

SAN ANTONIO HOUSING TRUST FOUNDATION
2020 BOARD OF DIRECTORS
MINUTES

DATE: Monday, April 6, 2020

TIME AND PLACE: 1:00 p.m.; Zoom meeting

PRESENT: Celina Peña, Paul DeManche, Estrella Garcia-Diaz, Hilliard Drew Galloway and John Whitsett

ABSENT: Frankie Gonzales-Wolfe, John Harris II and Erica Martinez

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

VISITORS: Allison Shea- NHSD

1. CALL TO ORDER AND ROLL CALL: The meeting was called to order at 1:04pm
2. APPROVAL OF BOARD MEETING MINUTES FOR FEBRUARY 12, 2020

Director Paul DeManche motioned, and Director John Whitsett seconded to approve the minutes for February 12, 2020 as presented.

MOTION CARRIED 5-0.

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.

NO CITIZENS TO BE HEARD.

4. TREASURER’S REPORT FEBRUARY 2020

Director Estrella Garcia-Diaz presented the Treasurer’s report for February 2020. She reported that the budget is underbudget for year to date operations. She also noted that under line item Insurance expenditure budget is close to 100% because those are paid in full annually.

Interim Executive Director, Pete Alanis gave a brief summary the balances of the other Housing Trust entities. The Public Facility Corporation has a balance of approximately \$3 Million. The Finance Corporation has a balance of approximately \$975,000. The Trust account balance as of December 31, 2019 is \$958,000. The Foundation cash balance is approximately \$1.98 Million. Breakdown was included in the board book.

No action was taken.

5. CONSIDERATION AND POSSIBLE ACTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PROVIDE MORTGAGE PAYMENT RELIEF TO SAN ANTONIO HOUSING TRUST FOUNDATION RESIDENTIAL CLIENTS AND APPROVAL OF RESOLUTION RELATING TO SAME

Interim Executive Director, Pete Alanis stated that the Foundation is looking at ways to provide relief to the 13 first lien clients. Many of the households are very low income and senior citizens. During this time, a lot of folks are struggling financially for various reasons. Have an opportunity to provide relief and divert those funds to other needs. Low impact to operating budget over a six-month period; approximately \$6,400. Recommendation out of Committee is to waive late fees and defer payments for six months.

Interim Executive Director, Pedro Alanis is opened to ways of how the Foundation can provide relief to their clients.

Director John Whitsett asked if the 13 first lien notes are the notes that were going to be sold to Neighborhood Housing Services of San Antonio. Pete Alanis replied yes, NHS of San Antonio is still interested in purchasing the Foundation residential loan portfolio. NHS of San Antonio has expressed their recognition to provide some type of relief to the residential clients during this time. There will be a small impact to the net present value of the loans and will have to adjust accordingly. The loan portfolio repayable portion is minimal. Impact to sales price has not been calculated. But Pete will work with NHS of San Antonio on that. Director John Whitsett asked what the status of the sale is. Pete responded that the sale of the residential loan portfolio is on hold. Staff is collecting first lien holder information for the Foundation second lien notes. NHS of San Antonio said they wanted to hold off on transferred of ownership to not cause confusion to the clients. Pete also stated if the Foundation were to move forward with the sale, the Foundation would not have control to provide deferment during this time. Once things settle, the Foundation would continue with the sale. Director John Whitsett stated that the recommendation is reasonable, and that the Foundation should pursue the sale after things settle.

Director Paul DeManche asked for clarification as to why the minutes from February 12, 2020 state that there were 14 first lien notes. Assistant Director, Nicole Collazo replied that a client had paid off their note last month. Now there are a total of 13 first lien notes. Director Paul DeManche also asked for clarification regarding the staff recommendation in the board book to the Committee recommendation. Pete replied that after researching how HUD and the Federal government was approaching the federally backed mortgages the approach was to provide 60 days of forbearance and up to an additional 120 days for a total of 180 days. The recommendation out of Committee is to provide up to six months of deferred payments. Looking how that could potentially impact the value of the sale to NHS of San Antonio and the unknown of how long this crisis will last. Pete recommended a deferment instead of a forbearance that would be more beneficial for the clients. At least for 60 days with the flexibility to extend for additional 120 days.

Motion out of committee and seconded by Director John Whitsett to approve Mortgage Payment Relief of deferment of six months to San Antonio Housing Trust Foundation Residential clients.

MOTION CARRIED 5-0.

6. CONSIDERATION AND POSSIBLE ACTION TO PROVIDE AVAILABLE FOUNDATION FUNDS AND FUTURE RESTRICTED DONATIONS IN A SET ASIDE TO SUPPORT THE CITY OF SAN ANTONIO'S RISK MITIGATION PROGRAM AND APPROVAL OF RESOLUTION RELATING TO SAME.

President, Celina Pena stated that the City of San Antonio is currently seeing a demand in the Risk Mitigation Program. Pete briefed on the background of the Risk Mitigation program. On March 19, 2020 Councilwoman Dr. Adriana Rocha Garcia issued a Council Request Memo to look at Revitalize SA. The effort was to support an economic relief and assistance plan to help residents and business owners. A more comprehensive way for the City to find ways to approach the COVID pandemic. Included in the request memo was to increase Risk Mitigation funds. The City of San Antonio submitted a request to the Foundation for a set aside for the Risk Mitigation program for up to \$1 million dollars. As part of the request, Foundation staff would work to assist in deploying those funds because the Foundation can quickly provide those payments. Similar to how the staff assists with the HIP program.

Lori Houston, Assistant City Manager, explained that the City of San Antonio immediately went into action once the pandemic hit. Mayor Ron Nierenberg and Councilman Trevino asked SAWS and CPS to suspend any disconnections. Judge Nelson Wolfe requested a moratorium on eviction court. A landlord can still issue an eviction but there will not be an eviction court to hear the case. In addition, the Federal Housing Financing Agency directed Fannie Mae and Freddie Mac to suspend foreclosures and evictions on enterprise backed single family mortgages. Even with those protections, the requests for utility assistance and rental assistance programs have skyrocketed. For utility assistance typically 183 requests

per week are received. Last week they received over 750 requests. The Risk Mitigation program that provides rental assistance typically receives 57 a week. Last week they received over 4,100 inquiries through the call line or through online submission. Fair housing staff has doubled from 8 employees to 16 employees. Over the next week, 25 more staff members will be added to assist with intake and application processing. In regard to funding, the Risk Mitigation fund was funded with \$1 Million dollars. The remaining balance of the Risk Mitigation fund is approximately \$400,000.

Motion out of the Committee and second by

MOTION CARRIED 6-0.

7. 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)

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

8. ADJOURNMENT- Without objection the chair adjourned the meeting at 1:15p.m.

Signed this _____ of _____, 2020

Respectfully Submitted by:

Secretary