**Effective March 16, 2020 Governor Gregg Abbott authorized the temporary suspension of some of the statutory provisions of the Texas Open Meetings Law This Meeting of the Board of Trustees of the San Antonio Housing Trust Foundation, Inc is being held pursuant to this authorization and will limit face-to-face meetings to slow the spread of the Corona Virus (COVID19). See attached Open Meeting Laws Subject to Temporary Suspension**

# AGENDA

**A meeting of the SAN ANTONIO HOUSING TRUST BOARD OF TRUSTEES will be held on Thursday, May 27, 2021 beginning at 2:00 p.m., at The Roseville Apartments Community Center, 4139 E Houston St, San Antonio, TX 78220, and via video and teleconference to consider the following matters:**

**NOTICE:** *This board meeting will be held in person and via Zoom. Members of the public may access this meeting by the free of charge video conference link by logging into the Zoom website –*

https://us02web.zoom.us/j/83458860910?pwd=VHE1aUpnckZDZ3hyd0xteE1wVVB0Zz09

*or **dial in number 1 346 248 7799 Meeting ID: 834 5886 0910 Passcode: 345076** no more than 15 minutes before the meeting. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

**NOTICE:** *This meeting of the Board of the San Antonio Housing Trust, 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 April 26, 2021.
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. Recommendation out of Committee: Briefing, discussion, and possible action regarding the governance realignment of all San Antonio Housing Trust related entities and recommendation regarding amended and restated organizational documents.
5. 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*

6. Adjournment

# SAN ANTONIO HOUSING TRUST
## 2021 BOARD OF DIRECTORS MINUTES

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**DATE:** Friday January 22, 2021

**TIME AND PLACE:** 2:49PM; via Zoom

**PRESENT:** Celina Peña, Paul DeManche, Estrellita Garcia Diaz, Drew Galloway, Erica Martinez, and John Whitsett

**ABSENT:** John Harris

**STAFF MEMBERS:** Pedro Alanis- Executive Director; Nicole Collazo- Assistant Director
Maria Bradley -Senior Administrative Assistant; Mark Sanchez- Attorney

**VISITORS:** Veronica Soto- NHSD, Amy Kastely-St. Mary's Professor of Law, Michael Taylor- Habitat for Humanity, Graciela Sanchez- Esperanza Peace and Justice Center, Melanie Cowart- Roseville Housing Trust of San Antonio, Madison Izler-San Antonio Express News, Mark Anthony- Sanchez & Wilson PLLC, Stephanie Wiese- Habitat for Humanity of San Antonio, Tina Aranda, and Suzanne Hill-San Antonio for Growth on the Eastside, Ileana Sandoval-D9

1. **CALL TO ORDER AND ROLL CALL**: The meeting was called to order at 1:03pm

2. **APPROVAL OF BOARD MEETING MINUTES FOR JANUARY 22,2021**
   Director Drew Galloway motioned, and Director Paul DeManche seconded to accept the minutes as presented.

   **MOTION CARRIED: 6-0.**

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.

   **NONE.**

4. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING THE TRUST ASSISTANCE OVERSIGHT COMMITTEES' FY 2021 JOINT REQUEST FOR APPLICATION RECOMMENDATION TO AWARD $900,000 IN AVAILABLE HOUSING TRUST INTEREST AND INVESTMENT REVENUES TO THE ROSEVILLE TRUST.**

   Pete briefed on the Roseville Housing Trust is seeking $1.73 Million to support the Hidden Jewel Housing Project known as the Roseville Apartments. This is an ADA compliant rehabilitation low-income elderly property. The project scope will bring the property up to current ADA standards, including new doors/levers, ADA bathroom renovations, ADA kitchen renovations, new windows, LED lighting, breaker panels, tile flooring and painting. The Roseville Apartments was built in 1971 and has been serving very low-income seniors for the past 50 years.
   In 2021, the Roseville Apartments retired the mortgage and carries $0 debt and only has obligations to operating expenses which is how the rents can be maintained at such a low rate, which average $239 per month.
   The Roseville Trust will provide $213,231 in cash to support the renovation.
   Pete recommends providing a fund level of $900,000 from the Housing Trust Fund. The Executive

Director, Pete, will work with the Roseville Trust Team to identify other suitable funding sources remaining $825,233.
Trust Assistance Oversight Committee recommends awarding $900,000 in available San Antonio Housing Trust; and authorizing the Executive Director to negotiate and execute contractual agreements with the Roseville Trust upon approval of the Trust award by City Council.

Recommendation out of Committee and seconded by Director John Whitsett recommends awarding the Roseville Trust $900,000 out of the Housing Trust Fund.

**MOTION CARRIED 6-0.**

5. ADJOURNMENT

Without objection the chair adjourned the meeting at 3:00pm

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

Signed this_____of_____, 2021.

Respectfully Submitted By:

_____

Secretary

**San Antonio Housing Trust**
**Agenda Item 3**

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**Agenda Date:** 05-27-2021

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**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**

**Agenda Item 4**

**Agenda Date:** 05-27-2021

**Subject:** Recommendation out of Committee: Briefing, discussion, and possible action regarding the governance realignment of all San Antonio Housing Trust related entities and recommendation regarding amended and restated organizational documents.

**Background:**
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.

The recommendations included hiring an Executive Director, monitoring covenants, establishing organizational policies and procedures, increasing the capitalization of the Trust, clarifying public policy goals, enhancing public engagement, and increasing transparency. However, the first recommendation was related to re-alignment the composition of the Board of Directors/Trustees of the **four** San Antonio Housing Trust entities to better balance the collective skills, interests and authorities of the Board and thus promote unified policy development, perspective in decision making, and enhancement of transparency.

**ISSUE:**
A Joint Transition Committee (JTC) consisting of three senior members of the Trust/Foundation Boards and 3 senior members of the Public Facility/Finance Corporation Boards was created to make key recommendations on the governance realignment framework. The Joint Transition Committee has met regularly since September 2020 recommending the following path forward:

### Revised Statement of Purpose
The San Antonio Housing Trust will be committed to creating and preserving housing that is primarily affordable, accessible, attainable, and/or sustainable to residents within the City of San Antonio; and to support community development efforts that build and sustain neighborhoods, empower residents, and provide for positive equitable outcomes.

### Governing Board Structure:
The Joint Transition Committee has recommended a 12 Member Board of Directors/Trustees will be **consistent** across all four Housing Trust entities. They shall consist of five Council Directors, six at large Community Directors, and one City Director.

| Existing Governance Structure | | | |
|---|---|---|---|
| Trust | Foundation | Public Facility Corporation | Finance Corporation |
| 11 Appointed Trustees by each Council District & Mayor | 11 Appointed Directors by each Council District & Mayor | 5 Council Directors appointed by Mayor | 5 Council Directors appointed by Mayor |
| 1 City Trustee* | | | |

| Proposed Governance Structure | | | |
|---|---|---|---|
| Trust | Foundation | Public Facility Corporation | Finance Corporation |
| 5 Council Trustees | 5 Council Directors | 5 Council Directors | 5 Council Directors |

| | | | |
|---|---|---|---|
| 3 Community Trustees (Housing Expert) | 3 Community Directors (Housing Expert) | 3 Community Advisors** (Housing Expert) | 3 Community Advisors** (Housing Expert) |
| 3 Community Trustees (Community Rep) | 3 Community Directors (Community Rep) | 3 Community Advisors** (Community Rep) | 3 Community Advisors** (Community Rep) |
| 1 City Trustee* | 1 City Director * | 1 City Advisor* | 1 City Advisor * |

*City Member is Advisory Only
**Community Advisors can vote, if elected as an officer.

### Community Board Member Qualifications

Three (3) of the Community board members shall have prior experience in housing advocacy, non-profit fundraising, policy making, community engagement, or reside in an affordable housing unit.

Three (3) of the Community board members shall have experience in real estate, financial underwriting, property development, housing finance, capital markets, lending, construction, property management, or other relevant housing industry experience.

### Board Appointments and Term Structure

The Mayor shall nominate the 5 San Antonio City Council members to serve consistently across all four bodies. The San Antonio Housing Trust Governance and Policy standing committee (initially the Joint Transition Committee) shall review applications for Community Directors and shall recommend members to City Council for consideration. City Council must approve all Trustees/Directors/Advisors.

The terms for Directors shall be 4 years, except for the initial Directors. The five Council Directors and six Community Directors shall "draw straws" to see which members have their initial terms staggered:

- Five Council Directors will draw as follows: 2 Directors for 2 years, 3 Directors for 4 years
- Six Community Directors will draw as follows: 3 Directors for 2 years, 3 Directors for 4 years

All Directors will have an additional 4-year term consistent with their initial draw. There is no maximum to the number of terms, except for City Council persons who must vacate the seat when they leave office.

Upon resignation or vacancy by a Council Member, the Mayor shall nominate a new Council Director which can be from any District. Council must approve the nomination. Upon resignation or vacancy of any of the six Community Directors, the San Antonio Housing Trust Governance and Policy standing committee shall meet to recommend a replacement to the City Clerk for City Council consideration.

### Officers

The officers of each entity shall be President, Vice President, Secretary, and Treasurer. While it is anticipated that officers shall be consistent across the four entities, legally, each entity must hold a separate election. Officers shall serve for one-year terms or until his or her successor is elected or appointed. Upon the expiration of the terms, each officer shall have the right to be reappointed or reelected. The Executive Director of the San Antonio Housing Trust Foundation may serve as an Assistant Secretary and Assistant Treasurer of the entities.

The elected President shall be in general charge of the properties and affairs of the Trust and execute all contracts and other instruments in its name. The President shall preside over the meetings of the Corporation and assign directors to Committees.

### Establishing Committees

The Board President shall have the ability to create ad-hoc committees as needed and only for specific tasks to exercise such authority, as approved by resolution of the Council Directors. There shall be two (2) standing Committees consisting of at least one (1) Council Director and one (1) Community Director. The Board President shall assign the Directors to these standing Committees. The two (2) standing Committees are the

**Governance and Policy Committee** that shall be responsible for evaluation of new Directors, overall policy development and Executive Director evaluations; and **Finance and Audit Committee** that shall review and prepare the annual budget and oversee audits.

**Approval Progression/Timeline**

| | |
|---|---|
| Joint Transition Committee Recommends Governance Re-Alignment | May 17th |
| San Antonio Housing Commission | May 21st |
| City Council Committee Briefing | May 25th |
| 4 SAHT entities consider organizational realignment documents | May 26/27th |
| City Council A-Session Re-Alignment Approval | June 10th |
| Joint Transition Committee/City Clerk Application Process | July |
| City Council A-Session Approves all Directors | August TBD |
| Recordings and Filings with Clerk and State | August TBD |

**RECOMMENDATION:**
Staff recommend approval of the attached Resolution to formally apply to the City Council for approval of the Amendments.

**ATTACHMENT:**
Resolution
Amended and Restated Certificate of Formation
Bylaws to City Council for approval

# CITY OF SAN ANTONIO HOUSING TRUST

RESOLUTION NO. T21-0527-4

A RESOLUTION APPROVING THE FIRST AMENDED AND RESTATED DECLARATION OF TRUST CITY OF SAN ANTONIO HOUSING TRUST AND FIRST AMENDED AND RESTATED FINAL RULES AND REGULATIONS FOR THE OPERATION OF THE SAN ANTONIO HOUSING TRUST

**WHEREAS,** the City of San Antonio Housing Trust ("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 3.6 subject to City Council approval, from time to time by majority vote, the Trustees may adopt such written rules, regulations, and procedures, and any amendments thereto, not inconsistent with the Trust, for the conduct of their meetings, the carrying out of their duties and powers;

**WHEREAS,** Article V, Section 5.1 of the Trust was amended by Resolution No. T0408-01 (August 16, 2004 and approved by Ordinance No. 9980 (September 23, 2004) providing Amendments to the Declaration of Trust may be made by a majority vote of the Trustees, provided, however, that such amendments do not violate the purpose of this Trust, pursuant to Section 1.2; and provided, further that Section 1.2, itself shall not be amended unless such action shall comply with Federal, State, County, City, Municipal and Local laws, regulations, ordinances, statutes and guidelines.

**WHEREAS,** Article V, Section 5.1 of the Trust was amended by Resolution No. T01-1001 (October 8, 2001) and approved by Ordinance No. 95273 (February 7, 2002) providing no amendment to the Declaration of Trust shall authorize the Trustees to conduct the affairs of the Trust in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Code. Further, provided any amendments made pursuant to Article V shall be attached to each original counterpart of the Trust instrument and shall be recorded as provided, and shall need City Council approval of any rule, regulation and procedural changes;

**WHEREAS,** The San Antonio Housing Trust Foundation, Inc. ('Foundation") along with the City of San Antonio ("COSA") and the San Antonio Housing Trust ("Trust") worked with the National Association for Latino Community Asset Builders ("NALCAB") to assess the Foundation and Trust to make recommendations for strengthening the Trust and Foundation;

**WHEREAS,** NALCAB recommended the hiring of an Executive Director, monitoring covenants, establishing organizational policies and procedures and realigning the Trustees by having a governing organizational structure resemble and closely assimilate the Foundation, the San Antonio Housing Trust Finance Corporation and the San Antonio Housing Trust Public Facility Corporation;

**WHEREAS**, a Joint Transition Committee was formed to create and make key recommendations on the governing realignment framework of the organizational documents of the Trust;

**WHEREAS,** the Joint Transition Committee recommends the approval of First Amended and Restated Declaration of Trust City of San Antonio Housing Trust and the First Amended and Restated Final Rules and Regulations for the Operation of the San Antonio Housing Trust.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO HOUSING TRUST,** that the Board of Trustees approve the First Amended and Restated Declaration of Trust City of San Antonio Housing Trust and the First Amended and Restated Final Rules and Regulations for the Operation of the San Antonio Housing Trust.

**IT IS FURTHER RESOLVED** that the First Amended and Restated Declaration of Trust City of San Antonio Housing Trust and the First Amended and Restated Final Rules and Regulations for the Operation of the San Antonio Housing Trust be presented to the City of San Antonio City Council as approved.

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**PASSED AND APPROVED** this _____ day of _____, 2021.

SIGNED:

_____
Celina Pena, President

ATTEST:

_____
John Whitsett, Secretary

**FIRST AMENDED AND RESTATED DECLARATION OF TRUST CITY OF SAN ANTONIO HOUSING TRUST**

The City Manager of the City of San Antonio hereby declares that they have received on behalf of the City of San Antonio Housing Trust ("Trust"), One Dollar ($1.00) from a donor, whose name, together with the names of all other donors to this Trust and the amounts contributed by each, shall be kept by him as Trustees as part of the Trust's permanent records, and that he shall hold said contribution and all other amounts paid to them hereunder, for uses and purposes, and subject to the duties and powers herein set forth.

## ARTICLE I NAME AND PURPOSE

Section 1.1 Name

The Trust shall be known as the City of San Antonio Housing Trust. Its principal office and address shall be: Office of the Finance Director, City of San Antonio, P.O. Box 839966, San Antonio, Texas 78283-3966. Administrative offices of the Trust may be designated by resolution of the Board of Trustees, upon the approval of City Council, for the operation of the Trust at such offices or addresses as the Board of Trustees and City Council deems appropriate for the efficient and effective administration of the Trust.

*Amended by Resolution No. 89-1101 (November 30, 1989) and approved by Ordinance No. 70730 (December 7, 1989)*

Section 1.2 Purpose

It is established that the primary purposes and goals of this Trust are to create and preserve housing that is primarily affordable, accessible, attainable, and/or sustainable to residents within the City of San Antonio, Texas; and to support community development efforts that build and sustain neighborhoods, empower residents, and provide for equitable outcomes.

All Trust property, including trust funds, and all earnings, principal and income of trust funds (such funds may sometimes hereinafter be referred to as "Trust Funds") shall be used to support the primary purposes as follows:

(a) To furnish administrative, management, financial and other advice, support, training and technical assistance to the Board of Trustees, San Antonio City Council, other housing related boards and commissions, affordable housing focused non-profit and/or community-based organizations to enable them to develop necessary skills and resources;

(b) To conduct research, studies, analysis in regarding economic, social issues, or other matters that may further the purposes of the Trust;

(c) To conduct educational and other efforts;

(d) To fund raise or accept cash contributions or other contributions of value such as land and property, or other assets through private or public sources;

(e) To provide for the acquisition and disposition of assets that may further the purposes of the Trust;

(f) To provide grants, contributions, guarantees, loans, commitments, investments, and/or otherwise other lawful forms of financial assistance to accomplish the primary purposes of the Trust;

No part of the Trust investment proceeds, property, or other asset of the Trust may inure to the benefit of any individual, unless directed by the Board of Trustees in support of the specific and public purpose of the Trust.

This Trust shall not operate for the purpose of carrying on a trade or business for profit.

This Trust shall not take part in any political campaign on behalf of any candidate for public office, and no portion of the Trust funds shall be expended on any attempt to influence legislation.

## ARTICLE II

## DISTRIBUTION AND USE OF TRUST FUNDS

Section 2.1 Method

Notwithstanding any other article, term or provision of this declaration of trust or any other governing documents including but not limited to any bylaws, resolutions, rules and regulations or articles of incorporation, to the contrary, all grants, contributions, guarantees, loans, investments, commitments and/or otherwise lawful forms of financial assistance distributed with Trust Funds, or any portion thereof, shall be made upon a majority vote of the Trustees and upon final review and approval by the City Council.

Section 2.2 Distributable Amount

The Trustees may grant, contribute, guarantee, loan, invest, commit, and/or otherwise provide other lawful forms of financial assistance with all available principal, interest, and investment revenues as the Trustees in their discretion may deem to be in the best interest of the Trust.

Section 2.3 Purposes of Distributions

All distributable amounts of the Trust shall be made only for the purposes set forth in Article I of this Declaration of Trust.

Section 2.4 Methods of Disbursements

Funds for projects may be disbursed to individuals and private or public, profit or not-for profit development entities, in the form of grants, secured loans or in such other manner as the Trustees may deem necessary and appropriate to accomplish the purposes of the Trust. Prior to accepting any request for funds, the Trustees shall develop written rules and regulations and any amendments thereto, and shall obtain City Council approval. . A copy of such rules and regulations and amendments, if any, shall be filed with the City Clerk of the City of San Antonio.

Section 2.5 Limitation

The Trustees shall not engage in any activity and shall not disburse any funds, except in a manner consistent with the requirements of the Internal Revenue Code of 1954, as amended (the "Code"), or any similar provisions of subsequent revenue acts as they may pertain to entities organized and operating exclusively for charitable purposes, and in a manner consistent with the laws of Texas.

## ARTICLE III BOARD OF TRUSTEES

Section 3.1 Composition

The activities, affairs, property, and powers of the Trust will be managed, directed, controlled, or exercised by and vested in the Board of Trustees. The Trust may designate a principal officer or employee to serve as the assistant secretary of the Board of Trustees, in the absence of the Secretary of the Board of Trustees, to record the proceedings of meetings and other activities of the Trust and maintain records, books, documents, and paper produced or filed with the Trust.

The number of Trustees shall be twelve (12), consisting of five (5) Trustees, each of whom during his or her term as Trustee is a current member of the City Council of the City (the "City Council Trustees"), six (6) Trustees (the "Community Trustees") and one (1) nonvoting, advisory Managing Trustee as detailed in Section 3.5, each of whom is a resident of the City. The Board of Trustees shall be and is divided into two (2) classes designated: Class I and Class II, which shall be chosen by the drawing of straws by the Trustees Class I shall consist of two (2) City Council Trustees and three (3) Community Trustees and Class II shall consist of three (3) City Council Trustees, three (3) Community Trustees and one (1) Managing Trustee. In case of any increase or decrease, from time to time, in the number of Trustees, the number of Trustees in each class shall be apportioned as nearly equal as possible. Each Trustee shall serve for a term of four (4) years; *provided, that* each Trustee initially appointed to Class I shall serve for an initial term of two (2) years and each Trustee initially appointed to Class II shall serve for an initial term of four (4) years; *provided further*, that if a City Council Trustee is no longer a member of the City Council of the City, such individual shall be deemed to have resigned from the Board of Trustees of the Trust. Furthermore, any member of the Board of Trustees of the Trust may be removed from office at any time, with or without cause, by written resolution of the City Council of the City; *provided, that* in no event shall the number of City Council Trustees be less than three (3).

City Council Trustees shall be nominated by the Mayor of the City, Community Trustees shall be nominated by the Governance and Policy Committee, and the Managing Trustee shall serve as detailed in 3.5. All Trustees shall be confirmed and appointed by written ordinance of the City Council of the City. Three (3) of the Community Trustees shall have prior experience in housing advocacy, non-profit fundraising, policy making, community engagement, or reside in a low to moderate income housing unit. Three (3) of the Community Trustees shall have experience in real estate, financial underwriting, property development, housing finance, capital markets, lending, construction, property management, or other relevant housing industry experience. The Trustees shall serve without compensation except that they may be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 3.2 Vacancy

A City Council Trustee must vacate when no longer serving as a City Council member for the City of San Antonio. The Mayor of the City of San Antonio appoints new City Council Trustees upon a vacancy of City Council Trustee position. Replacements for Community Trustees who vacate their position by way of withdrawal, resignation, death, removal, incapacitation or other failure to serve as a Trustee shall be recommended to the City Clerk for City Council upon the vacancy by a committee established for that purpose . Each Trustee appointed or designated to fill a vacancy will hold office for the remainder of the replaced Trustee's term. A vacancy occurring in any subcommittee may be filled by the

Board of Trustees for the remainder of the term of the position. A replacement Managing Trustee shall be appointed at the discretion of the San Antonio City Manager.

3.3 Removal

Any Community Trustee may be removed for the following: (1) failing to attend three unexcused consecutive monthly meetings or whose attendance drops below 50% over a period of 12 months; or (2) violating the conflict-of-interest policy that is adopted by the Board of Trustees. The Community Trustee may be removed from office by resolution of the Board of Trustees for violations of either of these two violations. The Secretary will notify Trustees when they have missed two regular consecutive monthly meetings. Absences may be formally excused by the vote of the Board. The Secretary will certify a Trustee's excessive absences to the President. Also, the Community Trustee shall be provided notice of any violations of the conflict-of-interest policy by the board secretary and have ten (10) days to respond. Such response shall be delivered to the Board Secretary which shall be forwarded to the all the Trustees for consideration.

Section 3.4 Fiduciary Responsibility

The Trustee's powers are exercisable solely in their fiduciary capacity consistent with and in furtherance of purposes specified in Section 1.2 and not otherwise.

Section 3.5 Managing Trustee

The Finance Director of the City of San Antonio shall serve as an ex-officio trustee of the Trust (the "Managing Trustee"). The Managing Trustee shall be responsible for maintaining any financial and other records of the Trust and administering the Trust property for the purpose of preserving or enhancing the Trust property, with all the rights and privileges pertaining to Trust management which are granted to a Trustee by the law of the State of Texas, unless otherwise restricted by the terms of this Trust.

Section 3.6 Administration

The administration and management of the operations of the City of San Antonio Housing Trust and the staff support of the Board of Trustees will be provided by the San Antonio Housing Trust Foundation, Inc. The unawarded funds and other property of the Trust will be administered by the Managing Trustee. The San Antonio Housing Trust Foundation, Inc. may contract with the City of San Antonio to receive City related funding to support its operations and may contract or subcontract with any other public or private entity to receive funds or provide services in the best interests of the Trust. The San Antonio Housing Trust Foundation, Inc. may designate a principal officer or employee to serve as the assistant secretary of the Board of Trustees, in the absence of the Secretary of the Board

of Trustees, to record the proceedings of meetings and other activities of the Trust and maintain records, books, documents, and paper produced or filed with the Trust.

Section 3.7 Trustees Powers

In extension and not in limitation of the common law and statutory powers of trustees and other powers and limitations set forth in this Declaration of Trust, Trustees shall have the following powers:

(a) To receive and accept property, whether real or personal, by gift, grant, devise, appropriation, or transfer form any person, firm trust, corporation, or other public or private entity to be held, administered, and disposed of in accordance with the provisions of the Trust; provided, however, that no gift, grant, devise, or transfer of property shall be received and accepted if it is so conditioned, in the opinion of the Trustees, as to jeopardize the federal income tax exemption of this Trust under Section 501(c) (3) of the Code, as now in force or hereafter amended.

(b) To buy, sell, exchange, transfer, or convey any of the Trust property upon such terms and conditions, and such manner and form as the Trustees shall deem best, and to execute, acknowledge, deliver, and record any contract or other instrument related to the Trust property which Trustees may deem necessary or appropriate.

(c) For accounting proposes only, to determine to what extent money and other property coming into the Trust's possession shall be deemed principal or income, and to apportion the same between principal and income as determined by the Trustees.

(d) To borrow money for such periods, at such rate of interest, and upon such terms as the Trustees consider advisable, and as security for such loans to mortgage or pledge any real or personal property with or without power of sale; to acquire or hold any real or personal property, subject to any mortgage or pledge on or of property acquired or held by this Trust.

(e) To execute and deliver deeds, assignments, transfers, mortgages, pledges, leases, covenants, contracts, promissory notes, releases, and all other instruments, sealed or unsealed, necessary, property or incident to any transaction in which they engage for the accomplishment of the purposes of this Trust or of any of the powers herein granted.

(f) To utilize the City's depository as custodian of any funds or securities and to delegate to it such powers as they deem appropriate; to hold Trust

property without indication of fiduciary capacity but only in the name of a registered nominee, provided the Trust property is at all times identified as such on the Books of the Trust and to hold any securities in registered or in bearer form.

(g) To sell, lease, or exchange any personal, mixed, or real property, in accordance with State law, for such consideration and on such terms as to credit or otherwise, and to make such contracts and to enter into such undertakings relating to the Trust property, as they consider advisable, whether or not such leases or contracts may extend beyond the duration of the Trust.

Section 3.8 Indemnification

Neither the Managing Trustee, nor any other Trustee shall be liable for, and, to the extent of its assets, this Trust shall indemnify such person against any liabilities, including actual and reasonable attorney's fees incurred in defending against such liabilities, arising out of his or her activities on behalf of and for the Trust, unless such liabilities are the result of the willful misconduct, bad faith or gross negligence of such Trustee. No Trustee shall be required to furnish any bond or surety or shall be liable for the act or omission of any other Trustee. The Trustee may obtain insurance with respect to Trust activities and pay for such insurance with Trust funds.

Section 3.9 Meetings

Regular meetings of the Board of Trustees may be held each month, or as determined by the Board President, at a time and location selected by the Board. Regular meetings will be held at a location within the City of San Antonio that is accessible to the public. The purpose of the meetings will be to transact business as may properly come before the meeting.

Special meetings of the Board may be called for any purpose not otherwise prescribed by statute, regulation, by the President, or by any two Trustees, to transact any business described in the call for the special meetings. The call for a special meeting must be delivered to each Trustee by e-mail.

Pursuant to State Law, and these Bylaws, telephone or televideo conference meetings may be held by the Board pursuant to the Texas Open Meetings Act.

Section 3.10 Votes

All matters at any meeting of the Board of Trustees or Committee of the Trust, except as otherwise provided in this Declaration or law, will be decided by a vote of a majority of the Trustees or committee members present at the meeting. Voting on all questions may be by voice vote. A roll call vote on any motion or resolution may be requested by any Director. No proxy votes will be allowed. The Managing Trustee shall not vote.

Section 3.11 Quorum

At any meeting of the Board of Trustees the appearance of a majority of the Trustees duly appointed and serving, and on any designated committee of the Board the appearance of a majority of the members of that body qualified to vote, will be necessary to constitute a quorum to transact any business. If a quorum is present the affirmative vote of a majority of the members present at a meeting will be the act of the body of Trustees, unless the vote of a greater number is required by statute, regulation, or this Declaration. The Managing Trustee does not count towards quorum.

The Trustees present at a duly called meeting in which a quorum is present when the meeting is called to order may continue to meet until adjournment. In the absence of a quorum no other business may be transacted.

Section 3.12 Committees

The Board President shall have the ability to create ad-hoc committees as needed and only for specific tasks. There shall be two (2) standing Committees consisting of at least one (1) City Council Trustee and one (1) Community Trustee. The Board President shall assign the Trustee to these standing Committees. The two (2) standing Committees are the (1) Governance and Policy Committee that shall be responsible for evaluation of new Community Trustees, overall policy development and Executive Director evaluations; and (2) Finance and Audit Committee that shall review and prepare the annual budget and oversee audits. Any Committee member maybe removed by the Board President. Any ad hoc Committee may be abolished by the Board President. The standing Committees may only be abolished by the Board of Trustees.

3.13 Officers and Elections

The officers of the Trust will consist of the President of the Board, a Vice President of the Board, a Secretary, a Treasurer, and any other officers that the Board may establish and designate by resolution adopted by a majority of Trustees duly

appointed and serving. Any person may hold any two or more offices of the Trust except the offices of President and Secretary.

Elections are to be held as determined by the Board of Trustees. The slate is presented at the board meeting; nominations are accepted from the floor; and election by majority of Trustees present is required. The Managing Trustee shall hold the office of Treasurer unless otherwise elected by the Board of Trustees and subject to City Council approval.

The President of the Board will preside at all meetings of the Board of Trustees. The President will have other powers and duties not inconsistent with these Bylaws as may be assigned by the Board. The Vice President will have the powers and duties of the President in its absence.

A Vice President will act under the direction of the President and in his/her absence have the duties and powers of the President. A Vice President will have other duties and powers as the President or the Board of Trustees may assign.

The Secretary will have the general powers and duties usually vested in such office of a Trust, including keeping all records, documents, and the corporation seal at the principal office of the Trust; affixing the corporate seal to any instrument requiring it and to attest the same by his or her signature when authorized by the Board of Trustees of after the instrument has been signed by the President, a Vice President or other authorized officer or agent' keeping the minutes of the meetings of the Board of Trustees, to be recorded in one or more books provided for that purpose, with the time and place, how they were called or authorized, the notice given, the names of those present, and the proceedings therein' and issuing proper notices in accordance with these Bylaws. The Secretary will have such other powers and duties not inconsistent with these Bylaws as may be assigned by the Board of Trustees or the President.

The Treasurer will be responsible for all funds and securities of the Trust and will have the general powers and duties usually vested in such office of the Trust, including receiving and documenting all monies due and payable to the Trust; depositing all monies received in the name of the Trust in a depository designated by the Board; disbursing monies of the Trust under the direction or orders of the Board; entering regularly in the books kept by the Treasurer a complete and accurate account of all monies received and disbursed by the Trust; rendering a statement of the financial accounts of the Trust to the Board as requested; exhibiting the books of account in his/her custody to any Trustee upon request; and submitting a full financial report to the Board of Trustees at a meeting during the next fiscal year. meetings.

3.14 Conflict of Interest

The Trustees shall establish and adopt a Conflict-of-Interest Policy which shall be applicable to all Trustees.

## ARTICLE IV ACCOUNTS

The Managing Trustee shall submit to the Board on an annual basis an account of the Trust prepared by an independent certified public accountant and shall submit copies thereof to the City Council. Said account shall be the result of an independent audit. Such annual account shall be published and available to the public. The trust may charge the public a nominal fee for copies of the annual account.

## ARTICLE V DISSOLUTION AND AMENDMENT

Section 5.1 Dissolution and Amendment of Trust

It is intended that this Trust shall continue in perpetuity; provided, however, if for any reason it becomes impossible to do so, then this trust may be terminated upon the approval by City Council. If for any reason this Trust is voluntarily or involuntarily dissolved or wholly inoperative, all the property of the Trust shall be distributed to the City of San Antonio to be used solely of the purposes consistent with Section 1.2 of this Trust.

Amendments of this Declaration Trust may be made by a majority vote of the Trustees; provided, however, that such amendments do not violate the purpose of this Trust pursuant to Section 1.2; and provided further that Section 1.2 itself shall not be amended unless such action shall be to comply with Federal, State, County, City, Municipal and Local laws, regulations, ordinances, statutes and guidelines.

No amendment of this Declaration of Trust shall authorize the Trustees to conduct the affairs of this Trust in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Code. Any amendment made pursuant to this article shall be attached to each original counterpart of this instrument and shall be recorded as provided, and shall need City Council approval of any rule, regulation and procedural changes.

## ARTICLE VI MISCELLANEOUS

Section 6.1 Titles and Subtitles

Titles of the articles and subtitles for the section are placed herein for reference only, and in case of any conflict, the text of this instrument, other than such titles or subtitles, shall be controlling. The use of the masculine, feminine or neuter genders shall be interpreted to include the other genders.

Section 6.2 Governed by Texas Law

This Trust shall at all times be governed by, construed, regulated and administered in all respects under the laws of the State of Texas.

Section 6.3 Counterpart Copies

This Declaration of Trust may be printed and executed in as many counterparts as deemed desirable, each of which shall be an original and to be recorded as herein provided. At least one (1) copy shall always be kept on file and open to public inspection in the Office of the City Clerk.

**CITY OF SAN ANTONIO HOUSING TRUST**

FIRST AMENDED AND RESTATED
FINAL RULES AND REGULATIONS

FOR THE OPERATION OF

THE SAN ANTONIO HOUSING TRUST

Amended by the San Antonio City Council

**Statement of Rules and Regulations**
These Rules and Regulations prescribe the standards and procedures for operating the Trust, for evaluating applications to the Trust for funding awards, and for ensuring that the funds are used exclusively for the purposes of this Trust. These Rules and Regulations are promulgated by the Board of Trustees, upon City Council approval, under the authority and responsibility granted to the Trustees by the Declaration of Trust. These provisions are subject to the Declaration of Trust, any conditions for the award of funds to the Trust by other entities, and any applicable federal, state, or local laws and regulations.

**Administrative Offices and Correspondence**
All correspondence and notices regarding the San Antonio Housing Trust should be mailed or delivered to the Secretary of the Board of Trustees, located at:

Secretary of the Board of Trustees
San Antonio Housing Trust
Attn: Executive Director
1215 Blanco Road
San Antonio TX 78212

**Definitions**
*Affordable Housing* shall be defined by City of San Antonio Council Ordinance. If the City of San Antonio does not have a current local ordinance defining Affordable Housing, it shall be defined as follows:

1. Rental housing units reserved for tenants whose rents and income do not exceed the 80% of the Area Median Income by bedroom size for rent and income limits established annually by the U.S. Department of Housing and Urban Development regulations or guidance.
2. Owner occupied housing units are improved for residents whose incomes do not exceed the 80% of the Area Median Income by bedroom size for income limits established annually by the U.S. Department of Housing and Urban Development regulations or guidance.
3. For sale housing units sold to homebuyers whose incomes do not exceed 120% of the Area Median Income by bedroom size for income limits established annually by the U.S. Department of Housing and Urban Development regulations or guidance and whose sales prices are affordable to where the household is not cost burdened based on a 31% front end ratio maximum and 43% backend ratio maximum.

*Sponsor* shall be defined as any individual or organization that submits a proposal for Trust Assistance, assumes responsibility for processing the proposal, has the authority to make contracts and intends to execute an Agreement of Trust Assistance.

**Policy Development**
The Board of Trustees shall establish an affordable housing funding policy prior to issuing a Notice of Funding Availability (NOFA) for the review and selection of projects, programs, or initiatives. The policy shall remain in effect until the Board of Trustees establishes a new policy. This policy should be reviewed and considered at least every five (5) years to ensure alignment with City of San Antonio Housing Goals and Objectives or as determined by the Board of Trustees.

The Trust shall not support projects thatdirectly and permanently displace individuals or families from their homes.

**Notice of Funding Availability (NOFA)**
After a funding policy has been adopted by the Board of Trustees, it shall be at the Boards discretion to issue a Notice of Funding Availability, establish a selection process, and to establish the amount of funds available for such a notice. The Notice shall describe the types of programs or projects to be funded, eligibility criteria, submission requirements, evaluation criteria, process for selection, timeline for award, amount of Trust funds available, and other reasonable requirements or disclosures. The Board of Trustees shall also notify the City of San Antonio as to the release and requirements of the NOFA. The Board of Trustees shall ensure the selected respondents to the NOFA are inline with the adopted policies of the Board of Trustees.

**Agreement for Trust Assistance**
The Board of Trustees will establish terms for the receipt of Trust assistance, for monitoring the use of Trust funds, and for certifying compliance with the terms of the award of Trust assistance in an Agreement for Trust Assistance negotiated with each sponsor. Each sponsor or project that receives an award will execute an Agreement for Trust Assistance setting forth the terms of the award.

In general, the Agreement will prescribe the following matters:

1. Obligations of the sponsor or applicant
2. Cross-default protection on other City-funded loans
3. Term of obligations
4. Project completion schedule or program operation period
5. Performance standards
6. Use of Trust assistance for enumerated costs
7. Obligations of the Trust
8. Compliance reporting, monitoring, and auditing
9. Disbursement schedule

The Agreement for Trust Assistance will include any other matters or terms to promote the performance of the Agreement and protect the interests of the Trust.

**Determination of Funds Available**
The Board of Trustees shall be informed of interest earnings and other assets of the Trust from the Managing Trustee on at least a quarterly basis or as determined by the Board of Trustees.

**One for One Replacement**
The Trust will not support the demolition of affordable housing units without a replacement for each unit demolished on or near the project site.

**Fair Housing and Non-Discrimination**
The Trust shall not unlawfully discriminate against anyone on the basis of race, color, national origin, religion, sex, disability, age, veteran status, familial status, source of income. The Trust shall also comply with the City of San Antonio's Non-Discrimination Ordinance.

**Community Engagement**
The involvement of the residents of San Antonio in the activities of the San Antonio Housing Trust is essential to ensure that the Trust supports affordable housing programs and initiatives that are responsive to the needs and goals of the community. The Board of Trustees shall develop a public engagement plan prior to the adoption of Trust funding policy. The community engagement shall be provided in both English and in Spanish but may include other languages. The community engagement shall be based on the following principles:

1. Inclusion and respect
2. Transparency and feedback
3. Timely, accessible, and two-way communication
4. Fiscally responsible

**Public Funds and Property**
The funds and property held in the name of the San Antonio Housing Trust are public property subject to the laws of the State of Texas, the Charter of the City of San Antonio, and the ordinances enacted by City Council.

The Trust may receive contributions of cash, personal, tangible or intangible property, and real property interests.

The Managing Trustee shall manage and preserve Trust assets according to policies and procedures established for the management of City assets and property.

**Amendments to Rules and Regulations**

These Rules and Regulations may be amended by the Board of Trustees in accordance with the Declaration of Trust, after complying with a public engagement process described above, and upon the approval of City Council.

**Severability**

If any provision of these Rules and Regulations or its application to any person or circumstance is held to be unlawful or otherwise invalid by any court of competent jurisdiction, other provisions will not be affected and will be severable.