AGENDA

SAN ANTONIO HOUSING TRUST FOUNDATION, INC.

A meeting of the SAN ANTONIO HOUSING TRUST FOUNDATION, INC BOARD OF DIRECTORS will be held at Board Conference Room 2515 Blanco Rd., San Antonio, TX 78212 on Wednesday, November 13, 2019 at 1:00 p.m., to consider the following matters:

NOTICE: *This meeting of the Board of the San Antonio Housing Trust Foundation, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director. Closed meeting, if required, is authorized by the statute and will be conducted prior to the conclusion of the meeting. If, during the course of the meeting, any discussion of any item listed on the agenda should be held in closed meeting, the Board will convene in such closed meeting in accordance with Texas Government Code Sections 551.071 - 551.084. The Board may take action in the open portion of the meeting on items discussed in the closed meeting. The Board will consider, discuss, and take appropriate action regarding the following items.*

1. Call to Order and Roll Call

2. Approval of Board Meeting Minutes for October 9, 2019

3. Citizens to be heard – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided

4. Treasurer's Report – October 2019

5. Executive Director's Report – October 2019

6. Discussion, consideration and possible action regarding establishing a $700,000 limit from Operating Reserves to support the City of San Antonio Homeownership Incentive Program (HIP) float account for fiscal year 2020 and Resolution regarding the same.

7. Discussion, consideration and possible action regarding the transfer of authorization for the Broadway Bank accounts and Resolution regarding the same.

8. Discussion, consideration and possible action regarding a Foundation award of $67,000 to the Salvation Army San Antonio Area Metropolitan Area Command for facility improvements to Hope Center located at 515 Elmira and Resolution regarding the same.

9. Discussion, consideration and possible action regarding the Statement of Position on NALCAB Assessment on San Antonio Housing Trust

10. Discussion consideration and possible action regarding Personnel Committee recommendation of search firm for the Executive Director recruitment.

11. Executive Session pursuant to 551.071, 551.072, 551.074 of the Texas Government Code (Consultation with attorney on personnel, contracts, real estate and litigation matters may be discussed)

ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED ON IN OPEN SESSION

12. Adjournment

ACCESSIBILITY STATEMENT

SAHT Office at 2215 Blanco is wheelchair accessible. Accessible entry ramp on the North side of building. Accessible visitor parking on North side of building. Auxiliary aids and services, including Deaf interpreters, must be requested forty-eight [48] hours prior to the meeting. For assistance, call (210-735-2772) or 711 (Texas Relay Service for the Deaf).

Posted 11/08/2019 at 1:37pm

AGENDA ITEM 2

SAN ANTONIO HOUSING TRUST FOUNDATION
2019 BOARD OF DIRECTORS
MINUTES

DATE: Wednesday, October 9, 2019

TIME AND PLACE: 12:00 p.m.; Board Room

PRESENT: Laura Martinez, Celina Peña, Marco Flores, John Whitsett, Estrella Garcia-Diaz, Paul Demanche, Frankie Gonzales-Wolfe and John Harris II (Arrived at 12:21PM)

STAFF MEMBERS: Pedro Alanis- Interim Executive Director Nicole Collazo-Assistant Director, Robert Wilson-Attorney, and Maria Bradley- Senior Administrative Assistant

VISITORS: Allison Shea-NHSD, Councilman John Courage- District 9, Major Rob Webb- Area Commander of The Salvation Army, Dr. Roberto Garcia-Development Director of The Salvation Army

1. CALL TO ORDER AND ROLL CALL: The meeting was called to order at 12:06 P.M.

2. APPROVAL OF BOARD MEETING MINUTES FOR AUGUST 14, 2019. Director John Whitsett motioned; Director Paul DeManche seconded to approve meeting minutes.
   Motion carries 7-0.

3. CITIZENS TO BE HEARD-INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS; A TOTAL OF 15 MINUTES WILL BE PROVIDED.
   Major Rob Webb and Dr. Roberto Garcia gave the board a brief history about the Salvation Army organization. The San Antonio Salvation Army has served San Antonio residents since 1889. Their main location the Hope Center Facility provides help to those citizens in crises with human trafficking, substance abuse, mental health issues and offer them a safe place to stay. Rob Webb mentioned the Hope Center has a water system that needs to be replaced, a boiler that has gone out and a backup boiler that is about to go out as well. Major Rob Webb mentioned they have multiple bids and are asking the Foundation Trust to help donate about $60,000 for a boiler, a new back up boiler and water softener system to keep the facility help these families.

   No Motion Taken.

4. TREASURER'S REPORT- SEPTEMBER 2019
   Director Estrella Garcia-Diaz presented the Treasurers report and mentioned being over budget in fees to professionals and in maintenance and repairs that were done to the building but overall, we are under budget for the end of the fiscal year. Chair Laura Martinez asked if it was budgeted or if money was taken from another account to replace the office lights and the replacement of the pole that fell on the property few weeks ago. Pete Alanis responded that there was a $60,000 was money from the end of the year surplus that was used to make those repairs. Director Celina Peña asked for a report of the Trust fund. Executive Director Pete Alanis stated he will start including those reports going forward. Chair Laura Martinez wanted a breakdown of the asset total. Pete Alanis explained the total asset is $2.8 Million dollars which includes all funds in the Operating account, Disbursement account and UU Housing plus the $3.3 Million dollars from notes receivables and outstanding notes and adds up to the 6.2 Million Dollars.
   No Motion Taken.

INTERIM EXECUTIVE DIRECTORS REPORT – SEPTEMBER 2019

Interim Executive Director Pete Alanis briefed on the changes he is making regarding policy and procedures at the Trust. He mentioned he met with the Van Carter, Senior VP for Public Fund at Frost Bank. He explained that FDIC insurance only covers up to $250,000 of the Trust money and any amounts beyond $250,000 is insured by a collateralization through Bank of New York Mellon. Another change to our banking operations that was made was to change the Foundation, Public Facility Corporation, and Finance Corporation to be deposit only accounts which took effect October 1st. He mentioned he completed his initial assessment on all policies and procedures for the Foundation which involved Human Resource, Employee Compensation and Benefits and Financial Management draft will present to the Board by November 2019. He also spoke about changing the website to make it more user- friendly and changing up the logo. Pete Alanis also briefed the Board on the sale of the Baldwin as well of closings of Mesa West and Lookout Apartments.

DISCUSSION, CONSIDERATION AND POSSIBLE ACTION REGARDING STAFF RECOMMENDATION OF SELECTION OF AN AUDITOR FOR THE FY 2018-2019 AUDIT

Interim Executive Director Pete Alanis mentioned back in September they released an RFQ and had received several responses over the phone requesting additional information but only 2 proposals were submitted and out of the two proposals Pete and staff recommended Gregory & Crutchfield to be our auditor for the new fiscal year 2019-2020. Gregory & Crutchfield has experience working with non-profits.

Director Celina Peña motioned, and Director Marco Flores seconded to approve as presented for the firm Gregory & Crutchfield.

Motion Carries 8-0.

DISCUSSION, CONSIDERATION AND POSSIBLE ACTION REGARDING THE SAN ANTONIO HOUSING TRUST (SAHT) STRATEGIC ASSESSMENT RECOMMENDATIONS CONDUCTED BY THE NATIONAL ASSOCIATION FOR LATINO COMMUNITY ASSET BUILDERS (NALCAB)

Interim Executive Director Pete Alanis briefed on the assessment recommendations by the National Associated for Latino Community Asset Builders (NALCAB). There was a work session to talk about the assessment and provide recommendations that can be forwarded over to the City.

The Board has decided to go ahead and start looking to hire a new Executive Director first.

Director Laura Martinez announced to the rest of the Board that she is retiring from President of the San Antonio Housing Trust. Randy Rice will assume the President position until someone is appointed in replacement for Laura Martinez in District 5.

No action taken.

EXECUTIVE SESSION: Pursuant to 551.071, 551.072, 551.074 of the Texas Government Code (consultation with attorney, personnel, contracts, real estate and litigation matters may be discussed)

Director Paul DeManche motioned, and Director John Whitsett seconded to adjourn.

ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED UPON IN OPEN SESSION.

9. ADJOURNMENT- Without objection the chair adjourned the meeting at 2:46 p.m.

Signed this_____of_____, 2019

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Respectfully Submitted by:

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Secretary

San Antonio Housing Trust Foundation, Inc.

Agenda Item 3

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Citizens to be heard [Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided]

SUMMARY:

This item will allow 3 minutes each for interested speakers to address the Board

San Antonio Housing Trust Foundation, Inc.

Agenda Item 4

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Treasurer's Report for October 2019.

ATTACHMENTS:

Budget Report October 2019.

SAN ANTONIO HOUSING TRUST FOUNDATION
OPERATING BUDGET SOURCES AND USES
FY 2020

	Adopted FY 2020 Budget	FY 2020 Actuals Thru End of October	*FY 2020 Remaning Budget*	% Expended
SOURCES				
San Antonio Housing Trust	$ 177,721	$ -	$ 177,721	
SAHT Finance Corp Admin Fees	$ 198,757	$ -	$ 198,757	
San Antonio Housing Trust PFC Admin Fees	$ 437,128	$ -	$ 437,128	
SAHTF General Operating	$ 113,112	$ -	$ 113,112	
Total Sources	**$ 926,718**	**$ -**	**$ 926,718**	**0%**
USES				
Personnel Services				
Salaries	$ 439,518	$ (12,749.52)	$ 426,768	
Auto Allowance	$ 9,000	$ (200.00)	$ 8,800	
Taxes-Payroll	$ 31,334	$ (1,000.20)	$ 30,334	
Taxes-Unemplyment	$ 1,620	$ -	$ 1,620	
Insurance - Workmen's Comp	$ 550	$ (485.10)	$ 65	
Insurance - health & life	$ 300	$ (143.72)	$ 156	
Retirement Plan Exp.	$ 45,135	$ (757.94)	$ 44,377	
Travel & Training	$ 8,000	$ -	$ 8,000	
Subtotal Personnel Services	**$ 535,457**	**$ (15,336.48)**	**$ 520,121**	**3%**
Contractual Services				
Audit	$ 6,500	$ -	$ 6,500	
Contract-Bookkeeping	$ 7,320	$ (1,610.00)	$ 5,710	
Legal Fees	$ 2,980	$ (150.00)	$ 2,830	
Fees to Professional	$ 109,500	$ (3,585.36)	$ 105,915	
Maint. & Repairs	$ 21,001	$ (3,623.30)	$ 17,378	
Rental of Equipment	$ 2,000	$ (53.80)	$ 1,946	
Telephone and Internet	$ 3,275	$ (224.84)	$ 3,050	
Subtotal Contractual Services	**$ 152,576**	**$ (9,247.30)**	**$ 143,329**	**6%**
Commodities				
Bind, print & reporducton	$ 150	$ -	$ 150	
Mail & parecel post	$ 350	$ -	$ 350	
Office Supplies	$ 2,100	$ (621.59)	$ 1,478	
Utilites	$ 6,700	$ (619.00)	$ 6,081	
Subtotal Commodities	**$ 9,300**	**$ (1,240.59)**	**$ 8,059**	**13%**
Insurance/Other Expenditures				
Insurance - Business package	$ 13,200	$ (10,555.40)	$ 2,645	
Advertising	$ 500	$ -	$ 500	
Membership, Fees & Licenses	$ 400	$ (216.15)	$ 184	
Subscriptions & Dues	$ 700	$ -	$ 700	
Entertainment & food	$ 1,300	$ -	$ 1,300	
Subtotal Insurance/Other Expenditures	**$ 16,100**	**$ (10,771.55)**	**$ 5,328**	**67%**
Capital Outlay				
Equipment purchases	$ 2,500	$ (335.25)	$ 2,165	
Furniture purchases	$ 500	$ -	$ 500	
Subtotal Capital Outlay	**$ 3,000**	**$ (335.25)**	**$ 2,665**	**11%**
Total General Operating Budget	**$ 716,433**	**$ (36,931.17)**	**$ 679,502**	**5%**
Operating Reserve	*$ 210,285*		*$ 210,285*	
Total Uses	**$ 926,718**	**$ (36,931.17)**	**$ 889,787**	**4%**

SAN ANTONIO HOUSING TRUST FOUNDATION

EXECUTIVE DIRECTOR'S REPORT

October 2019

FINANCIALS

Staff is in the process of preparing the FY 2019 Annual Report of the Trust Entities which is anticipated to be finalized in December 2019 upon completion and board acceptance of the FY 2019 Annual Audit. The Financial Audit is inclusive of both the Finance Corporation and Public Facility Corporation.

Below is a financial snapshot of all four Trust Entities, as well as, a preliminary forecast of foundation and trust related loan revenues, as requested at the last Foundation Board meeting.

As of November 4, 2019, the unencumbered cash balance for the Public Facility Corporation Account is **$1,539,164**.

As of November 4, 2019, the unencumbered cash balance for the Finance Corporation Account is **$1,798,612**.

As established policy, 25% of all **new** revenues generated by the PFC and FC are transferred to the Trust Foundation to support staff operations, which is collected on a quarterly basis.

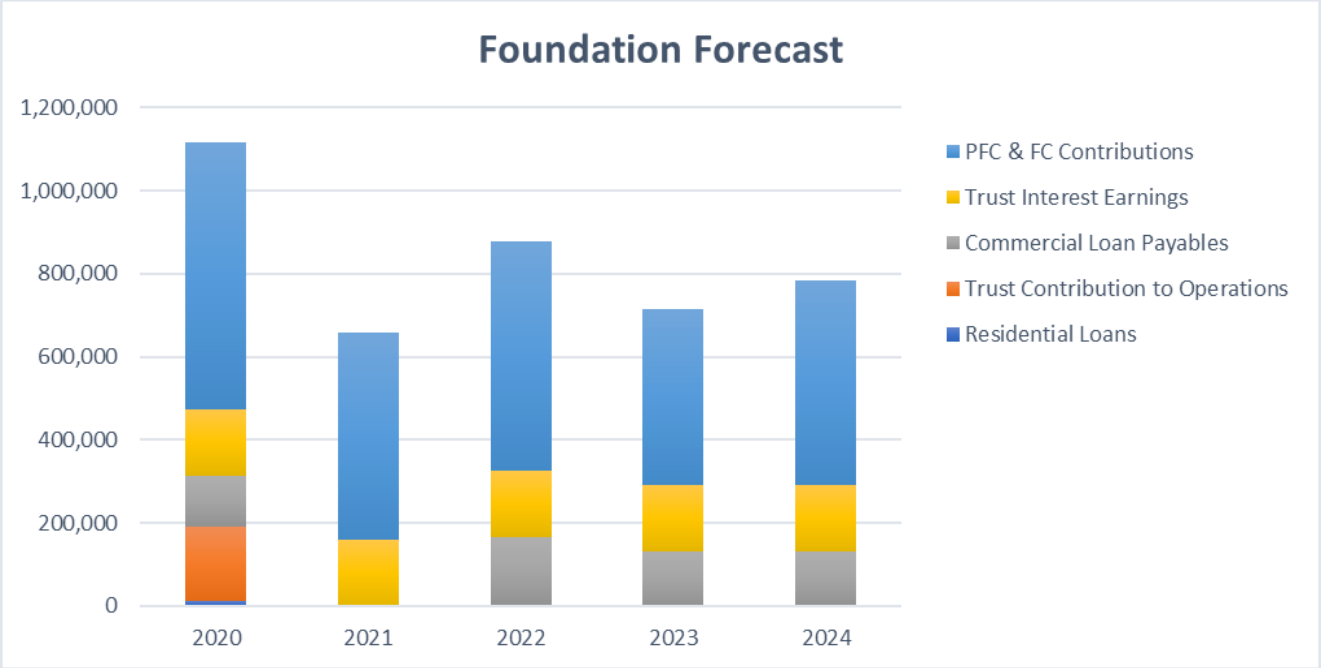
The available fund balance in the City of San Antonio managed Trust Corpus Investment accounts is at **$900,344** based on September 30, 2019 end of year balance. The Corpus is reserved at $10,000,000. However, this includes the future commitment of

As of November 4, 2019, the cash balance for housing projects, programs, and initiatives is **$689,410**. However, staff will bring forth a recommendation at the December Foundation Board Meeting to consider establishing an Operating Reserve Policy which will set a maintenance limit on Operating Reserves. This action may positively impact available funding for Foundation awarded activities.

FORECAST

During the October meeting, the Foundation Board requested a forecast of revenues based on existing loan commitments, contributions from the public facility corporation and finance corporation activities, and the Trust Corpus. Below is a summary of Foundation revenue sources and *conservative* estimates over five years:

Revenue Source	2020	2021	2022	2023	2024
Commercial Loan Payables	$122,348	$384.389	$166,781	$131,455	$131,455
Residential Loans	12,835	0	0	0	0
Corporation Contributions	645,000	499,000	552,000	422,000	492,000
Trust Int.& Investments Earnings	160,000	160,000	160,000	160,000	160,000
Trust Contribution to Operations	177,721	0	0	0	0
Total	**$1,117,904**	**$1,048,389**	**$878,781**	**$713,455**	**$783,455**



Commercial Loans (Notes Payable)

Currently, there are 16 loans sourced in the Foundation with an outstanding balance of $2,711,427. Two loans are balloon notes that mature in 2021 and 2022. One loan has a delayed payment beginning in 2023.

Commercial Loan Report

File Number	Original Loan Amount	Origination Date	Maturity Date	Interest Rate	Term	Annual Payment	Balance
St. James Housing	$ 50,000.00	9/22/1998	9/1/2028	3.000 %	30	$2,529.60	$17,300.25
King's Court '98	$ 61,000.00	8/30/1999	11/1/2031	3.000 %	32	$3,074.88	$30,714.36
King's Court I	$ 60,000.00	5/10/1995	6/1/2025	0.000 %	30	$2,142.84	$12,143.34
George Gervin Youth Center	$ 87,000.00	5/12/2003	5/1/2033	3.000 %	30	$4,401.60	$49,022.94
Eleanor Place Apartment	$295,216.81	12/1/2014	12/1/2045	2.000 %	31	$12,786.12	$259,036.67
Thompson Place Apartments	$150,000.00	11/14/2006	11/1/2021	3.500 %	15	$8,082.84	$103,448.33
La Risa Apartment	$750,000.00	9/30/2013	2/15/2024	4.400 %	10	$28,661.79	$399,974.26
Calcaseiu Apartment	$450,000.00	8/28/2018	3/1/2054	2.000 %	36	$14,884.74	$437,390.49
West Durango Apartment	$250,000.00	6/1/2009	6/1/2029	4.000 %	20	$13,262.55	$227,000.30
West Durango Apartment	$ 50,000.00	6/1/2009	6/1/2029	4.000 %	20	$2,652.30	$45,396.53
Lord Road Apartment	$250,000.00	8/1/2018	9/1/2062	3.000 %	44	$10,307.46	$250,000.00
The Exchange Group	$100,000.00	12/21/2001	12/31/2048	6.000 %	47	$6,000.00	$100,000.00
Vera Cruz Redevelopment Partnership, Ltd	$350,000.00	11/29/1993	12/15/2024	1.000 %	31	$13,561.84	$350,000.00
						$122,348.56	$2,281,427.47

Commercial Loan Report - Ballon Notes

File Number	Original Loan Amount	Origination Date	Maturity Date	Interest Rate	Term	Final Payment	Balance
Merced Selah Housing Program - RLF	$200,000.00	5/14/2001	7/1/2021	1.000 %	20	$262,000.00	$200,000.00
Cypress Cove Apartment	$ 50,000.00	4/1/2017	4/1/2022	1.000 %	5	$52,514.70	$50,000.00
						$314,514.70	$250,000.00

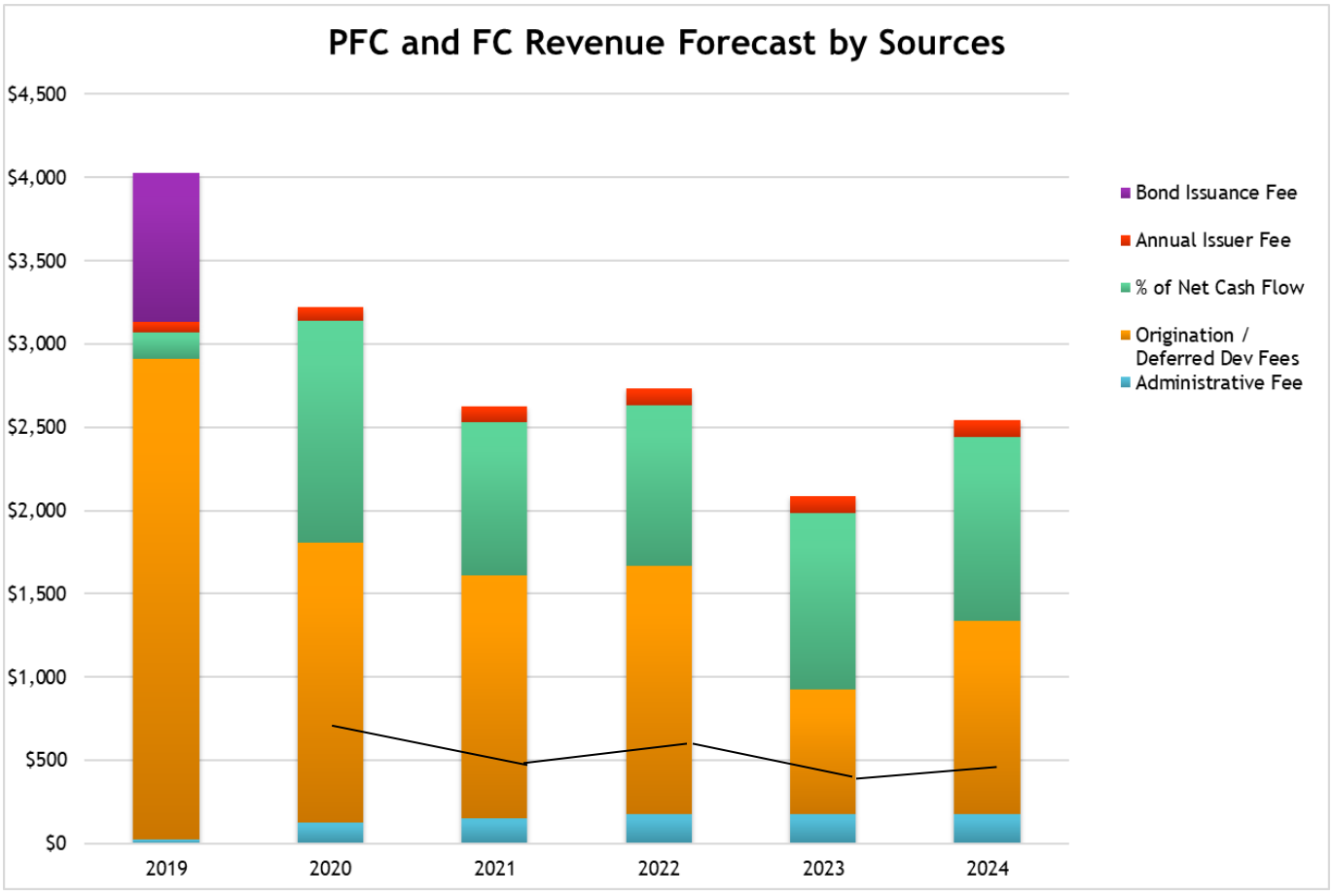
Commercial Loan Report - Delayed Payment

File Number	Original Loan Amount	Origination Date	Maturity Date	Interest Rate	Term	Annual Payment	Balance
Sutton Square Apartment	$180,000.00	9/28/2017	10/1/2032	3.000 %	15	$9,106.68	$180,000.00
						$9,106.68	$180,000.00

Corporation Contributions
The PFC and FC forecast is based on the current policy of the Corporations providing 25% of new revenues to the Foundation to support staff and operations.

The below graph is a forecast of all revenues based on existing PFC projects authorized to date. Currently, there are 23 Public Facility Corporation and Finance Corporation projects that are either financially closed or completed. Staff did not include existing or proposed inducements in this model, since they are non-binding and do not constitute a firm commitment of revenue. Staff is in the process of refining this model, so the forecast should be considered *preliminary for illustration purposes only*.

Also, future revenues are largely based on the property's financial performance, which may fluctuate from year to year depending on market factors. With that said, staff is recommending conservatively estimating 80% the forecasted foundation revenues to factor in future fluctuations in performance.



Trust Investments
The Trust earns revenues through interest on direct investment in Treasury bonds and other investments. In FY 2019, Trust revenues were $229,562. In FY 2018, Trust revenues were $170,182. Revenues depend

heavily on the fund balance and the interest rate market. The City's finance department is not prepared to provide a forecast due to many factors being involved. Staff recommends placeholding 80% of the average of the last two years of revenue or $160,000 per year as a conservative estimate.

Trust Contributions to Foundation
Historically, the Foundation has relied upon investment income from the Trust to supplement operations. This includes $177,721 the Foundation will receive in FY 2020. Additionally, there has been a 1% contribution back to the Corpus from the Foundation.

Forecast Take-aways

1. 16 Commercial Loan repayments provide from 11% to 36% of the future Foundation Revenues
2. PFC/FC produces substantial revenue for Foundation Operations
3. PFC/FC projections will likely increase due to future closings
4. Operating budget level of $700k+ is sustainable especially with operating reserves at $1.8M
5. Foundation should no longer require operational support from the Corpus in future years.
6. The 1% contribution back to the Corpus should be reconsidered

RESIDENTIAL LOAN PROGRAM

As requested at the last Foundation Board meeting, please see the following residential loan status report.

Residential Loan Report

Acnt Numb	Record Type	Original Loan Amount	Origination Date	Maturity Date	Interest Rat	Term	Monthly Paymen	Balance	Current Delinquen
1417DB	2nd Lien Residential	$10,000.00	2/6/1998	4/1/2028	2%	30	$ 36.96	$3,440.14	0
1411GF	2nd Lien Residential	$10,000.00	3/3/1997	7/15/2023	4%	26	$ 44.90	$2,958.47	0
1411GF2	2nd Lien Residential	$10,000.00	4/17/1997	2/1/2027	4%	30	$ 44.90	$3,355.75	0
1425DB	2nd Lien Residential	$10,000.00	7/8/1999	4/1/2027	4%	28	$ 44.90	$3,445.19	0
1411GF1	2nd Lien Residential	$10,000.00	1/8/1998	2/1/2028	4%	30	$ 45.85	$3,890.27	0
1411GF3	2nd Lien Residential	$10,211.01	4/10/1997	4/1/2038	4%	41	$ 45.85	$7,379.94	0
1419DB1	2nd Lien Residential	$11,000.00	4/7/2000	3/1/2030	3%	30	$ 46.38	$5,051.04	91
1419DB	2nd Lien Residential	$11,000.00	2/8/2001	2/1/2031	3%	30	$ 46.38	$5,600.03	213
1453DB	2nd Lien Residential	$7,325.65	7/25/2005	8/1/2020	3%	15	$ 50.59	$464.30	0
1475GF	1st Lien Residential - Escrow	$22,213.97	4/20/2018	5/20/2036	1%	18	$ 266.19	$24,294.82	0
1476GF	1st Lien Residential - Escrow	$27,872.91	3/1/2010	2/1/2025	2%	15	$ 448.44	$11,791.14	122
1449GF	1st Lien Residential - Escrow	$50,293.77	8/1/2009	7/1/2029	2%	20	$ 489.45	$34,392.97	0
1450GF	1st Lien Residential - Escrow	$32,870.22	2/28/2007	6/1/2037	0%	30	$ 1,776.59	$33,474.77	152
							$ 3,387.38	$139,538.83	

The foundation manages 13 residential loans totaling $139,539 in outstanding principal. The five loans that remain in a delinquent status totals $2,317.79 per month. The eight loans are current provide $1,069.59 in monthly income. This source of revenue FY 2020 revenue is $12,835. However, this is not yet added to the annual forecast model due to timing constraints for this Executive Directors report. Staff will seek to include this for future projections.

POLICIES

Much of the current policies for the Foundation remain in a draft form as I begin assessing policies of the Public Facility Corporation, per a request from the PFC Board. There are operational policies and procedures that are dependent on the future governance structure and relationships between the boards. While I will continue to work on drafting policy documents, I recommend not finalizing them by board action until this is resolved, as numerous items would likely need to board approval again.

PUBLIC FACILITY CORPORATION/FINANCE CORPORATION UPDATE

On November 8, 2019 the PFC and FC approved the following items:

A Resolution inducing the **City Base Apartments**, a new 292-unit 4% Low Income Housing Tax Credit multi-family project in partnership with Franklin Development Corporation, located on 9.38 acres at 7402 S. New Braunfels Avenue within the Brooks Regional Activity Center in Council District 3. The PFC would receive 40% of the total developer fee (estimated at $3,513,059) and 45% of the Cash Flow, currently estimated at $2,661,230 over 15 years. Additionally, the PFC will receive 45% of any proceeds from the sale or refinancing of the Project. The PFC would collect revenues to pay into the City's Affordable Housing Special Revenue Fund in an amount up to the City's investment of $4,200,000 from the Neighborhood Improvements Bond Program, less the percentage of revenues due to the San Antonio Housing Trust Foundation established for operations. The San Antonio Housing Trust Finance Corporation would receive an issuance fee equal to 1% bond issuance at closing and Foundation would receive 25% of revenues.

A Resolution inducing the **South Flores Lofts Apartments**, a new 292-unit mixed income affordable/market PFC structure in partnership with Athena Domain, Inc., located on 3.5 acres at the corner of East Cevallos Street and South Flores Street in Council District 5. The PFC is anticipated to receive a $250,000 fee at closing estimated in April 2020, plus once the property is operational, 15% of net cash flow and capital events after repayment of debt service and preferred equity funds. The Foundation shall receive 25% of revenues.

A Resolution for a Loan Modification for the **Woodlawn Ranch Apartments** to lower the interest rate from 4.2% to an estimated 3.1%, thus increasing the net cash flow return to the PFC. If approved, the partnership is anticipated to see a $94,871.59 annual savings and $3,162,386 over the remaining 401-month term. The PFC should see an estimated $85,000 increase to the annual Incentive Management fee which is set at 90% of net cash flow. The Foundation receives 25% of revenues.

San Antonio Housing Trust Foundation, Inc.

Agenda Item 6

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Discussion, consideration and possible action regarding establishing a $700,000 limit from Operating Reserves to support the City of San Antonio Homeownership Incentive Program (HIP) float account for fiscal year 2020 and Resolution regarding the same.

SUMMARY:

The Homeownership Incentive Program (HIP) provides assistance to homebuyers in the general public by lending between $1,000 and $15,000 as a 0% forgivable second loan which can be used for the down payment required by the lender and some of the additional costs associated with purchasing a home. The loan is forgiven over a 5-10-year period.

The San Antonio Housing Trust Foundation advances funds directly to the Title Company to expedite closings to support the Homeownership Incentive Program. In Fiscal Year 2019, the HIP budget allocation was $2.93 million and they expended $1.96 million to assist 149 first time home buyers. The maximum amount floated by the Foundation at any one time was approximately $588,000.

The Fiscal Year 2020 budget allocation is $2.46 million plus the unexpended amount from prior years. The new goal is to assist 165 first time home buyers. Currently, there is no maximum float limit established with the program.

RECOMMEDATION:

To ensure the Foundation can continue to provide financial support this program, as required by the City's Professional Services Contract, staff recommends the use Operating Reserves, currently at $1.826 million, to establish a cap this amount to at $700,000 for FY 2020.

CITY OF SAN ANTONIO HOUSING TRUST FOUNDATION
RESOLUTION F19-1113-6
A RESOLUTION TO ADVANCE CLOSING COSTS TO THE DOWNPAYMENT ASSISTANCE PROGRAMS ADMINISTERED BY THE CITY OF SAN ANTONIO AND THE SAN ANTONIO HOUSING TRUST FOUNDATION, INC.

WHEREAS, the City of San Antonio Housing Trust was established by Ordinance No. 67895 passed on September 8, 1998 under a Declaration of Trust to provide affordable housing opportunities for low and moderate income families within Highway Loop 410; and

WHEREAS, pursuant to said Declaration of Trust, Article III, Section 3.3.1, as amended by Resolution No. 90-0801 passed on August 15, 1990 and approved by Ordinance No. 72563 passed on November 1, 1990, the San Antonio Housing Trust Foundation, Inc., a Texas nonprofit corporation, is responsible for the administrative support of the operations of the City of San Antonio Housing Trust; and

WHEREAS, under Ordinance 2019-09-12-0691 passed on September 12, 2019 the San Antonio Housing Trust Foundation, Inc. was designated and approved to be the administrative and fiscal agent of the City of San Antonio Housing Trust for the disbursement of awards of Trust assistance to sponsors of affordable housing projects and programs; and

WHEREAS, the San Antonio Housing Trust has the capacity to advance funds to the City of San Antonio Homeownership Incentive Program which will be reimbursed by the City of San Antonio Homebuyer Initiative Program at a later date; and

IT IS THEREFORE RESOLVED THAT the San Antonio Housing Trust Foundation, Inc. advance funds in an amount not to exceed $700,000.00 during the fiscal year to the City of San Antonio Homeownership Incentive Program to be reimbursed at a later date.

PASSED AND APPROVED

ATTEST:

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San Antonio Housing Trust Foundation, Inc.

Agenda Item 7

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:
Discussion, consideration and possible action regarding the transfer of authorization for the Broadway Bank accounts and Resolution regarding the same.

SUMMARY:

During the 2000 Housing Trust Funding Round, U. U. Housing was awarded $50,000 in Trust Assistance for the service area of District 1.

The purpose of this Trust Assistance was to buy a 1/3 participation in financing eight (8) low-cost home improvement loans from Broadway National Bank and other lenders for low- and moderate-income households in District 1. The maximum loan amount under the original terms was $40,000.

When U.U. Housing closed, the accounts were transferred over to the San Antonio Housing Trust. There is currently 1 account remaining with a balance as of September 16, 2019 was $12,444.

ISSUE:

Staff cannot get information on this account nor can we authorize any transfers without a Board Resolution allowing current staff appropriate authorization. In addition, the auditor is requesting the fiscal year end bank statements for this account.

RECOMMENDATION:

Recommendation to approve resolution to authorize Nicole Collazo, Assistant Director of the San Antonio Housing Trust Foundation signatory rights to sign checks and access information from Broadway Bank accounts.

CITY OF SAN ANTONIO HOUSING TRUST FOUNDATION
RESOLUTION NO. F19-1113-7
A RESOLUTION AUTHORIZING NICOLE COLLAZO TO SIGN CHECKS AND ACCESS INFORMATION FROM THE BROADWAY BANK ACCOUNTS.

WHEREAS, the City of San Antonio Housing Trust was established by Ordinance No. 67895 passed on September 8, 1989 under a Declaration of Trust to provide affordable housing opportunities for low and moderate income families within highway Loop 410; and

WHEREAS, pursuant to said Declaration of Trust, Article III, Section 3.3.1, as amended by Resolution No. 90-0801 passed on August 15, 1990 and approved by Ordinance No. 72563 passed on November 1, 1990, the San Antonio Housing Trust Foundation, Inc., a Texas nonprofit corporation, is responsible for the administrative support of the operations of the City of San Antonio Housing Trust; and

WHEREAS, under Ordinance No. 74452 passed on September 26, 1991, the San Antonio Housing Trust Foundation, Inc. was designated and approved to be the administrative and fiscal agent of the City of San Antonio Housing Trust for the disbursement of awards of Trust assistance to sponsors of affordable housing projects and programs; and

WHEREAS, the City under Ordinance 2019-09-12-0691 passed September 12, 2019 continued the contract with the San Antonio Housing Trust Foundation, Inc., to provide for the administration of the City of San Antonio Housing Trust; and

WHEREAS, requests that Nicole Collazo, Assistant Director of the San Antonio Housing Trust Foundation, Inc., be authorized to sign checks and access information from Broadway Bank Accounts #6923020.

WHEREAS,.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CITY OF SAN ANTONIO HOUSING TRUST to authorize Nicole Collazo, Assistant Director of the San Antonio Housing Trust Foundation signatory rights to sign checks and access information from the Broadway Bank Account.

PASSED AND APPROVED this 13th day of November of 2019.

SIGNED:

Laura Martinez, Chairperson

ATTEST:

_____
Paul DeManche, Secretary

San Antonio Housing Trust Foundation, Inc.

Agenda Item 8

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Discussion, consideration and possible action regarding a Foundation award of $67,000 to the Salvation Army San Antonio Area Metropolitan Area Command for facility improvements to Hope Center located at 515 Elmira and Resolution regarding the same.

SUMMARY:

The Salvation Army San Antonio Area Metropolitan Area Command offers various types of social services including food pantries throughout the City of San Antonio to support veterans, provide emergency financial assistance, and most importantly housing stability.

The programs housed at the Hope Center located at 515 Elmira provides such housing stability specifically Permanent Supportive Housing, Rapid Rehousing, Emergency Financial Rental and Utility Assistance, Senior Housing, and Emergency Women, Men & Intact Family Shelters.

The Hope Emergency Family Shelter is one of the only two intact family shelters in Bexar County. The Hope Center Women & Intact Family Shelter has 60 beds for single women divided as transient, transient volunteer and workforce development program BRIDGE (Building Resilience in Discipline; Growth; Empowerment). These separate levels provide clients the opportunity to first obtain safe, secure, temporary housing; enroll in case management; gain employability; participate in extended stay shelter; and spire to change. This alleviates the trauma of homelessness for those experiencing it for the first time. Extended Stay shelter allows clients to be safely housed from 90-180 days. Due to the tremendous success of the BRIDGE/Extended Stay Shelter with single women, they are now offering it to families.

The 2019 HUD mandated Homeless Point In Time Count (PIT) indicated an

18% increase in homeless families. To meet this need, The Salvation Army is doubling their 20-unit family shelter at the Hope Center to a total of 40 units doubline their capacity to serve the increasing trend of homeless families.

Additionally at the Hope Center, the Salvation Army hosts temporary housing through The Emergency Women and Intact Family Shelter. As of August 2019, the emergency shelter safely housing 2,869 unduplicated clients and providing 68,177 meals to these clients.

Issue

The Salvation Army has a specific critical need for a new Water Heating Boiler and a repair to their back up boiler. They also need to replace their Water Softener system to ensure the new investment maintains a longer life. Salvation Army is requesting a $67,000 grant to ensure they are able to meet the critical housing needs to our most vulnerable populations.

Recommendation

Staff recommends approval of a resolution authorizing a $67,000 grant agreement with the Salvation Army San Antonio Area Metropolitan Area Command for specific water boiler and water softener improvements the Hope Center located at 515 Elmira which supports Permanent Supportive Housing, Rapid Rehousing, and Emergency Women, Men, & Intact Family Shelters.

Repair and Replacement Items Recommended by The Salvation Army Property Committee October 9, 2019

Property Location:	Item:	Estimate not to exceed:
Hope Center	Repairs: Water Heater Boiler #1; Back up Boiler	$35,000
Hope Center	Replacement: Water Softener System; delivery; installation	$32,000
Total:		$67,000

How Trust funding will specifically be used. {See attached estimates):

Boilers: To effectively & efficiently serve the number of clients we serve annually who reside onsite, it is imperative to have a consistently functioning hot water system. Both the primary & back up boiler require extensive repairs.

We offer both, a client self-operated laundry & a commercial laundry center for client clothing & bedding. To reduce an outbreak of bedbugs, all bedding/towels/washcloths are washed in the hottest water attainable. For adequate hygiene practices, hot water is necessary for showering adults & bathing children.

Water Softener: A water softener system prevents premature wear reducing frequent plumbing maintenance & equipment repairs. Benefits of treated water vary with type of treatment. Clean, soft water makes cleaning easier, improves the efficiency and lifetime of water-using appliances and minimizes scaling or staining on your plumbing and fixtures.

The kitchen prepares 3 meals per day including snacks. Having a water softening system ensures a quality water source for drinking & cooking. They also cater for client programs such as group life skill programs or seasonal parties for clients such as Thanksgiving & Christmas.

Project timeline:

We are estimating a 3-month time frame to complete the necessary repairs & installation of new equipment.

San Antonio Housing Trust Foundation, Inc.

Agenda Item 9

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Discussion, consideration and possible action regarding the Statement of Position on NALCAB Assessment on San Antonio Housing Trust

SUMMARY:

In 2019, the City of San Antonio engaged the National Association for Latino Community Asset Builders to undertake an assessment of the San Antonio Housing Trust (SAHT) and to provide strategic recommendations for strengthening the Trust and associated entities which was a key recommendation of the Mayor's Housing Policy Task Force.

On October 9th, the San Antonio Housing Trust Foundation board members met in an open setting to discuss and consider recommendations outlined in the NALCAB assessment. The SAHT Foundation Board were appreciative of the efforts by the NALCAB and City staff to give an inward look on how the four Trust entities can be improved.

The Foundation Board previously discussed providing recommendations related to:

- participation by the Foundation, City, & the PFC/FC Board in the selection process to hire a permanent full time Executive Director;
- ensuring the new Executive Director can participate in the implement governance re-alignment and establish affordable housing policies;
- consideration of affordable housing industry experts, ex-officio's, and/or community members can serve, at a minimum, in an advisory capacity within the constraints of each board's legal authority on the PFC, FC, and Trust boards to promote transparency; and
- Scheduling all board meetings on the same day and at the same location

RECOMMENDATION:

Staff recommends providing a conclusive statement of recommendations to the City Manager for review and consideration.

November XX, 2019

Lori Houston
Assistant City Manager
506 Dolorosa #Building 1
San Antonio TX 78205

RE: Statement of Position on NALCAB Assessment on San Antonio Housing Trust

Ms. Houston:

The purpose of this letter is to provide a statement from the San Antonio Housing Trust Foundation Board regarding the completed organizational assessment and strategic recommendations for the San Antonio Housing Trust (SAHT) which was prepared by the National Association for Latino Community Asset Builders (NALCAB).

The SAHT Foundation Board recognizes that the San Antonio Housing Trust entities, including the Trust, Finance Corporation, Public Facility Corporation, and Foundation are critical to the City's overall strategy to produce, preserve, and rehabilitate affordable housing as part of a coordinated housing system.

The SAHT Foundation Board agrees with many of the recommendations outlined in the assessment, specifically related to hiring an Executive Director, enhancing public engagement, monitoring covenants, establishing organizational policies and procedures, increasing the capitalization of the Trust, clarifying public policy goals, and increasing transparency. The Foundation under the leadership of Pete Alanis, Interim Executive Director, has already begun to implement a number of these recommendations. However, there are two identified within the assessment on which Foundation Board seeks to provide feedback.

First, the Foundation Board anticipates selecting an Executive Recruitment Firm at the next board meeting to start the process of recruiting a permanent full time Executive Director who can work with the City, the Trust and Foundation Board, the Public Facility Corporation and Finance Corporation Board, Mayor, and Councilmembers to implement both a governance re-alignment and provide for policy/program coordination efforts. The Foundation Board recommends that a representative of the City of San Antonio Executive Leadership Team participate with both the Public Facility Corporation and the Foundation Board in the selection process to hire a permanent full time Executive Director.

This key placement will allow the new Executive Director to prioritize creating a strategic plan with the boards to address key policy issues identified in the assessment. Most importantly, a new Executive Director will be able to coordinate and lead a governance strategy solution that is fair and transparent while keeping impacts to affordable housing as his or her north star.

Second, the Foundation Board recommends ensuring the final compositions of all boards provide for community representation and industry expertise, as well as, promote a tiered decision-making process

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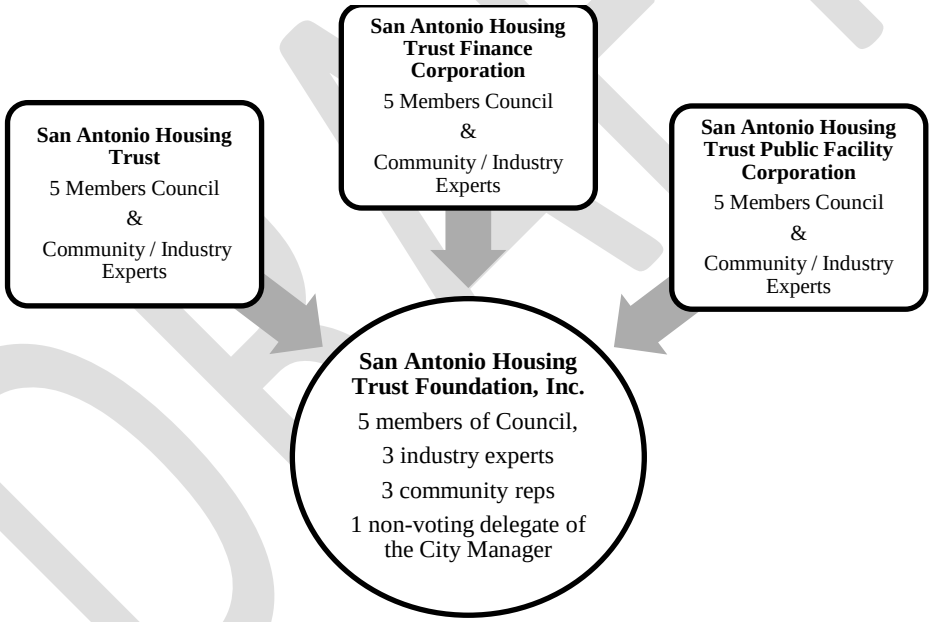
to maximize transparency by allowing the Foundation Board an opportunity to review and approve activities of the other boards. Below are four examples that would meet these criteria:

a) Codification of affordable housing policies, programs and procedures along with communication policies that align the activities of all the Trust boards;
b) Ensuring the Trust, Public Facility Corporation, and Finance Corporation Boards' become governed by and report to the Foundation Board;
c) Consider the inclusion of industry experts, ex-officio's, and/or community members, at a minimum on an advisory capacity, to the five voting City Council members sitting on the Trust, Public Facility Corporation, and Finance Corporation Boards';
d) Scheduling all board meetings on the same day and location.

While, the Foundation Board understands that there may be legal constraints to the governance structure recommendation, we believe it should be explored. These alterations to the NALCAB recommendations should strengthen the Trust's effectiveness to impact our affordable housing community, create transparent governance, promote accountability, and most importantly maintain public confidence, as the Trust Entities continue to evolve in creating affordable housing opportunities in the City of San Antonio.



Sincerely,

Laura Martinez
Board Chair

Cc: Public Facility Corporation Board
Finance Corporation Board

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San Antonio Housing Trust Foundation, Inc.

Agenda Item 10

Agenda Date: 11-13-19

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT:

Discussion consideration and possible action regarding Personnel Committee recommendation of search firm for the Executive Director recruitment.

SUMMARY:

The Personnel Committee met on October 30, 2019. Presentation of proposed staff organization with new titles and hob descriptions was presented. The creation of two new positions the Contract Officer and Financial Manager will replace the current Asset Manager position. Congratulations to Nicole Collazo, who was previously under contract, but was hired as the full time Assistant Director of the SAHT Foundation.

Presentation of total employee compensation to include health, life, retirement and leave buy back benefits. All proposed positions will be full time salary not hourly. Staff is still researching other benefits package options.

Prior to the start of the discussion, the Interim Executive Director expressed his interest in the permanent Executive Director position. Discussion of the three search firms that were short listed were based on experience, location, needs of the search and price. Based on the criteria Reaction Search International, Inc. was chosen as the first choice of search firm to conduct the recruitment for the Executive Director.

RECOMMENDATION:

The recommendation from Personnel Committee to select Reaction Search International, Inc to conduct the executive search for the Executive Director position.

PROJECT PRICING PROPOSAL
FOR SAN ANTONIO HOUSING TRUST (SAHT)

CORPORATE OVERVIEW:

SAHT's success is our primary focus. Our commitment is to work strategically to attract the best talent tailored to your goals, and working environment. Working with SAHT from the early planning stages through the completion of each project, we ultimately identify, evaluate, and secure the most qualified candidates for the evolutionary growth of your company.

POSITIONS TO BE FILLED:

Interim Executive Director (Estimated Compensation $100,000.00+ US)

Services that will be provided by Reaction Search International for SAHT

Priority search with designated Reaction Search Project Team,
Exclusively dedicated to recruiting for SAHT to recruit:

Interim Executive Director

Reaction Search Will:

- Develop hiring agenda with hiring managers
- Schedule; coordinate all interviews for hiring managers
- Coordinate National Network of Recruiters
- Quality Assurance screening with behavioral based question-interviewing technique
- Schedule and coordinate assessment testing for all screened candidates
- RSI Offers Background check on final candidates
- Weekly Status Reports to monitor success of project

EXAMPLE DEDICATED PRIORITY PROJECT TEAM:

Proposed Project Team

Reaction Search International Staff:

Project Directors (David Kant davidk@reactionsearchinternational.com) – manages overall relationship, resolves concerns and problems. Quality control, takes full ownership, responsibility, and is 100% accountable for entire project.

Regional Project Managers (Robert Boroff robertb@reactionsearchinternational.com Chris Dowdy chrisd@reactionsearchinternational.com) – manages recruiting and sourcing efforts in specific regions. Qualifies candidates.

Recruiter/Project Coordinators (Steven Stone stevens@reactionsearchinternational.com) – handles the day-to-day recruiting tasks. Identify, recruit, screen, qualify & present candidates to regional project manager for review.

RSI SEARCH PROCESS

Conducting an extensive search on your own is an all-consuming task that distracts your organization from what it does best. A successful search project requires specific knowledge and resources as well as huge quantities of time. At Reaction Search International we have concentrated our years of successful search experience into an exclusive **25 Step Search and Selection Process** and 5 part action plan.

This logical, structured approach is utilized each time we execute a search project. It allows us to tailor the process to address your specific needs and lets us focus all of our energies on building the best candidate selection pool for your particular position.

Here is how Reaction Search International's **25 Step Search and Selection Process** can work for your company:

Listening

This is the most important part of the search process. If we don't understand exactly what qualities you seek in a candidate, the search will not produce the desired results. This is why Reaction Search International concentrates on listening first.

1. Conduct a thorough needs analysis to obtain all the information required to complete a professional search. This includes strategizing on how to attract candidates from your top competitors.

2. Build a profile of the ideal candidate against which we screen potential candidates. On request, we can interview your top-performing employees as part of the screening process. Prepare a written document detailing the ideal profile and a strategy for presenting the opportunity to candidates. Obtain your approval and sign-off.

3. Consult with you on industry compensation standards and construct a compensation model.

4. Assemble a project team and launch marketplace research. Examine direct and indirect competitors as well as identify alternate companies that employ candidates possessing the skills and experience you seek.

5. Submit the list of targeted companies and candidates for your review and approval. Obtain your sign-off.

Searching

Here is where Reaction Search International's years of experience provide unmatched value. We have the resources and unique ability to identify and engage the top talent in your marketplace.

6. Conduct comprehensive telephone interviews with candidates using behavioral based questions to ascertain three crucial qualifying factors:

✔ Do they have the appropriate background?

✔ Are they willing to change jobs for the right opportunity?

✔ Do their goals in making a career move align with yours?

7. We can conduct face-to-face interviews with potential candidates or interview them via video conferencing.

8. Present a short list of highly qualified candidates who have successfully passed the screening process.

9. Submit the resumes and summaries from qualifying interviews with selected candidates.

Interviewing

In this step you determine if we have a match. By this point Reaction Search International has significantly increased the potential for success by understanding your needs, screening candidates against that criteria and presenting those candidates who best match your requirements.

10. Arrange and coordinate the initial interview between you and the candidate. This interview may be by telephone, face-to-face or videoconferencing at your direction.

11. Prepare the candidate for the initial interview including briefing them on the agenda, your priorities and expectations.

12. Prepare you for the initial interview drawing attention to the candidate's particular goals and aspirations.

13. Debrief with the candidate following the interview and capture their initial thoughts and concerns.

14. Debrief with you and discuss preliminary conclusions. Professionally release any candidates not selected to continue in the process.

15. Arrange and coordinate second interviews and discuss particular areas of concern.

16. Debrief with both you and the candidates following the second interviews. Professionally release any candidates not selected to continue in the process.

17. Conduct professional reference checks and provide written summaries of those interviews.

Negotiations

Experience makes all the difference. Our years of experience managing delicate negotiations will add tremendous value and help you avoid costly pitfalls. Our goal is to create a win-win outcome for both you and your candidate of choice.

18. Verify earnings and negotiate a win-win compensation package.

19. If desired, provide educational verification, credit history, motor vehicle records, and other appropriate background checks.

20. Communicate verbal offer of employment to the candidate of choice to help ensure acceptance.

21. Consult with the candidate and resolve resignation and counteroffer issues.

22. Confirm the start date and obtain written confirmation from the candidate.

Follow Through

It's not over until it starts! The period between acceptance of an offer and the start date is a critical time for a new employee and it's important they remain connected to the new company during their transition phase. This is also when Reaction Search International conducts our post search debriefing protocol to evaluate the completed search and results.

23. Remain in contact with you and the candidate through the start date and initial days of employment. Experience has shown that this is a vulnerable time for candidates in transition and we work to keep them connected and comfortable with their decision.

24. Conduct a conclusion interview with you to ensure the project was completed to your satisfaction.

25. If acceptable, request a reference letter and permission to use your name for reference purposes.

Search and Selection Process + Client Partnership = Practically Guaranteed Success

This equation has proven itself successful time and time again. At Reaction Search International, a successful search is a partnership between a motivated and involved client, and experienced search professionals. We begin by listening, apply the knowledge we have gained to launch the research process, identify potential candidates, manage the interview process and ensure the final negotiations culminate in a successful hire. By doing what we do best, Reaction Search International allows you to concentrate on your business – which is what you do best – while we recruit your leaders for the future.

Search Process Timeline

Search Schedule

By implementing our **25 Step Search & Selection Process**, RSI has successfully completed hundreds of challenging search projects according to the following schedule

Week 1

Initial client meeting is conducted to discuss your company. We will ask detailed questions such as,

- What makes your company unique?
- What are your competitive advantages?
- How should Reaction Search International represent you in the marketplace?

✔A detailed profile of the position and opportunity is created.

✔The interview process is determined.

✔Research is completed on what companies and industries now employ the ideal candidate.

✔**The Search Assignment Profile** and researched **Target List** of companies is prepared within 72 hours of this meeting and submitted to the key decision makers for review and signatory approval.

✔A compelling presentation designed to attract qualified candidates to the position and company is prepared.

Weeks 2 & 3

✔Initial telephone calls are made to targeted companies.

✔Our nationwide network of contacts is mined for potential leads.

✔Behavioral Based Interviews are conducted with qualified candidates.

✔A conference call is scheduled with the Hiring Authority to discuss the status of the search and provide an activity report of companies and candidates contacted.

✔We discuss your availability to begin scheduling first round interviews.

Weeks 4 & 5

✔Selected candidates are scheduled to interview with the Hiring Authority.

✔Prior to the interview a resume, interview summary and a “Reasons Why” outline is provided to illustrate each candidate’s qualifications and interest in your opportunity.

✔Time is scheduled for Reaction Search International to debrief with the Hiring Authority following each interview.

✔Candidates are prepared for the initial interview.

Weeks 6 & 7

✔Candidates complete the interview phase with the Hiring Authority.

✔Candidates are debriefed by Reaction Search International following each interview and additional “Reasons Why” are gathered.

✔Hiring Authority is debriefed and final candidates are identified.

✔Candidate of choice is consulted around the resignation process and counter-offer.

✔Confidential reference checks are completed and submitted to the Hiring Authority.

Week 8 +

✔ Newly hired candidate is contacted on a weekly basis through the start date.

✔ Client is sent a post project survey to help Reaction Search International continually improve our customer satisfaction.

✔ Client is asked to provide a reference letter and permission to use their name as a business reference.

This schedule is provided as an example of a typical search project. More time must be allotted for additional steps requested by the client and is contingent upon open lines of communication as well as the client's availability to participate in the process.

PROJECT PRICING:

Fees are based on a Fee of 30% of each candidate's compensation.

Fees will be paid in three installments:
* First installment = 1/3 of total estimated fee (see example below); due upon assignment of search.

* Each candidate will be thoroughly screened using behavior-based interviewing techniques.

* Each candidate presented will have been screened and assessed.

*Assignment of search will occur upon receipt of engagement fee.

*Second installment = 1/3 of total estimated fee, due within 45 days from start of search.

*Third installment = 1/3 of total estimated fee, due within 90 days from start of search.

*Balance of fee will be invoiced after offer acceptance, and due upon receipt of invoice.

Example:

When the first prioritized jobs are released to Reaction Search International, estimated fees would be:

Interim Executive Director (Estimated Compensation $100,000.00+ US)

$30,000.00 Total estimated Service fee for project based on a service fee of 30% of each candidate's estimated base salaries.

***1/3 installment due at Start of project ($30,000.00 by 1/3 = $10,000.00)**
***1/3 installment due in 45 days = $10,000.00**
***1/3 installment due in 90 days = $10,000.00**

Benefits to SAHT:

- Time and money saved by outsourcing project to a team of professionals.
- **Exclusivity means total commitment by dedicated Reaction Search project Team**; this ensures volume of qualified candidates needed to fill open positions on time.
- **Custom hiring plan and agenda.**
- Overall project cost is significantly less than other options with **high level of service** that is required to succeed.
- **Quality Assurance** (All candidates screened to **SAHT** requirements **every time!**) Saving Hiring Managers valuable time.
- Coordinate national network of recruiters.
- Weekly status reports provide clear picture for management.
- Industry-leading replacement guarantee of 24 months (98% of RSI's placements last 4.5+ years but the industry's longest warranty is provided for assurance)
- Reaction Search has the experience and can deliver **cost effective results**.

YOUR DEDICATED EXECUTIVE SEARCH SPECIALIST

David Kant
Managing Director
Reaction Search International Inc
Phone: 800.832.8268 Ext. 207
davidk@reactionsearcinternational.com

David Kant is a Managing Director & Executive Search Consultant at Reaction Search International (RSI). He is now in his 9th year of successful recruiting and marketing experience at RSI.

Over the years, David has worked with many Fortune 500 companies as well as many burgeoning, early-stage businesses and many mid-sized companies in between, including AAA Insurance, Brown & Brown, Bluebird Network, The American Association for Cancer Research, Civitan International, Center for Family Services, ECFMG, Martin Lawrence Galleries, Penske Corporation, the Veterans of Foreign Wars, the YWCA, and many more. He presently is a key practice leader for the Non-Profit, Public Sector, and Healthcare industries.

He has grown quickly within RSI's organization, from a Project Coordinator handling candidate fulfillment to a Managing Director now running his own practice group. His business acumen, vision and innovative approach to the search process have contributed to RSI's impressive accomplishments and its recognition as one of the fastest growing executive search firms in the nation.

David earned his MBA in Marketing from Saint Mary's College of California and a Bachelors of Science in Business Administration from the Walter A. Haas School of Business at U.C. Berkeley.

POSITIONS SUCCESSFULLY FILLED:

CEO, Executive Director, Executive Vice President, CFO/VP of Finance, CHRO/VP of HR, CMO/VP of Marketing, CIO/VP of IT, President, COO/VP of Operations, VP of Sales, VP of Product Management, VP of Business Development, VP/Director of Development, VP of Sales, VP of Engineering, Sr. Director of Operations, Director of Business Development, Director of Product Marketing, Director of Sales, and many more.