources of funds:

GNDC funds	\$646,130
Horizon bank loan 6711 Porter	156,100
AHFC HOME funds 6711 Porter	155,000
CLT stewardship payments	9,830
Ground lease fees	8,400
1313 Willow mortgage principal, interest, taxes and insurance	5,100
Escrow received	<u>4,463</u>
	<u><u>\$985,023</u></u>

Uses of funds:

Father Joe Znotas Phase V construction	\$475,993
6711 Porter construction	333,058
Gardner (Johnny Limon Village)	86,000
Tannehill	28,885
GSNZ 7 Acres West	22,822
GNDC ground lease income	8,400
Stewardship fund	6,255
2022 OHDA infill construction	10,722
1313 Willow principal reduction	5,100
Escrow payout	4,093
Stewardship payout	<u>3,695</u>
	<u><u>\$985,023</u></u>

See Independent Auditor's Report.

# RESOLUTION OF THE GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION TO APPLY FOR FINANCING FROM THE AUSTIN HOUSING FINANCE CORPORATION FOR \$900,000 TO CONSTRUCT SITE WORK AT ADA ANDERSON VILLAGE

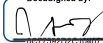
**WHEREAS**, the Board of Directors of the Guadalupe Neighborhood Development Corporation (the "Corporation"), a Texas non-profit corporation, voted on the 30<sup>th</sup> day of October, 2023, to take the action set forth below and hereby attested to by the undersigned Officers of the Corporation:

**WHEREAS**, the Corporation seeks to secure infrastructure construction financing in an amount not to exceed Nine Hundred Thousand Dollars [\$900,000], for the purpose of constructing site work at Ada Anderson Village, 3801 Tannehill Lane, Austin, Texas. The financing will be used in order to construct 32 [thirty-two] units of housing that will be sold to income-eligible homebuyers.


**WHEREAS**, for the purpose of securing construction financing, at a meeting of the Board of Directors held on October 30, 2023, the Board of Directors hereby authorizes the Executive Director, Mark Rogers, or the Assistant Executive Director, Rachel Stone, to apply for financing and to execute loan documents with the Austin Housing Finance Corporation, in the amount not to exceed Nine Hundred Thousand Dollars [\$900,000], on behalf of the Corporation.

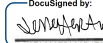
**THEREFORE, BE IT RESOLVED**, that the President, Vice President, Executive Director, Assistant Executive Director, or any other officers of the Corporation are hereby authorized and directed, to execute, attest, and deliver any and all contracts, documents, certificates, instruments and writings necessary to consummate entering the loan, and to take all other actions, as may be necessary or appropriate;

**IN WITNESS WHEREOF**, this Resolution is made this 30<sup>th</sup> day of October, 2023.

DocuSigned by:  
  
\_\_\_\_\_, President

DocuSigned by:  
H. Michael Guajardo  
\_\_\_\_\_, Vice President

DocuSigned by:  
  
\_\_\_\_\_, Secretary

DocuSigned by:  
  
\_\_\_\_\_, Treasurer

I, Candace Fox, Secretary of the Guadalupe Neighborhood Development Corporation, do hereby certify the foregoing is a true and complete copy of the acquisition of real estate resolution of this organization as adopted by the Board of Directors on the 30<sup>th</sup> day of October, 2023.

DocuSigned by:  
  
\_\_\_\_\_  
A2A42ED70F3C451...  
Candace Fox, Secretary

## Financial Capacity

GNDC is experienced in multiple funding sources including, but not limited to, Low-Income Housing Tax Credits, HUD's Neighborhood Stabilization Program, General Obligation Bonds, Community Development Block Grants, and HOME funds, as well as private foundation support, and has an excellent compliance record with all sources. GNDC has a long history of working with the Austin Housing Finance Corporation utilizing HOME, CDBG and General Obligation Bonds, and has successfully secured funds to fill financing gaps from a variety of sources.

GNDC completed its first 9% tax credit project in 2008. In 2017, GNDC partnered with the Jeremiah Program to build a \$7 million development that included no private financing, just City of Austin and philanthropic funds. GNDC has also expanded and diversified its fundraising resources dramatically over the last 5 years, raising millions of philanthropic dollars from local, state, federal, and private sources. GNDC's most recent project, La Vista de Lopez, was the only development in Texas to receive the HUD Section 202 Capital Advance Award of over \$4 million, as well as a \$375,000 forgivable loan from the Texas State Affordable Housing Corporation. GNDC is currently working with funding from Federal Home Loan Bank of Dallas Affordable Housing Partnership Funds, a Fannie Mae Innovative Communities Award, and additional funds from several foundations. Reissa and Meadows Foundation have provided larger gifts to support GNDC's Community Land Trust pipeline, and GNDC is a repeat awardee of Enterprise Section 4 Funds, as well as a recent recipient of the \$200,000 Neighborhood Builders Award from Bank of America.

## Market Analysis

This project is proposed in an area that is more vulnerable to displacement through gentrification due to a significant demographic change. The Uprooted Report classifies this area as dynamic gentrification due to a vulnerable population, significant demographic changes, and an accelerating housing market conditions. The Austin Housing Blueprint has identified a need for 7,086 affordable units in this Council District.

Because GNDC gives priority to households with ties to the areas where it develops housing, well over 90% of its prospective tenants and home buyers have strong ties to the East Austin community. GNDC currently has a waitlist for rental housing at over 900 households and a waitlist of interested buyers with over 100 households. Remarkably, this extensive waitlist was built with only word-of-mouth marketing, demonstrating the huge demand for affordable housing and GNDC's reputation for delivering it to households from East Austin. After the first CLT ownership units on Father Joe Znotas Street were completed and sold, interest from current and former East Austin residents gradually increased. As more homes were built and sold, the list of potential homebuyers grew exponentially.

The intention is that GNDC's buyers for da Anderson Village will come from its growing waitlist of over 100 applicants of current or former East Austin residents wanting to own a home in order to remain or return to the Eastside. The average annual income of families on the ownership waitlist is \$43,350 with an average of 58% MFI. Perhaps more significantly, GNDC's ten (10) sales during the past 12 months were to households with an average MFI of 63% and an average annual income of \$53,536. The average sales price (mortgage) was \$174,000.

GNDC's waitlists clearly demonstrate the strong market for this proposed development. It shows a pressing need for homeownership units that will be affordable to households with generational ties to an area that otherwise is no longer affordable. The Project will create 32 multi-bedroom homes for homeownership. All units can be successfully sold within three months of completion and stabilized occupancy for the project as a whole will take place within 3 months after the project is completed.

## 2.2 Market Demand

Our market analyst calculated a demand for 11,310 affordable units at the proposed bedroom and affordability mix within the Primary Market Area. Affordable housing stands as Austin's most pressing challenge. The city's population is rapidly increasing, with unprecedented demand for affordable homes to rent and buy. Below are some additional market information justifying the need for affordable housing in this location.

- The Austin Board of Realtors recently reported that in the last 10 years, household incomes have grown 38%, but home prices have grown 138%.
- "Uprooted," a UT study regarding residential displacement in Austin, categorizes this census tract as Dynamic, stage 4 out of 5 stages of gentrification, due to the level of demographic change and accelerating market conditions.
- The 2020 Austin Comprehensive Market Analysis reported that 58% of renters and 31% of homeowners in this zipcode are cost burdened, i.e. paying more than 30% of their income on housing.
- Austin's Strategic Housing Blueprint calls for 20,000 units affordable to 30% MFI and below and 25,000 affordable to 31% - 60% MFI and 7,086 affordable units specifically in District 1.
- GNDC has over 900 families on their waiting list who are trying to exercise their right to remain/return to East Austin.



## City of Austin Good Neighbor Checklist

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

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

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

### (1) Preliminary Research

- ☒ Review the Neighborhood Plan (if applicable)

### (2) Neighborhood Notification

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

### (3) Pre-Application Engagement

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

### (4) Application requirements

- ☒ Provide communications plan
- ☒ Provide documentation showing the content of the notice, and proof of delivery
- ☒ Provide signed copy of this checklist.

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

	Sophia Checa	11/3/2023
Signed	printed name	date

## Good Neighbor Policy

GNDC has a Policy for Public Input which it adopted in 2002. In conformity with this policy, GNDC holds open meetings at accessible, public locations, such as libraries, to gather input regarding the location, design and program of the projects. GNDC typically publicizes these meetings via emails to residents and associations, and flyers throughout the neighborhood.

In 2022, GNDC and Foundation Communities did outreach to the East MLK Neighborhood Combined Contact Team regarding a proposed development at 3811 1/2 Tannehill Lane/ 5712 Jackie Robinson Street. There was a virtual community meeting on October 26, 2022. The neighborhood desired a focus on housing that serves East Austin community members who are being priced out of Austin, with an “extremely” to “very” important need for homeownership opportunities and a desire for 2-3 bedroom units with a family-focus.

GNDC believes its concept is highly compatible with the goals and vision of the neighborhood plan. The conceptual design supports several parts of the neighborhood plan, which frequently calls out "owner occupied housing" as a core value. GNDC will be reaching out to the community to do public input sessions once the designs for the homes at Ada Anderson Village are more complete. GNDC estimates doing these meetings sometime in the spring of 2024.



# Virtual COMMUNITY MEETING

October 10, 2022

The City of Austin, Housing and Planning Department, has received neighborhood plan amendment and zoning change applications for property located within the **East MLK Combined Planning Area**. You received this notice because you live or own property within 500 feet of the property, or are a member of the planning contact team or a member of a registered neighborhood organization or environmental group who requested notification for the area.

**Plan Amendment Case #:** NPA-2022-0015.07.SH

**Zoning Case #:** C14-2022-0122.SH

**Property address:** 3811 1/2 Tannehill Ln

**DATE:** Wednesday, October 26, 2022

**TIME:** 6:00—7:30 pm

**Website:** <https://www.speakupaustin.org/npa>

*The meeting will be recorded and posted to this website*

**See instructions in this notice for ways to participate**

## **PURPOSE OF MEETING:**

The City of Austin is sponsoring this community meeting to provide an opportunity for the applicant, neighborhood planning contact team, nearby residents/property owners and any other interested parties to discuss the proposed plan amendment and zoning change requests.

## **CASE SUMMARIES:**

**NPA-2022-0015.07.SH**—To change the land use on the future land use map Civic to Multifamily Residential.

**C14-2022-0122.SH**—To change the zoning on the property **from P-NP (Public district—Neighborhood Plan) to MF-4-NP (Multifamily Residence Moderate-High Density district—Neighborhood Plan)** for affordable rental and ownership housing units.

- For more information on these cases, you can go to the city's website: <https://abc.austintexas.gov/web/permit/public-search-other>.
- For more information on these land use and zoning descriptions, go to: <https://www.austintexas.gov/page/neighborhood-plans-and-resources>.

## **STAFF CONTACT**

Please contact Maureen Meredith at 512-974-2695  
or by e-mail at [Maureen.Meredith@austintexas.gov](mailto:Maureen.Meredith@austintexas.gov) with any questions.  
Office hours are Monday-Thursday 8:00 a.m.-6:30 p.m.

*The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call (512) 974-1897 or TDD/TTY users route through 711. For Sign Language Interpreter or Braille requests, please call at least 4-5 days in advance of the meeting.*



# AVISO DE REUNIÓN COMUNITARIA Virtual

10 de octubre de 2022

El Departamento de Vivienda y Planificación de la Ciudad de Austin ha recibido solicitudes de modificación del plan del vecindario y cambio de zonificación para propiedades ubicadas dentro del Área de Planificación Combinada del Este de MLK. Recibió este aviso porque vive o es dueño de una propiedad dentro de los 500 pies de la propiedad, o es miembro del equipo de contacto de planificación o miembro de una organización vecinal registrada o un grupo ambiental que solicitó notificación para el área.

**Número de caso de enmienda del plan:** NPA-2022-0015.07.SH

**Número de caso de zonificación:** C14-2022-0122.SH

**Dirección de Propiedad:** 3811 1/2 Tannehill Ln.

**FECHA:** miércoles, 26 de octubre de 2022

**HORA:** 6:00—7:30 pm

**Sitio web:** <https://www.speakupaustin.org/npa>

**La reunión será grabada y publicada en este sitio web**

**Consulte las instrucciones en este aviso para conocer las formas de participar**

## PROPÓSITO DE LA REUNIÓN:

La Ciudad de Austin está patrocinando esta reunión comunitaria para brindar una oportunidad para que el solicitante, el equipo de contacto de planificación del vecindario, los residentes/propietarios cercanos y cualquier otra parte interesada discutan la enmienda del plan propuesto y las solicitudes de cambio de zonificación.

## RESUMEN DE CASOS:

**NPA-2022-0015.07.SH**—Para cambiar el uso del suelo en el futuro mapa de uso del suelo Cívico a Residencial Multifamiliar.

**C14-2022-0122.SH**—Para cambiar la zonificación de la propiedad de P-NP (Distrito público—Plan de vecindario) a MF-4-NP (Distrito de residencia multifamiliar de densidad moderada a alta—Plan de vecindario) para viviendas asequibles de alquiler y propiedad unidades.

**Si necesita más información en español sobre esta reunión, favor de llamar a Jesse Gutierrez al (512) 974-1606 o por correo electrónico a [Jesse.Gutierrez@austintexas.gov](mailto:Jesse.Gutierrez@austintexas.gov). Para solicitar un intérprete de español para la reunión, también llame a Jesse.**

- Para obtener más información sobre estos casos, puede ir al sitio web de la ciudad: <https://abc.austintexas.gov/web/permit/public-search-other>.
- Para obtener más información sobre el uso de la tierra y las descripciones de zonificación, visite: <https://www.austintexas.gov/page/neighborhood-plans-and-resources>.

## CONTACTO DEL PERSONAL

Por favor contactar **Maureen Meredith** at (512) 974-2695 or at [Maureen.Meredith@austintexas.gov](mailto:Maureen.Meredith@austintexas.gov) con cualquier pregunta. El horario de oficina es de lunes a jueves de 8:00 a. m. a 6:30 p. m.

**La Ciudad de Austin se compromete a cumplir con el Decreto de los Americanos Incapacitados. Con solo solicitarlo se proveerán modificaciones e igual acceso a comunicaciones. Para información favor de llamar a (512) 974-1897 o TDD 711. Para un intérprete del lenguaje de señales o solicitudes de Braille, por favor, nos llame 4 a 5 días antes de la reunión.**



# There are three ways to participate in a Neighborhood Plan Amendment Meeting

## Listen by phone....



**Dial:** **+1 512-831-7858** United States, Austin

**Enter the Phone Conference ID:** **501 319 50#**

Prior to the meeting, if you have any comments that you would like voiced at the meeting, you can submit them by phone or email to the case manager. The organizer will automatically mute all participants joining by phone.

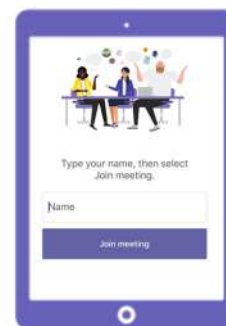
## Participate by smartphone or I-pad....



Download the free Teams App from the App Store.



Go to the city website provided in the meeting notice and click the event link – if you have downloaded the app, the event will open automatically.



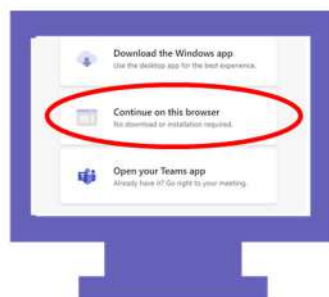
Join in as guest and type a name so that the event hosts can identify you.

## Participate by laptop or desktop computer..

*If you join on the web, you can use either Microsoft Edge or Google Chrome. Your browser may ask if it's okay for Teams to use your mic and camera. Be sure to allow it so you'll be seen and heard in your meeting.*



Go to the city website provided in the meeting notice and click the event link.



You can participate in your web browser by clicking the option "Continue on this browser".



Type your name and click "Join now". When the meeting starts, the organizer will admit you.

# Hay tres maneras en cual puede participar en la reunión de modificación al plan vecindario

## Escuche por teléfono....

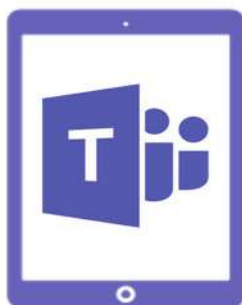


**Marcar:** **+1 512-831-7858** United States, Austin

**Ingrese la identificación (Conference ID):** **501 319 50#**

Antes de la reunión, si tiene algún comentario que le gustaría expresar en la reunión, puede enviarlo por correo electrónico o puede dejar un mensaje por teléfono con la administradora del caso. Al principio de la reunión el organizador automáticamente pondrá todos los teléfonos de los participantes en silencio.

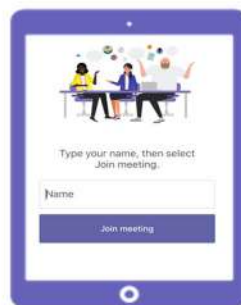
## Participe por tableta o por móvil inteligente....



Descargue la aplicación **Teams** gratis por la tienda **App Store**.



En el aviso de la reunión hay un sitio web. Cuando abre esta pagina web usando su móvil o tableta encontrara un nuevo enlace para el evento. Haga clic en este nuevo enlace.



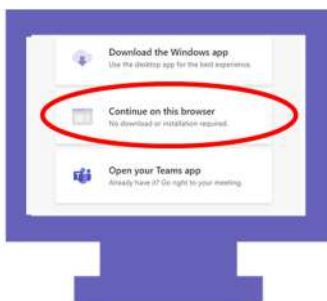
Unase como invitado (guest) y escriba su nombre para que el anfitrión del evento la pueda identificar.

## Participe por computadora...

Si se une a través de la red, es mejor usar Microsoft Edge o Google Chrome. Su navegador puede preguntarle si está bien que Teams use su micrófono y cámara. Asegúrese de permitirlo para que la vean y la escuchen en la reunión.



Vaya al sitio web de la ciudad incluido en su aviso. Tiene que encontrar el numero de caso y luego haga clic en el enlace para la reunion.

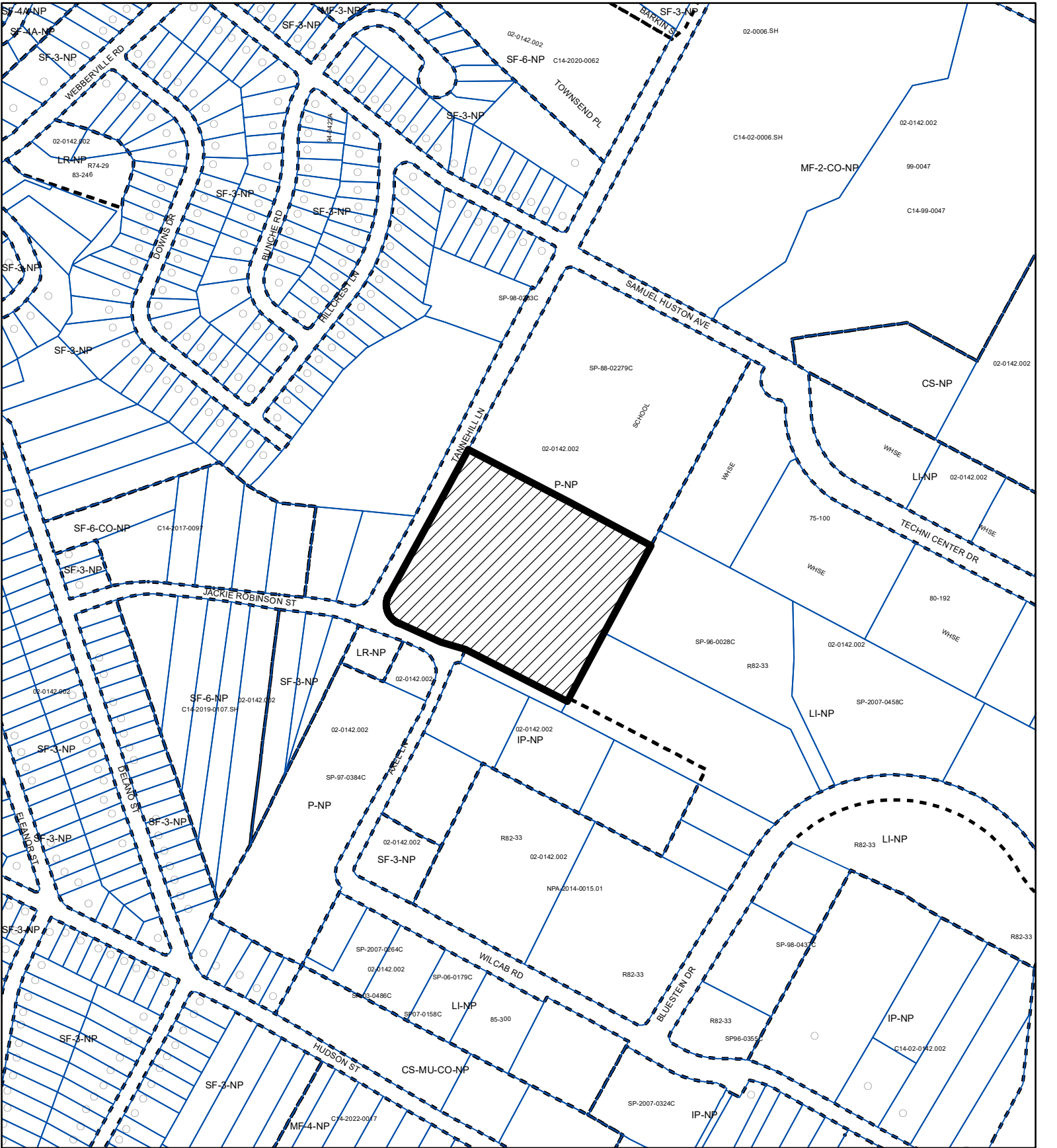





Puede participar en su navegador web haciendo clic en la opción "Continuar en este navegador" o "Continue on this Browser."



Escriba su nombre y haga clic en "Unirse ahora" o "Join now". Cuando comience la reunión, la organizadora la dejará entrar a la reunión.





-  SUBJECT TRACT
-  PENDING CASE
-  ZONING BOUNDARY

**ZONING**

**ZONING CASE#: C14-2022-0122.SH**

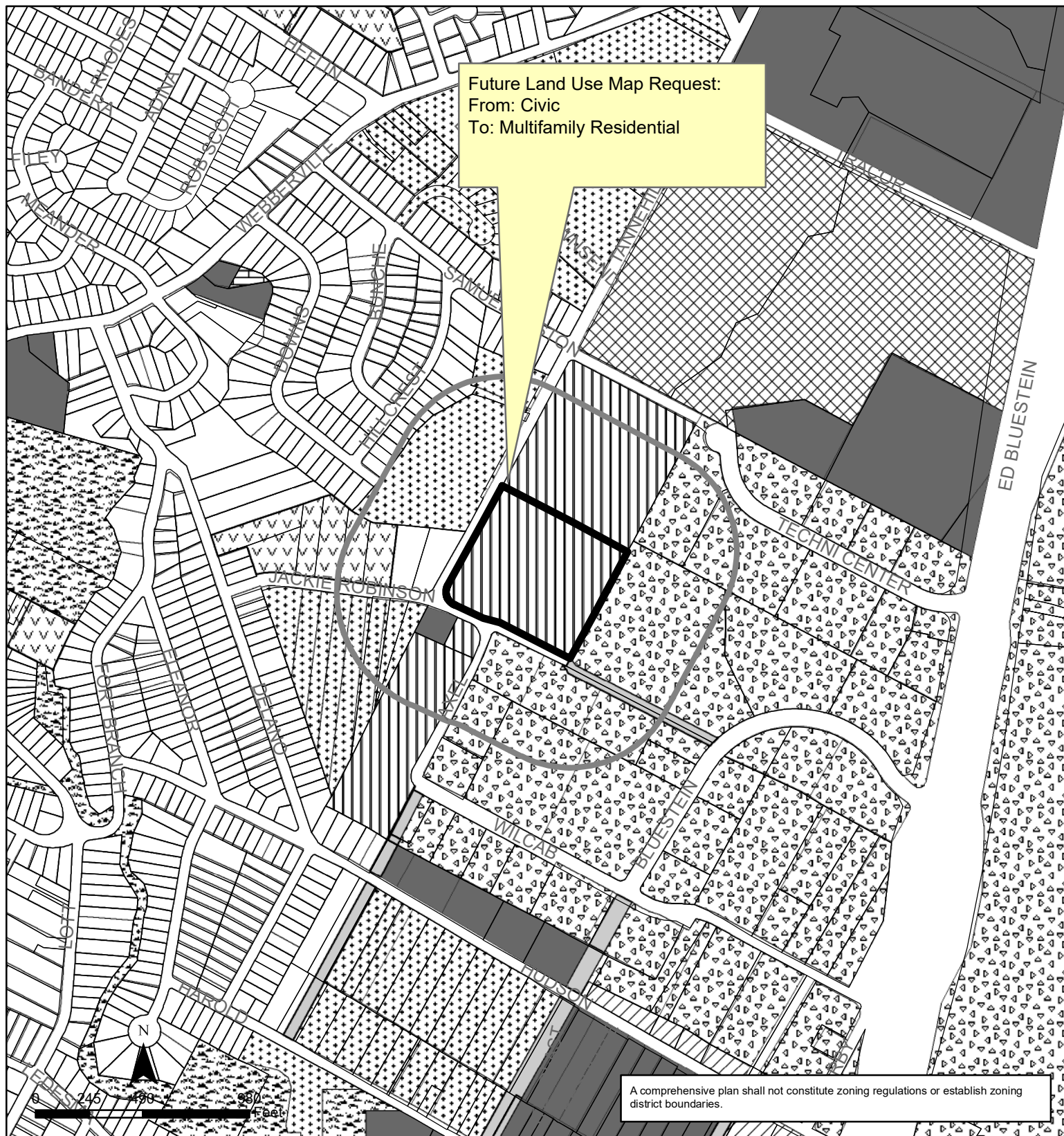
1" = 400'

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**Created: 9/8/2022**



## East MLK Combined (MLK-183) Neighborhood Planning Area NPA-2022-0015.07.SH

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City of Austin  
Housing and Planning Department  
Created on 9/15/2022, by: meekss

### Future Land Use

	Subject Tract		Mixed Use
	500 ft. notif. boundary		Multi-Family
	Civic		Recreation & Open Space
	Commercial		Single-Family
	Higher-Density Single-Family		Transportation
	Industry		Utilities
	Mixed Residential		



Dear Neighbor,

You may have received a notice from the City of Austin regarding some upcoming changes to 3811 1/2 Tannehill Lane. As the nonprofit developers of this site's future community, we would like to reach out and introduce ourselves and our plan for this property.

In partnership with the City of Austin's Housing Finance Corporation (AHFC), Foundation Communities (FC) and Guadalupe Neighborhood Development Corporation (GNDC) are excited to bring forth Norman Commons, an upcoming affordable, services-enriched, multi-family housing community. This community will create 156 affordable rental homes and 32 affordable ownership homes. With 188 affordable homes, a state-of-the-art Learning Center, and a host of on-site amenities and services, we will accomplish the following goals:

- 100% Affordability
- Long-term Nonprofit Stewardship
- High Impact Services for Residents and Neighbors
- Family Friendly Homes
- Creative Community Development
- Neighborhood Connectivity
- Green, Healthy Buildings

We are committed to engaging with our future neighbors and will be happy to discuss our plans with you at any time. Please review the back of this letter for an overview of Norman Commons, Foundation Communities, and Guadalupe Neighborhood Development Corporation.

Should you have any questions, please contact Megan Matthews at [megan.matthews@foundcom.org](mailto:megan.matthews@foundcom.org) or Anna Lake-Smith at [anna.lake-smith@foundcom.org](mailto:anna.lake-smith@foundcom.org) with FC, or Mark Rodgers at [mark@guadalupendc.org](mailto:mark@guadalupendc.org) with GNDC.



## CREATING HOUSING WHERE FAMILIES SUCCEED

Since 1990, Foundation Communities has been providing attractive, affordable homes and support services for thousands of low-income families and individuals, empowering them with the tools they need to succeed.

Foundation Communities | [www.FoundCom.org](http://www.FoundCom.org) | 512-447-2026



16 Family communities throughout Austin

Over **2,800** existing apartments, including 1, 2, and 3 bedrooms

Rents well below market rate

Education, Financial Stability, & Health programs

On-site learning centers

Green features keeps utilities low



# GNDC

Guadalupe Neighborhood Development Corporation

Guadalupe Neighborhood Development Corporation celebrates over 35 years of service to its community as an affordable housing developer to East Austin families. GNDC works for the improvement, revitalization, and preservation of the residential neighborhood.

512-479-6275 | [guadalupendc.org](http://guadalupendc.org)



### Norman Commons Conceptual Render

- **32 Ownership Townhomes** - 18 two-story rowhomes, 12 two-story duplexes, and two single-story duplexes with garages, front yards, and front porches facing Tannehill and Jackie Robinson, with sidewalk landscaping to encourage a lively streetscape.
- **156 Rental Homes + Learning Center** - Rental homes in four-story apartment buildings with Leasing Office and Learning Center on ground floor. Playgrounds in the center and parking wrapped around apartment buildings to encourage kid-friendly play.



# City of Austin

P.O. Box 1088, Austin, TX 78767  
[www.austintexas.gov/department/housing-and-planning](http://www.austintexas.gov/department/housing-and-planning)

## Housing and Planning Department

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

April 7, 2023

**S.M.A.R.T. Housing Certification**  
**AHFC-FC Norman Housing, LP**  
**3811 ½ Tannehill Ln. (ID 870)**

TO WHOM IT MAY CONCERN:

Owner AHFC-FC Norman Housing, LP (development contact Courtney Banker; ph: 512-974-3114; email: [Courtney.banker@austintexas.gov](mailto:Courtney.banker@austintexas.gov)) is planning to develop Norman Commons, an 188-unit mixed multifamily rental and ownership development at 3811 ½ Tannehill Lane, Austin, Texas 78721.

<b>S.M.A.R.T. Housing – Rental/Ownership – 3811 ½ Tannehill Ln.</b>	
<b>Total units:</b> 188 units (156 rental, 32 ownership)	
<b><u>Minimum Required (Rental):</u></b> 40% (63 units) at or below 80% MFI - Required for 100% fee waiver level	<b><u>Proposed unit mix:</u></b> 10% (15 units) at or below 30% MFI 50% (78 units) at or below 50% MFI 40% (62 units) at or below 60% MFI
<b><u>Minimum Required (Ownership):</u></b> 40% (13 units) at or below 80% MFI - Required for 100% fee waiver level	<b><u>Proposed unit mix:</u></b> 25% (8 units) at or below 60% MFI 75% (24 units) at or below 80% MFI
<b>Affordability Period (S.M.A.R.T. units):</b> 5 Years for Rental / 1 Year for Ownership	
<b>Fee waiver level:</b> 100%	
<b>AWU Capital Recovery Fees:</b> Rental: 156/156 units eligible; Ownership: 32/32 units eligible	

Note: This certification letter only reflects the minimum requirements for the relevant program (S.M.A.R.T. Housing). Should the owner choose to participate in other affordability programs, the development may be subject to additional affordability restrictions and/or a longer affordability period.

Because the applicant has proposed a unit mix that meets the minimum program thresholds, the development will be eligible for a waiver of fees listed in Land Development Code, Chapter 25-1-704, as amended or other fees waived under a separate ordinance except for Austin Water Utility Capital Recovery Fees (see below). The fee waiver level is listed above. The project will be subject to its minimum affordability period after issuance of a certificate of occupancy, unless funding requirements are longer.

Based on the requirements under the Texas Local Government Code, Chapter 395.16(g) and 42 U.S.C. Section 12745 (A)(1) as it relates to how housing qualifies as affordable housing, only a certain number of units may be eligible to receive Austin Water Utility Capital Recovery Fee (CRF) waivers. The table above lists the number of units which are eligible to receive CRF fee waivers.

The Housing and Planning Department (HPD) certifies the proposed project meets the S.M.A.R.T. Housing standards at the pre-submittal stage. 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  
Construction Inspection  
Demolition Permit Fee

Subdivision Plan Review  
Parkland Dedication Fee  
(by separate ordinance)  
Regular Zoning Fee

Zoning Verification  
Land Status Determination  
Building Plan Review

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

- ◆ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Contact Austin Energy Green Building: 512-482-5300 or [greenbuilding@austinenergy.com](mailto:greenbuilding@austinenergy.com)).
- ◆ Submit plans demonstrating compliance with the required accessibility or visitability 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 or visitability 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 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 512.978.1594 or by email at [brendan.kennedy@austintexas.gov](mailto:brendan.kennedy@austintexas.gov) if you need additional information.

Sincerely,



Brendan Kennedy, Project Coordinator  
Housing and Planning Department

Cc: Kristin Martinez, AE

Jonathan Orenstein, AWU

Mashell Smith, ORS

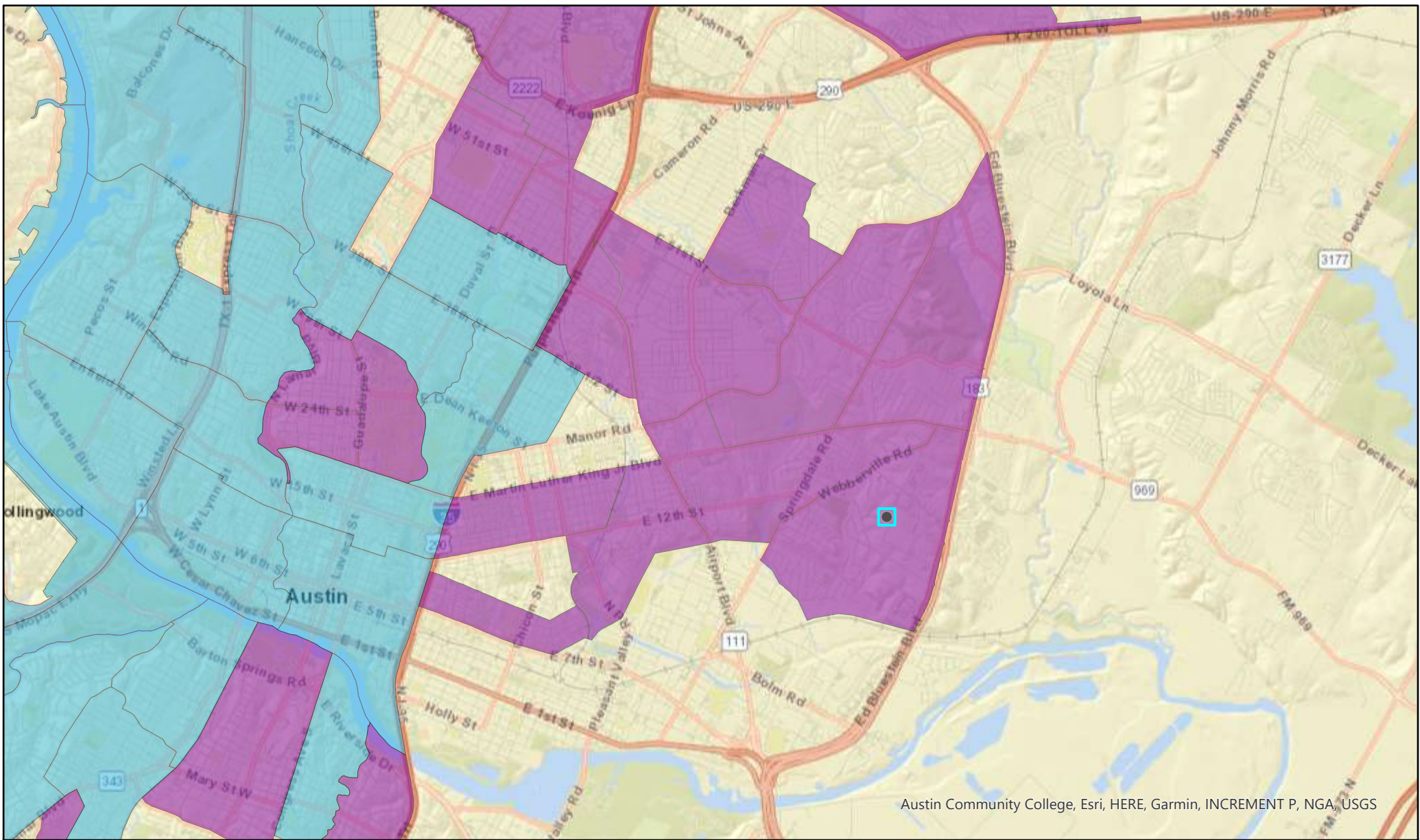
## **Appraisal**

AHFC will provide the appraisal for the land.



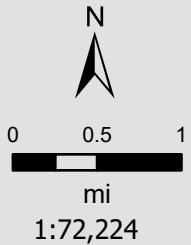






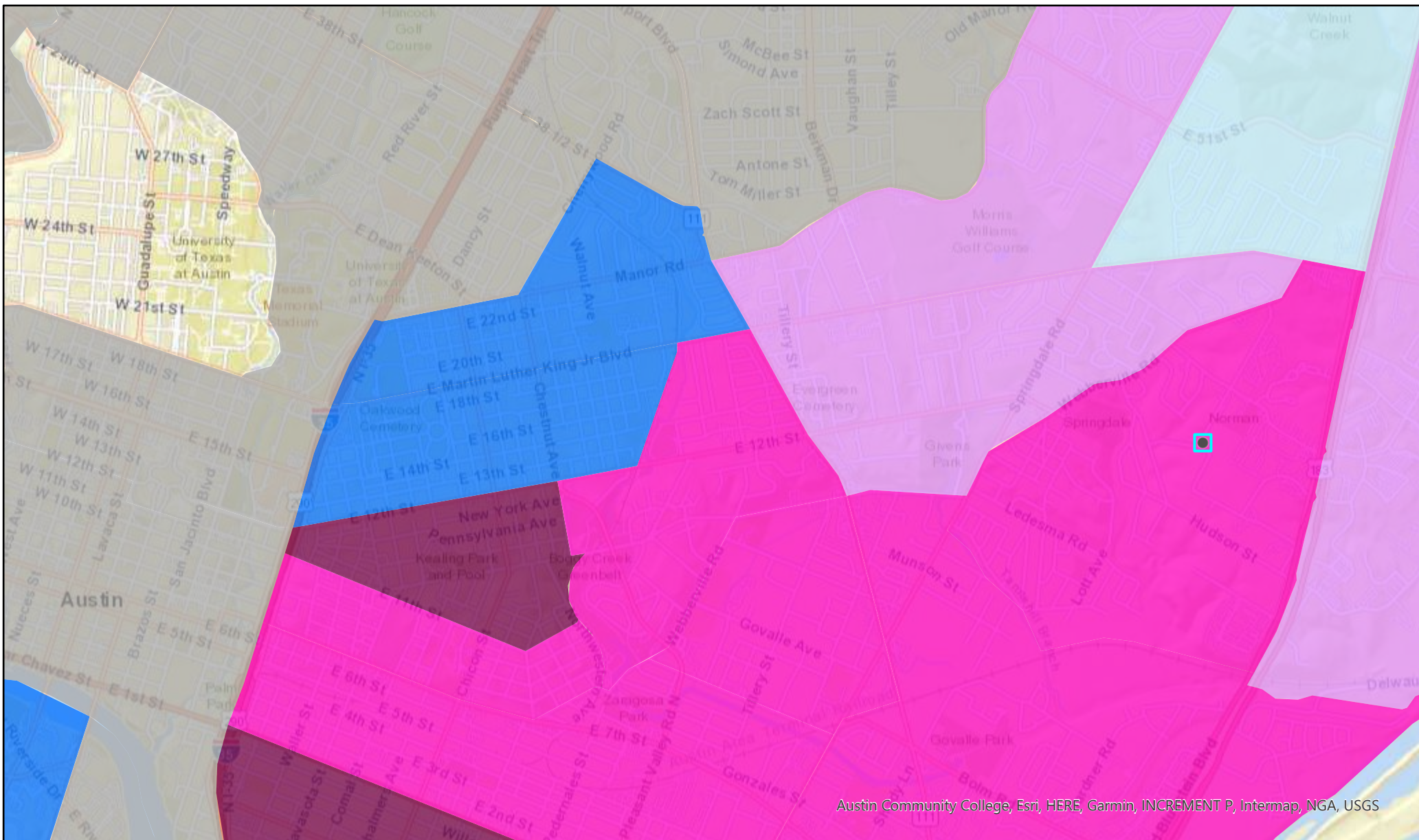
# GNDC Tannehill OHDA Opportunity Value

01 November 2023



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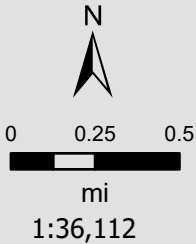


Austin Community College, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



# GNDC Tannehill OHDA Gentrification Values

01 November 2023

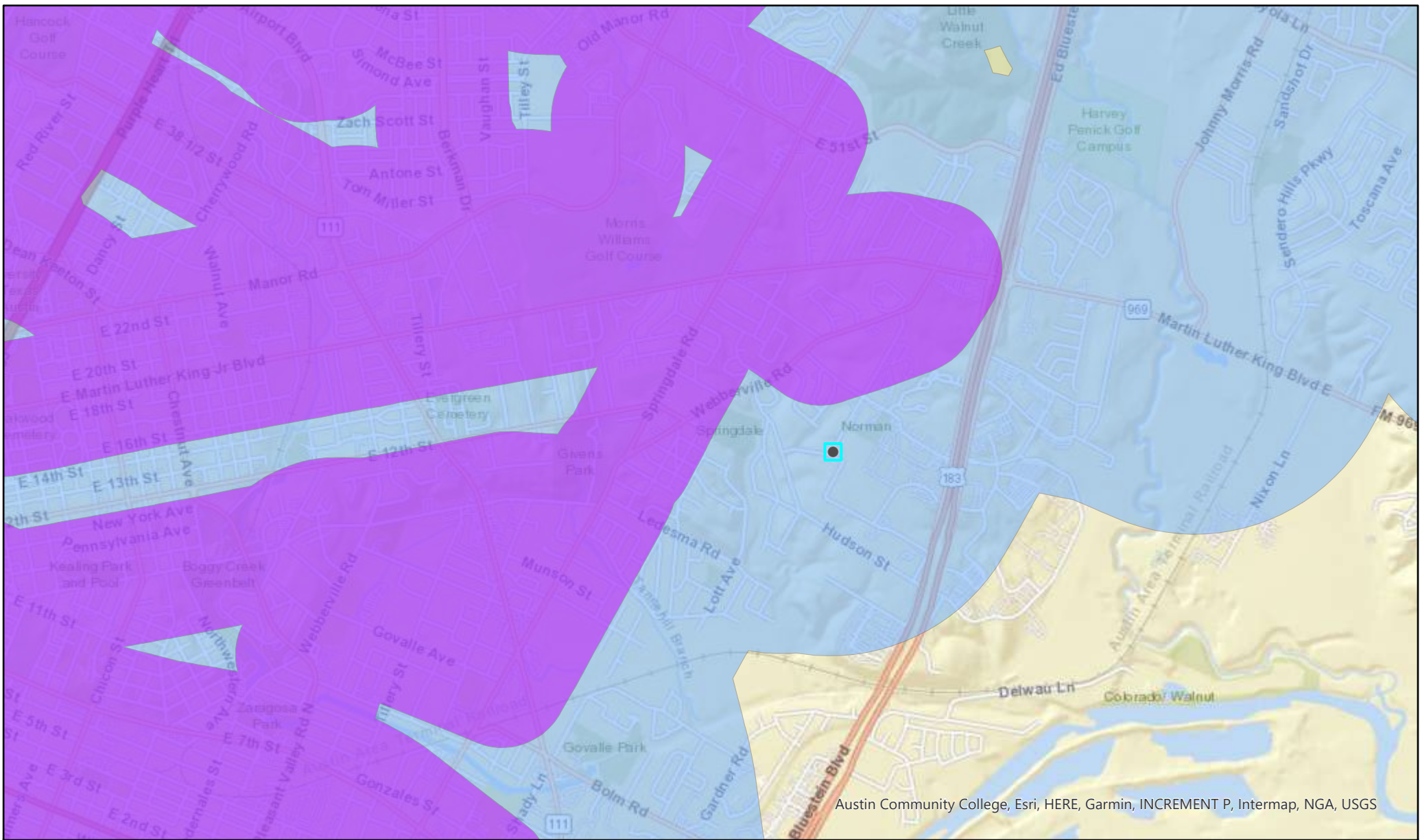


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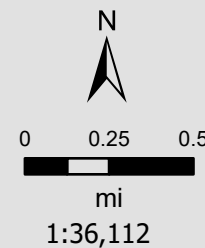


Austin Community College, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



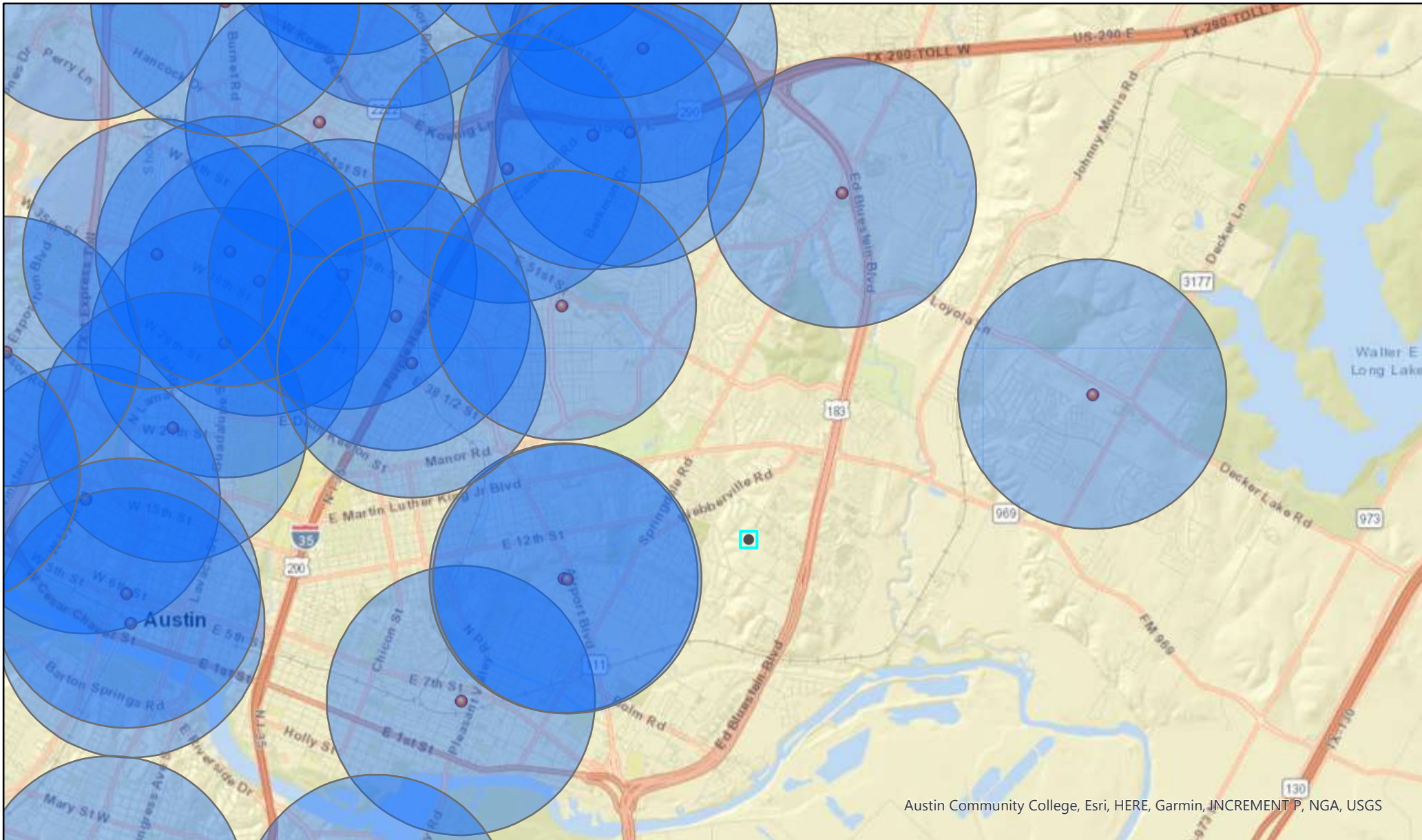
01 November 2023

## GNDT Tannehill OHDA Transit



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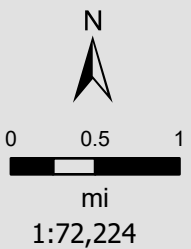


Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



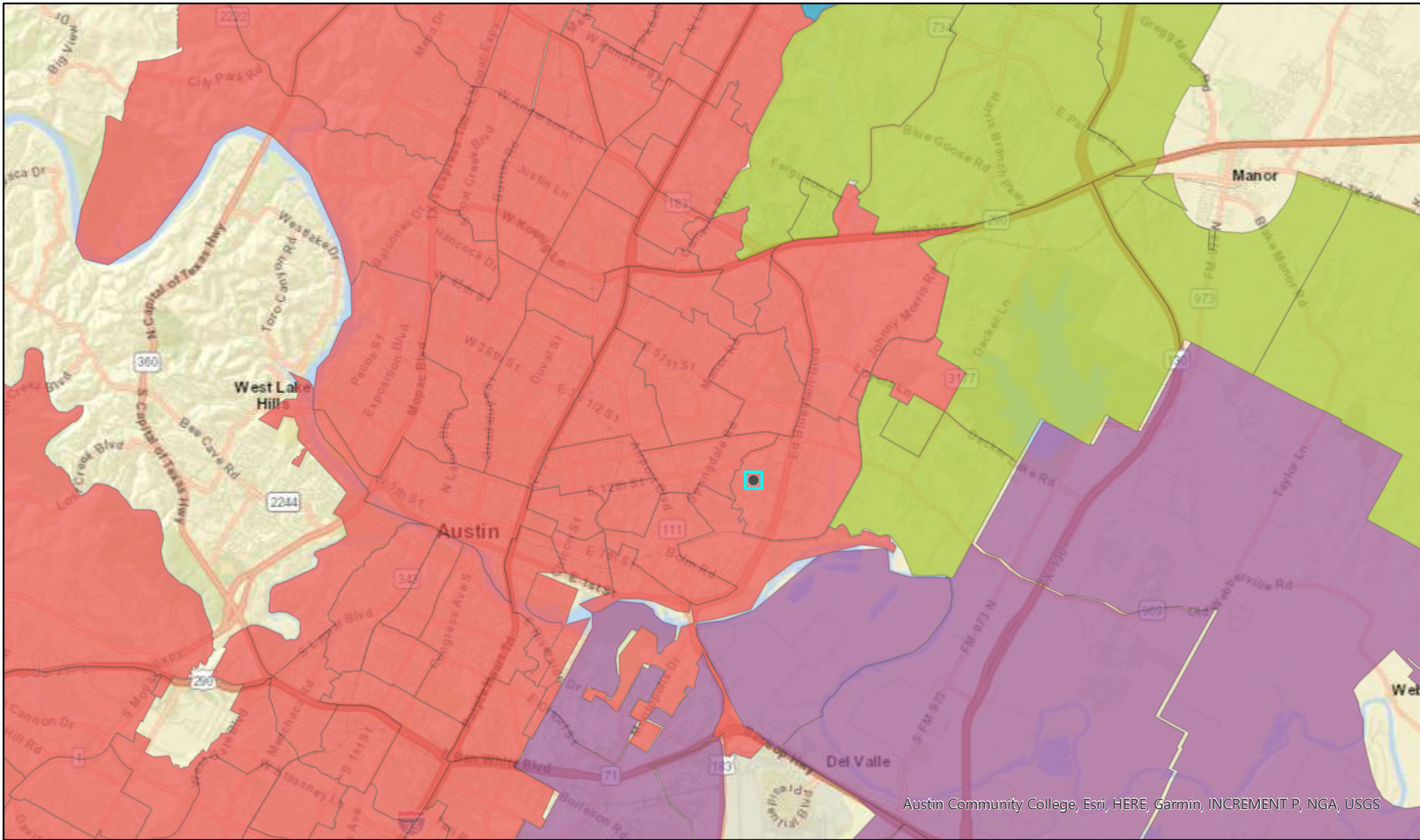
01 November 2023

## GNDT Tannehill OHDA Healthy Food



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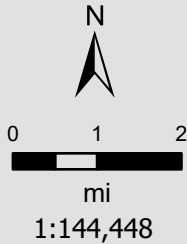


Austin Community College, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



# GNDC Tannehill OHDA Elementary Schools

01 November 2023



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# City of Austin Regulatory Floodplains



## Legend

### FloodPro

- Fully Developed Floodplain
- COA Fully Developed 25-Year
  - COA Fully Developed 100-Year
  - 100-Year (Shallow-AO,AH)
  - 100-Year (Approx-A)

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 1500 3000 ft

Wednesday,  
November 1, 2023





# CITY OF AUSTIN - ZONING VERIFICATION LETTER

For questions concerning zoning compliance or any development criteria contact the Development Assistance Center of the City of Austin at (512) 974-6370.

This letter is to verify that the parcel listed is covered by the listed zoning classification on the date the letter was created.

## Party Requesting Verification

Name: Sophia Checa  
Mailing Address:  
813 E. 8th Street  
Austin, TX 78702

## Tax Parcel Identification Number

Agency: TCAD  
Parcel ID: 199328

## Zoning Classification(s)

Find definitions at <https://www.austintexas.gov/page/zoning-resources-site-regulations>

MF-4-NP

## Zoning Case Number(s)

Look up case info at [https://www.austintexas.gov/devreview/a\\_queryfolder\\_permits.jsp](https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp)

C14-2022-0122.SH, C14-02-0142.002

## Zoning Ordinance Number(s)

Look up ordinances at <http://austintexas.gov/edims/search.cfm>

20230323-081, 021107-Z-12b

For Address Verification visit:

<http://austintexas.gov/addressverification>

To access zoning ordinance documentation visit:

<http://austintexas.gov/edims/search.cfm>

To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:

<http://austintexas.gov/departament/austin-city-code-land-development-code>

This letter was produced by the City of Austin Housing & Planning Department.

I, Stacy Meeks, of the Housing & Planning Department for the City of Austin, do hereby certify that the above information reflects the data and records on file in this office.

A handwritten signature in black ink, appearing to read "Stacy Meeks".

12/21/2023

199328

**REISSA FOUNDATION**  
**Restricted Grant Agreement**

Reissa Foundation has approved a grant in the amount of \$100,000 to Guadalupe Neighborhood Development Corporation (“Grantee”) to support GNDC Community Land Trust (“CLT”) Pipeline Expansion (“Project”). This grant covers the period of July 1, 2023 through June 30, 2024. Payment will be processed upon return of the executed Grant Agreement.

In accepting this grant, Grantee agrees to the following terms and conditions:

1. This grant is for the specific purpose(s) stated in the letter of inquiry, grant proposal or as otherwise proposed by Grantee and approved by Reissa Foundation. Grant funds received under this agreement and any investment income earned from the grant funds should be expended for no other purpose(s) without the express written consent of Reissa Foundation; however, if such use would require the Grantee to distribute the grant funds with the Grantee’s discretion to another entity or individual, this grant will be deemed general and unrestricted with a non-binding recommendation that the grant funds be used for the specific purpose(s). Any earnings accruing from these grant funds should be credited to the support of the activity being funded and added to the balance of the account.
2. No portion of the grant funds will be used to carry on propaganda or otherwise attempt to influence legislation, to influence the outcome of a public election, or to carry on a voter registration drive. The Grantee will not use any of the Grant funds to satisfy a charitable pledge or obligation of any person or organization, or to provide any tangible economic benefit to any Reissa Foundation manager or substantial contributor or their respective family members.
3. Grantee agrees to immediately notify Reissa Foundation in writing if (1) there is any change in its tax-exempt status; (2) there is any reason to believe that its tax-exempt status may be revoked or altered; (3) Project is canceled, delayed or there is reason to believe that grant funds cannot be expended for the specific purpose(s). In the event that Grantee loses its tax-exempt status before all grant funds have been spent, this agreement will be considered null and void and any remaining funds will be returned to Reissa Foundation.
4. Grantee will provide reporting on the status of the grant and use of grant funds per the schedule below:

Interim Grant Report	n/a
Final Grant Report	April 30, 2024

Reissa Foundation will provide Grantee links via email to the appropriate reporting template in advance of the report due date. When the Interim and Final Reports are submitted, Grantee will also provide a separate accounting of grant funds spent to date and how those funds were allocated.

5. Grantee agrees to keep its financial records so that they adequately show that the funds were used exclusively for the specific purpose(s) of the grant. Any grant funds not expended or encumbered for the specific purpose(s) by the expiration date will be returned within 60 days to Reissa Foundation, or the grantee may submit a written request for extension of time if Project is not completed.

# REISSA FOUNDATION

## Grant Agreement

### Page 2

6. Grantee may formally acknowledge Reissa Foundation as a sponsor of the specific Project being supported and will submit draft copies of any social media or other publicity about the grant for Reissa Foundation's approval prior to its release. Grantee agrees to forward copies of any news releases, published materials, or media articles mentioning the grant which come to its attention.
7. Foundation Connection: If Reissa Foundation, alone or together with its officers, directors, trustees, substantial contributors, and the family members of the foregoing individuals, "controls" the Grantee, the Grant may be subject to additional terms or rescission. Here, the term "control" means the ability to require the Grantee to make or refrain from making an expenditure. If this is the case, the Grantee must notify Reissa Foundation immediately.
8. This grant is conditional upon Grantee acceptance of the terms and conditions set forth herein. The signature on this document of the person authorized to make legal contracts on behalf of Grantee will represent its acceptance of this award and agreement to comply with the stated terms and conditions of the grant.

The undersigned official of Grantee has carefully read this agreement and agrees to the terms and conditions stated herein.

By: Scott P. Koch  
\_\_\_\_\_  
Scott P. Koch  
Executive Director  
Reissa Foundation

By: Mark Rogers  
\_\_\_\_\_  
Mark Rogers  
\_\_\_\_\_  
Printed Name  
  
Executive Director  
\_\_\_\_\_  
Title  
Guadalupe Neighborhood Development Corporation

Date: 6/28/2023


# Guadalupe Neighborhood Development Corporation Restricted Grant Agreement 6.14.2023 unsigned


Final Audit Report

2023-06-15


Created:	2023-06-15
By:	Shannon Joerchel (sjorchel@foundationsource.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAo8QiKej7dN_TrXCsgn_24R2HxY96KpjT


## "Guadalupe Neighborhood Development Corporation Restricted Grant Agreement 6.14.2023 unsigned" History

 Document created by Shannon Joerchel (sjorchel@foundationsource.com)  
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 Document emailed to Scott Koch (scott@reissa.org) for signature  
2023-06-15 - 12:53:21 PM GMT

 Email viewed by Scott Koch (scott@reissa.org)  
2023-06-15 - 4:57:12 PM GMT

 Document e-signed by Scott Koch (scott@reissa.org)  
Signature Date: 2023-06-15 - 5:02:40 PM GMT - Time Source: server

 Agreement completed.  
2023-06-15 - 5:02:40 PM GMT

## MEMORANDUM OF UNDERSTANDING

### (3801 Tannehill – “Ada Anderson Place” Single Family Development)

This Memorandum of Understanding (this “**Agreement**”) dated and effective as of July 6, 2023, is by and between Austin Housing Finance Corporation, a Texas public nonprofit corporation created under Chapter 394 of the Texas Local Government Code (“**AHFC**”), and Guadalupe Neighborhood Development Corporation, a Texas nonprofit corporation (“**GNDC**”). For purposes of this Agreement, AHFC and GNDC are each a “Party” and are collectively the “Parties.”

WHEREAS, GNDC will develop, finance, construct, manage, lease, and sell a single-family residential ownership development (the “**Development**”), described below, on 1.97 acres of land donated by AHFC to GNDC:

“Ada Anderson Place” Single Family Development, a development of 32 single family homes located approximately at 3811 ½ Tannehill Lane, Austin, Texas (Travis County), to be constructed and sold in 4 phases (each a “**Phase**” and collectively the “**Phases**”).

NOW THEREFORE, for good and valuable consideration, the Parties hereby agree as follows:

1. **Summary of Single-Family Development.** AHFC is the fee owner of real property totaling approximately 7.98 acres, located at or about 3801 Tannehill Austin, Texas 78721 and more particularly described on Exhibit A attached hereto and made a part hereof. Upon satisfaction of the conditions set forth below in **Section 2**, AHFC will convey 1.97 acres of land (the “**Land**”) to the GNDC CLT (as defined below), in consideration for GNDC to develop and construct the Development. The Land is described in Exhibit A hereto.

At no costs to AHFC, AHFC will contribute the Land to one or more GNDC community land trusts (collectively the “**CLT**”). GNDC will then construct 32 single family homes within the Land utilizing a condominium regime. The homes will be sold to eligible buyers and the related land will be leased by the GNDC CLT to the homebuyers for a term of 99 years. The homes will consist of the following unit and income mix:

<b>Number of Bedrooms</b>	<b>&lt; 60% AMI</b>	<b>60% - 80% AMI</b>	<b>Total</b>
2 Bedrooms	3	4	7
3 Bedrooms	4	15	19
4 Bedrooms	1	5	6
<b>Total</b>	<b>8</b>	<b>24</b>	<b>32</b>



2. **Condition to Conveyance of Land.** Prior to AHFC's conveyance of the Land to GNDC, (1) the Senior Construction Loan (as defined below) and the OHDA Loan, if awarded, must be closed (or firmly committed to the satisfaction of AHFC), (2) all other financing sources necessary to construct all 4 Phases of the Development must be closed (or firmly committed to the satisfaction of AHFC), (3) all City of Austin, State of Texas, and all other required governmental approvals must have been granted in order to begin construction of Phase I of the Development, and (4) detailed proformas reflecting the equity, debt, construction draws, cash flow, developer fee, and release of any contingencies from the date of construction financing until the sale of the last single family home must be provided to and approved by AHFC. AHFC may impose additional, reasonable conditions to the donation of the Land to GNDC.

3. **GNDC to Obtain Necessary Approvals.** GNDC (and the GNDC CLT, as applicable) will obtain all governmental and other approvals, consents, and permits required under all applicable laws and by the lender of the Senior Construction Loan and, if applicable, AHFC as lender of the OHDA Loan, necessary to subdivide the Land, and develop, finance, construct, lease, and sell the homes comprising the Development.

4. **Financing of Development.** GNDC will be responsible for obtaining all financing necessary to develop and construct the Development. It is expected that GNDC will provide such financing by securing one or more construction loans ("**Senior Construction Loan**") and applying for an Ownership Housing Development Assistance Loan ("**OHDA Loan**") from AHFC<sup>1</sup>. GNDC will be responsible for raising any additional funds necessary to finance the construction of the Development. Senior Construction Loans, and the OHDA Loan, if awarded, will finance all 4 Phases of the Development. The OHDA Loan, if awarded, will be subordinate to all Senior Construction Loans. The estimated sources and uses of funds are set forth in **Exhibit B** hereto. GNDC will notify AHFC of any material changes to the sources and uses of funds. The final sources and uses are subject to AHFC's approval. An OHDA loan, if awarded, will be utilized as "gap" financing and will be reduced if additional funds are identified, if costs decrease, or both. GNDC will obtain one or more commitments for Senior Construction Loans. AHFC will have the right to review and comment on Senior Construction Loan commitments prior to the finalization thereof.

5. **Construction of Development.** Upon closing of a Senior Construction Loan and the OHDA Loan, if awarded, and other necessary financing sources, and receipt of all governmental and other approvals necessary to commence construction of Phase 1, GNDC will proceed promptly to construct the Phase 1 of single-family homes. The Development will be constructed in 4 Phases as follows:

Phase I:	8 homes; to be completed by	<b>March 31, 2025</b>
Phase II:	8 homes; to be completed by	<b>October 31, 2025</b>
Phase III:	8 homes; to be completed by	<b>May 30, 2026</b>
Phase IV:	8 homes; to be completed by	<b>December 31, 2026</b>

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<sup>1</sup> The OHDA Loan is subject to approval by the AHFC Board of Directors.

As each Phase is completed, the related homes will be sold to eligible buyers. The timetable for the development and construction of the Development is set forth in **Exhibit C** hereto.

6. **Leasing of GNDC Land and Sale of Homes to Homebuyers.** The GNDC CLT will lease the land for each condominium home for 99 years to eligible homebuyers for between \$25 and \$100 per month (\$300 to \$1,200 per year). The homes will be sold only to eligible borrowers in accordance with the affordability restrictions set forth in the OHDA loan documents, if awarded, and any other applicable restrictions. The Lease documents will include restrictive covenants which limit the resale price of the home. The restriction limits the allowable appreciation that is part of the sales price of a home to between 1.5% and 2% of the initial sales price for a maximum period of 30 years. GNDC will have a right of first refusal (“**ROFR**”) to purchase the home upon its resale and expects to be the buyer when a home is sold. Following its purchase, GNDC will sell the home to another income-eligible homebuyer. If GNDC does not exercise the ROFR, AHFC (or the City of Austin) may exercise the ROFR.

7. **Tax Exemption of GNDC Land.** GNDC will apply for a CLT designation from the Austin City Council with respect to the Development. The City Council will have the opportunity to designate both GNDC and the property comprising the Development as a CLT. If designated as a CLT, this will permit Travis Central Appraisal District (TCAD) to determine that GNDC has met the applicable exemption requirements under Section 373B of Texas Local Government Code. It is expected that TCAD will grant a 100% exemption from all ad valorem taxes on the Land while it is being developed and will assess taxes based on the annual Lease income. This designation is expected to occur during the development process and prior to the sale of a home in a particular Phase.

8. **Buyer Application and Eligibility.** For the homeownership units, GNDC will accept applications from anyone who is interested in purchasing an affordable home. Buyers must be eligible based on the income limit restrictions in effect at the time a sales contract is executed; the applicable income limit will be 80% of median income as adjusted for family size. Eligibility also depends on the buyer meeting the application requirements for securing a conventional mortgage loan. Eligibility will depend in part on meeting a minimum FICO credit score, currently 620, and specific debt to income ratios that are required, and determined by, the mortgage lender. The goal is for buyers to be able to get a mortgage that does not exceed 35% of their gross income. GNDC will also prioritize applicants who have ties to the neighborhoods where it develops housing and neighborhoods currently experiencing discernable displacement of residents with low-to-moderate income.

9. **Developer Fee.** The Developer will be compensated by a Developer Fee mutually agreed to by AHFC and GNDC, which will be consistent with the OHDA Loan rules. The Developer Fee is expected to be equal to no more than 15% of the total project costs, including all soft costs, predevelopment costs, and construction hard costs are calculated. However, Project costs do not include the value of the land, contingencies, or the developer fee. By the closing of the OHDA Loan for Phase I, AHFC and GNDC will execute a Development Agreement that sets forth the amount of the Developer Fee and when it is paid. The Developer Fee is GNDC’s sole source of compensation to develop and construct the Development on the Land.

10. **Excess Development Proceeds.** All proceeds from the sale of the homes in excess of construction costs, soft costs, predevelopment costs, and the Developer Fee, must be used to pay down the OHDA loan, if awarded.

11. **Closing Costs.** GNDC will pay all closing costs at closing on the Senior Construction Loans and OHDA Loan. AHFC is not responsible for providing any funds to pay closing costs. GNDC will pay, or reimburse AHFC for, AHFC's outside counsel fees and expenses at closing, if any.

12. **No Obligation of AHFC to Provide Debt or Equity Funds or Guarantees.** Except for the OHDA loan, if awarded, AHFC has no obligation to provide any debt or equity funds with respect to the Development or provide any guaranty with respect to the Development.

13. **Construction of Development.** Eastside Construction Company, LLC is expected to serve as general contractor for the construction of the Development. However, GNDC may retain another qualified general contractor with AHFC's written consent.

Kimley-Horn is serving as civil engineer for the Development, and Spring Architects is serving as the architect for the Development. However, GNDC may retain another qualified civil engineer or qualified architect with AHFC's written consent.

14. **Termination.** This Agreement will terminate in the following circumstances:

(a) if the Parties mutually agree to terminate this Agreement; or

(b) if GNDC breaches its obligations under this Agreement and fails to cure such breach within 30 days of the occurrence of such breach, or such longer period permitted by AHFC, and AHFC determines to terminate this Agreement; or

(c) if AHFC breaches its obligations under this Agreement and fails to cure such breach within 30 days of the occurrence of such breach (or such longer period permitted by AHFC), and GNDC determines terminate this Agreement.

(d) at AHFC's sole discretion, if GNDC does not close on the Senior Construction Loan and does not satisfy the other requirements of **Section 2**, above, on or before **September 30, 2024** without good cause.

In addition to the foregoing, if GNDC fails, without good cause, to complete construction of a Phase within 2 years of the completion date set forth in **Section 5** above, and AHFC in its sole discretion determines to not extend such date, AHFC may terminate this Agreement and, if directed by AHFC, GNDC will promptly subdivide and convey, at its sole expense, to AHFC, without any consideration, any portion of the Land for which construction of the related Phase has not begun.

15. **Restrictions Running with the Land.** AHFC will attach affordable housing restrictions as part of the conveyance of the Land to GNDC or the GNDC CLT.

16. **Miscellaneous.**

(a) This Agreement may only be amended with the written consent of AHFC and GNDC.

(b) Each Party hereto is prohibited from assigning any of its interests, benefits or responsibilities hereunder to any affiliate or any third party, without the prior written consent of the other Party.

(c) The Parties agree to execute such documents and do such things as may be necessary or appropriate to facilitate the consummation of this Agreement.

(d) This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all Parties hereto, notwithstanding that all the Parties shall not have signed the same counterpart.

(e) THIS AGREEMENT IS GOVERNED AND MUST CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUSIVE OF CONFLICT OF LAWS PRINCIPLES.

(f) In case any one or more of the provisions contained in this Agreement for any reason are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(g) The Parties hereto submit exclusively to the jurisdiction of the state courts of Austin, Travis County, Texas, and venue for any cause of action arising hereunder lies exclusively in the state courts of Austin, Travis County, Texas.

(h) The subject headings contained in this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation hereof.

{Remainder of Page Intentionally Left Blank}

This Memorandum of Understanding is executed and effective as of the date above shown.

AUSTIN HOUSING FINANCE CORPORATION,  
a Texas public nonprofit corporation created under  
Chapter 394 of the Texas Local Government Code

By:   
Rosie Truelove  
Treasurer

{signature follows}

GUADALUPE NEIGHBORHOOD  
DEVELOPMENT CORPORATION,  
a Texas nonprofit corporation

By: Mark C. Rogers  
Mark C. Rogers  
Executive Director



## **Phase I ESA**

A Phase I ESA was completed by AHFC as part of the Request for Proposal Process for this property.