Minutes

Texas Bond Review Board

Planning Session

Tuesday November 13, 2012, 10:00 a.m.

Capitol Extension, Room E2.026

1400 N. Congress Ave.

Austin, TX 78701

The Texas Bond Review Board (BRB) convened in a planning session at 10:00 a.m., Tuesday November 13, 2012 in the Capitol Extension, Room E2.026 in Austin, Texas. Present were Ed Robertson, Chair and Alternate for Governor Rick Perry; Kenneth Besserman, Alternate for Comptroller Susan Combs; Hasan Mack, Alternate for Lieutenant Governor David Dewhurst; and Andrew Blifford, Alternate for Speaker Joe Straus. Also in attendance were Stephanie Leibe with the Office of the Attorney General, Bond Finance Office staff members and others.

1. **Call to Order**

Bob Kline, Executive Director, called the meeting to order at 10:04 a.m. He announced that this was a planning meeting of Board staff to receive and discuss information relative to the applications before the Board. No votes would be taken. A quorum was present**.**

1. **Texas Water Development Board State of Texas Water Financial Assistance Bonds, Series 2013A**

This transaction will be discussed at a planning session before the Board meeting on Monday, November 26, 2012.

1. **Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (The Gateway Northwest Project), Series 2012**

Representatives present were: David Danenfelzer, Manager of Development Finance, TSAHC; Robin Miller, Financial Advisor, First Southwest; Robert Dransfield, Bond Counsel, Fulbright and Jaworski; and Mark Mayfield, Texas Housing Foundation.

TSAHC is seeking approval for the issuance of Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (The Gateway Northwest Project) Series 2012 in a maximum par and total proceeds amounts of $11,500,000 including premiums, if any.

The proceeds of the Bonds will be used to provide interim construction and lease-up financing for a newly-constructed multifamily community of 180 units in Georgetown, Williamson County, Texas.

TSAHC is acting as a conduit issuer and as such the issuance does not constitute an obligation, debt or liability of the State of Texas, or a pledge or loan of faith, credit or taxing power of the State of Texas.

1. **Texas Department of Housing and Community Affairs Taxable Down Payment Assistance Revenue Bonds, Series 2012**

Representatives present were: Tim Nelson, Director of Bond Finance, TDHCA; Elizabeth Bowes, Partner, Bracewell & Guiliani LLP; Gary Machak, Executive Vice President, George K. Baum & Co; Barton Withrow, Senior Vice President, George K. Baum & Co; and Marc Krasner, Senior Vice President, Financial Advisor, George K. Baum & Co.

TDHCA is seeking approval to issue its Taxable Down Payment Assistance Revenue Bonds, Series 2012 in a maximum par amount of $6,960,000 and maximum total proceeds of $6,907,800 including discount, if any.

TDHCA will use the proceeds from the sale of the Series 2012 bonds to generate additional second-lien DPA loans.

The Series 2012 Bonds will be sold as fixed-rate, taxable revenue securities with an interest rate of 10% and final maturity of August 1, 2038. The bonds will be privately placed with SMP Capital Holdings, Inc. and are subject to monthly redemption at par after January 1, 2013 from prepayments and excess revenues remaining after debt service.

The Series 2012 bonds and the interest thereon shall be limited obligations of TDHCA payable solely from the trust estate pledged under the Indenture to secure payment of the bonds issued under the Indenture and payment of TDHCA's costs and expenses for the program. Under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of TDHCA.

1. **Public Comment**

There were no public comments.

1. **Date for Next Board Meeting**

The next Planning Session and Board Meeting are scheduled for Monday, November 26 at 10:00am and 10:15am, respectively, in E2.026.

1. **Items for Future Agendas**

An updated list detailing future bond transactions was handed out.

1. **Report from the Executive Director**
* Staff is setting up a computer to receive all material event notices from the Municipal Advisory Council website for both state and locally issued debt.
* Board members will receive a draft copy of the 2012 Annual Report by November 20th for comments.
* Local debt processing for FY 2012 should be completed by mid December and final local debt numbers should be available in January.
* Rob Latsha updated the Board on the 2012 Private Activity Bond Program and the Hurricane Ike Program.
1. **Adjourn**

There being no further business to discuss, the planning session adjourned at 10:57 a.m.