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 FOUNDATION, INC BOARD OF DIRECTORS will be held on Monday, April 26, 2021 beginning at 2:00 p.m., via video and teleconference to consider the following matters:

NOTICE: *This board meeting will be held 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/89889787156?pwd=bGYxa0d2WU14V0JxZDZNQkNuRUZCZz09
*or **dial in number 1 346 248 7799 Meeting ID: 898 8978 7156 Passcode: 328564** 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 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. Ceremonial Item: Presentation of the Susan R. Sheeran Bridge Builder Award to the San Antonio Housing Trust for enhancing San Antonio's residents' quality of life through housing initiatives.
3. Approval of Board Meeting Minutes for January 22, 2021.
4. 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.
5. Treasurer's Report for March 2021
6. Briefing, discussion, and possible action regarding the Trust Assistance Oversight Committee's FY 2021 Joint Request for Application recommendation to award $1,832,340 in available SAHT Foundation funds to the Housing First Community Coalition in the amount of $1,093,000, Esperanza Peace and Justice Center in the amount of $300,000, Our Casas Resident Council in the amount of $239,340, and Habitat for Humanity in the amount of $200,000.
7. Presentation and possible action regarding the San Antonio Housing Trust Foundation, Inc. Audit for fiscal year ending September 30, 2020.
8. 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

9. Adjournment

San Antonio Housing Trust Foundation, Inc.

Agenda Item 2

Agenda Date: 04-26-2021

DEPARTMENT: San Antonio Housing Trust Foundation, Inc.

SUBJECT: Ceremonial Item: Presentation of the Susan R. Sheeran Bridge Builder Award to the San Antonio Housing Trust for enhancing San Antonio's residents' quality of life through housing initiatives.

SAN ANTONIO HOUSING TRUST FOUNDATION
2021 BOARD OF DIRECTORS
MINUTES

DATE: Friday, January 22, 2021

TIME AND PLACE: 12:30 p.m.; Zoom meeting

PRESENT: Celina Peña, Paul DeManche, Hilliard Galloway, John Harris and Estrella Garcia-Diaz and John Whitsett (arrived at 12:41pm)

ABSENT: Erica Martinez

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

VISITORS: Rebecca Flores- Citizen; Sam Maropis- PMI Profit Realty; Allison Shea- NHSD; Brett Finley- San Antonio Board of Realtors

1. CALL TO ORDER AND ROLL CALL: The meeting was called to order at 12:33p.m.

2. APPROVAL OF BOARD MEETING MINUTES FOR SEPTEMBER 16, 2020.
   Director Paul DeManche motioned, and Director Drew Galloway seconded to approve meeting minutes 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.

4. TREASURER'S REPORT FOR DECEMBER 2020
   Pete briefed on the operational budget and expenses as of December 31, 2020. He stated that the Foundation account has a current balance of $2.42 million. There is a $4.7 million cash balances in total that also include city program accounts. He explained the total operating budget for the year was at $826,855 only up to date spent is $159,155. He mentioned that the adopted operational budget for the fiscal year at $826,855 and we have expended $159,155 up to date. He also briefed on the Public Facility, Finance Corporation and Trust cash account balances.

   NO MOTION NEEDED.

5. BRIEFING, DISCUSSION, AND POSSIBLE ACTION TO AUTHORIZE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH KOMET MARKETING COMMUNICATION AND RESOLUTION REGARDING THE SAME

   Pete announced that they made the selection for the Communications and Public Relations firm is Komet Marketing Communication. He introduced President and CEO, Leslie Komet Ausburn who will be assisting in all social media development, graphic design, and media engagement.
   The annual budget for Fees to Professionals is $160,000 for the Fiscal Year 2021, there was $40,000 set aside within the budget for this communication service.

   Director Celina Peña motioned, and Director John Whitsett seconded to approve the professional services agreement with Komet Marketing Communications.

   MOTION CARRIED 6-0.

6. BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING FUNDING CRITERIA AND SUBSEQUENT ISSUANCE OF JOINT NOTICE OF FUNDING ANNOUNCEMENT AND REQUEST FOR APPLICATIONS; AND AUTHORIZATION TO UP TO $2,100,000 TO BE MADE AVAILABLE FROM SAN ANTONIO HOUSING TRUST

FOUNDATION FUNDS.

Pete expressed his excitement to present the Joint Notice of Funding availability and RFA. The funding priorities is to protect residents, preserve low-income housing and create low-income housing opportunities. The program will focus on the elderly, low-income families with children, homeless, chronically ill, and physical or mental disabilities.

Applicants must meet one of the two organizational categories:

1. Non-profit 501© (3)
2. Social Enterprises- that have affordable housing objectives in line with the San Antonio Housing Trust

Applicants must meet income target goals:

1. Single family new construction "for sale" housing programs must benefit persons or households at or below 80% of the AMI.
2. Must benefit persons or households at or below 50% of the AMI.

The Trust Assistance Oversight Committee recommends utilizing $900,000 from the Housing Trust fund and up to $2,100,000 from the Foundation funds.

Director Celina Peña motioned, and Director John Whitsett seconded to approve $2,100,000 along with the release of the Joint Notice of Funding and request for applications.

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 1:02pm.

Signed this_____ of _____, 2021

Respectfully Submitted by:

_____

Secretary

San Antonio Housing Trust Foundation, Inc.

Agenda Item 4

Agenda Date: 04-26-2021

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]

Instructions to sign up for Citizens to be heard via Zoom video conference.

- To sign up for Citizens to be heard in a Zoom meeting, please send name and organization to chat box.
- You can also call 210-735-2772 to place your name on the list

SUMMARY:

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

San Antonio Housing Trust Foundation, Inc.

Agenda Item 5

Agenda Date: 04-26-2021

SUBJECT:

Treasurer's Report for March 2021.

ATTACHMENTS:

Operating Budget Report March 2021.

SAN ANTONIO HOUSING TRUST FOUNDATION OPERATING EXPENSE BUDGET FY 2021				
	Adopted FY 2021 Budget	**End of March 2021**	*FY 2021 Remaning Budget*	**% Expended**
USES				
Personnel Services				
Salaries	$ 361,090	$ 179,550	181,540	**50%**
Auto Allowance	6,000	3,000	3,000	**50%**
Telephone Allowance	600	300	300	**50%**
Taxes-Payroll	27,623	16,206	11,417	**59%**
Taxes-Unemplyment	2,000	-	2,000	**0%**
Insurance - Workmen's Comp	1,100	1,090	10	**99%**
Insurance - Life	5,417	131	5,286	**2%**
Insurance - Health	54,000	27,000	27,000	**50%**
Leave Buyback	9,944	1,629	8,315	**16%**
Retirement Plan Exp.	43,331	20,171	23,160	**47%**
Travel & Training	4,000	625	3,375	**16%**
Subtotal Personnel Services	**$ 515,105**	**$ 249,702**	**$ 265,403**	**48%**
Contractual Services				
Audit	$ 16,000	$ 7,400	8,600	**46%**
Contract-Bookkeeping	12,000	5,700	6,300	**48%**
Legal Fees	50,000	9,476	40,524	**19%**
Fees to Professional	160,000	2,654	157,346	**2%**
Maint. & Repairs	25,000	19,150	5,850	**77%**
Rental of Equipment & Facilities	2,000	2,598	(598)	**130%**
Telephone and Internet	3,000	1,962	1,038	**65%**
Subtotal Contractual Services	**$ 268,000**	**$ 48,940**	**$ 219,060**	**18%**
Commodities				
Bind, print & reporducton	$ 200	$ -	200	**0%**
Mail & parecel post	1,500	251	1,249	**17%**
Office Supplies	5,000	2,277	2,723	**46%**
Utilites	7,500	3,803	3,697	**51%**
Subtotal Commodities	**$ 14,200**	**$ 6,331**	**$ 7,869**	**45%**
Insurance/Other Expenditures				
Insurance - Business package	$ 20,000	$ 11,547	8,453	**58%**
Advertising	1,800	125	1,675	**7%**
Membership, Fees & Licenses	3,000	1,189	1,811	**40%**
Subscriptions & Dues	1,000	2,209	(1,209)	**221%**
Entertainment & food	250	-	250	**0%**
Subtotal Insurance/Other Expenditures	**$ 26,050**	**$ 15,070**	**$ 10,980**	**58%**
Capital Outlay				
Equipment purchases	$ 3,000	$ 725	2,275	**24%**
Furniture purchases	500	45	455	**9%**
Subtotal Capital Outlay	**$ 3,500**	**$ 771**	**$ 2,729**	**22%**
Total General Operating Budget	**$ 826,855**	**$ 320,814**	**$ 506,041**	**39%**

San Antonio Housing Trust Foundation, Inc.

Agenda Item 6

Agenda Date: 04-26-2021

Subject:
FY 2021 Request for Application Trust Assistance Oversight Committee recommendation to award $1,832,340 in Foundation Funds.

Background:
On January 22, 2021, the SAHT Foundation authorized a Joint Notice of Funding Availability with the Housing Trust Fund to make a total of $3,000,000 available through a combined competitive Request for Application (RFA) process. Applicants had to demonstrate housing outcomes that address the need for low-income housing or housing that supports other inequitably disadvantaged populations while achieving the Housing Trust's goals of equity, economic inclusion, and ethnic diversity.

The NOFA also included an allocation of up to $300,000 allocation from the Foundation for the ***Executive Director's Challenge***, which considered new demonstration programs, pilot programs, and other creative initiatives aimed at offering solutions to our communities most pressing housing needs.

The RFA was released on February 1, 2021 and was initially due on March 5th, however the deadline was extended through March 17th due to the Winter Storm. Staff received 17 applications totaling $7.82 million in funding requests.

Applications were evaluated based on evaluation criteria set forth in the RFA, which was approved by the Board. Applicants were required to meet the following criteria to be considered responsive:

1. Meet at least programmatic goal of creating new housing, preserving existing housing, or protecting residents.
2. Meet organization eligibility criteria of a Non-Profit or Social Enterprise.
3. Meet income target threshold of 50% AMI or 80% AMI for new "for sale" construction single family.
4. Meet household affordability thresholds to ensure households are not cost burdened above 30% AMI.

If deemed responsive, staff evaluated the applications based on the point scale identified in the Board Approved application and presented the results to the Trust Assistance Oversight Committee.

The following table are the application scoring and ranking results from staff review.

Applicant		Amt. Requested	Staff Score
Executive Director Challenge			
Esperanza Peace and Justice Center	$	300,000	93
Housing First Community Coalition		264,000	86
YWCA		100,000	75
Our Casas Resident Council		66,960	71
Merced Housing Texas		300,000	*NR*
Terra-Genesis San Antonio		50,000	*NR*
	$	**1,080,960**	
Competitive RFA			
Esperanza Peace and Justice Center	$	300,000	87
Roseville Housing Trust		1,725,233	87
Habitat for Humanity		200,000	84
Our Casas Resident Council		239,340	80
Housing First Community Coalition		829,000	78
Alamo Community Group		1,500,000	69
Prospera/Versa Development		1,000,000	60
Texas Rio Grande Legal Aid		424,951	58
Salvation Army		331,307	48
Terra-Genesis San Antonio		210,000	43
Westside Development Corporation		500,000	*NR*
	$	**6,759,831**	
Total Request	$	7,840,790.97	

Issue:
On April 8th, the Trust Assistance Oversight Committee met to review the projects and made the following recommendations for the Foundation Board's consideration:

Housing First Community Coalition **$829,000 and $264,000 (*ED Challenge*)**
Housing First Community Coalition is seeking an $829,000 grant funding to support Phase I construction of the Towne Twin Village, an $11.8 million *permanent supportive housing* development aimed at seniors who are experiencing chronic homelessness, located on 17 acres at 4711 Dietrich Rd. on the eastside. This unique community will be the *first "single-site" housing community of its kind* in San Antonio where intense and diverse support services can be provided to this population. The Village is to become home and community for seniors ages 50 and up experiencing chronic homelessness. The income level is between 0% and 30% AMI who have physical, medical, and mental disabilities among other challenges.

Phase I will include 42 tiny homes, 25 RV Trailers, multi-purpose complex, hospitality pavilion, and centralized laundromat. $829,000 in Foundation SAHT funds will be specifically used to construct an estimated 20 tiny homes at an estimated ***average cost per unit of $41,450***. The units will be dedicated for this use permanently.

Housing First Community Coalition is also seeking $264,000 to provide rental assistance through the Executive Director Challenge for individuals with little or no income at Towne Twin Village. The funds shall provide the gap rent subsidies for 18 residents for a two-year period at an ***average cost per unit of $7,333.***

Esperanza Peace and Justice Center $300,000

The Esperanza Peace and Justice Center shall create the Esperanza Community Land Trust, designed to ***permanently preserve existing low-income housing*** in San Antonio's Historic Westside. The Trust will acquire and renovate older westside homes and rent/resell them to persons at or below 30% AMI. The Esperanza Community Land Trust will also establish a ***Demolition Emergency Fund*** to work with households whose homes are at risk for demolition. The non-profit will match the Foundation's $300,000 investment by contributing the first three properties and its own cash. In first year, the Esperanza Trust will renovate and rent the 3 newly acquired homes to families from the Westside and shall intervene on the demolition of 8-10 existing homes, thus preventing neighborhood displacement of 11-13 families. In exchange for the demolition intervention and renovations, the property will be required join the Community Land Trust thus allowing the families to remain in their homes and permanently ensuring affordability. This *community land trust and demolition prevention model will be the first in San Antonio*. ***The average cost per unit is 23,077***.

Our Casas Resident Council $239,340

Our Casas is seeking $240k as construction financing to support the ***infill vacant lot development*** of five single family homes located on Vera Cruz, Santiago, and Chihuahua on the eastern side of Apache Creek on the near westside. The single-family homes, when completed, will be sold to households at or below 80% of AMI. The land is currently owned by Our Casas. The assistance would be provided in the form of a 0% construction loan repayable in 12 months or at time of sale. Our Casas has been awarded City of San Antonio CHDO Capacity Building Funds, HOME Funds, and is partnering with LISC to build financial capacity to grow the organization's impact. ***The average cost per unit is $47,868***, however the funds are anticipated to be structured as a recoverable grant, thus providing the equity needed to meet lender obligations to construct the units. The Foundation would recover funds from sales proceeds.

Habitat for Humanity $200,000

Habitat for Humanity is seeking $200k to support the $2.89 million Rancho Carlota Subdivision, located at 13801 Watson Rd on the City's SW side, which will eventually build approximately 250 new 3 & 4-bedroom single-family homes. The funding request will provide construction materials gap funding necessary to compensate for increased construction related costs due to COVID supply chain and trucking disruptions for 20 new units at <60% AMI during Phase I, which will consist of 67 total homes. Homes shall be sold to income qualified families for $95,000 with 0% mortgages for up to 25 years. In order to keep the mortgages affordable for this targeted AMI, the additional development subsidy of $10,000 per unit is required. **The average cost per unit is $10,000.**

Recommendation out of Committee:

The Trust Assistance Oversight Committee recommends awarding $1,832,340 in Foundation Funds to the to the Housing First Community Coalition in the amount of $1,093,000, Esperanza Peace and Justice Center in the amount of $300,000, Our Casas Resident Council in the amount of $239,340, and Habitat for Humanity in the amount of $200,000; and authorizes the Executive Director to negotiate and execute contractual agreements with each awardee.

San Antonio Housing Trust Foundation, Inc.

Agenda Item 7

Agenda Date: 04-26-2021

Subject:

Presentation and possible action regarding the San Antonio Housing Trust Foundation, Inc. Audit for fiscal year ending September 30, 2020.

Background:
The San Antonio Housing Trust Foundation released a Request for Qualifications on September 10, 2019. In October 2019, the Board approved the selection of Gregory & Crutchfield, LLC. Gregory & Crutchfield, LLC for a two-year period to complete the annual independent audit of the San Antonio Housing Trust Foundation, the San Antonio Housing Trust Finance Corporation, and the San Antonio Housing Trust Public Facility Corporation.

The auditor shall provide the board with a presentation.

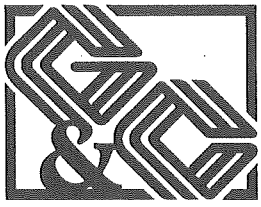
Recommendation
Staff recommends approval of the FY 2020 SAHT Foundation Inc. Audit as presented.

ATTACHMENT:
FY 2020 SAHT Foundation Audit

San Antonio Housing Trust Foundation, Inc.

Financial Statements and Other Reports

September 30, 2020



GREGORY & CRUTCHFIELD, LLC

CERTIFIED PUBLIC ACCOUNTANTS

San Antonio Housing Trust Foundation, Inc.

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GREGORY & CRUTCHFIELD, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

The Board of Directors
San Antonio Housing Trust Foundation, Inc.

We have audited the accompanying financial statements of San Antonio Housing Trust Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position of as of September 30, 2020, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Antonio Housing Trust Foundation, Inc. as of September 30, 2020, and the

changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2021, on our consideration of San Antonio Housing Trust Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with the *Government Auditing Standards* and should be considered in assessing the results of our audit.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule on C*omparison of Actual to Budgeted Expenses – City of San Antonio Operating Contract* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements.

Gregory & Crutchfield, LLC

San Antonio, Texas
March 5, 2021

San Antonio Housing Trust Foundation, Inc.
Statement of Financial Position
September 30, 2020

Assets	
Current assets	
Cash, substantially restricted - note 3	3,162,146
Contract reimbursements receivable - note 5	86,680
Receivable SAHTFC - note 10	94,695
Receivable SAHTPFC - note 10	358,622
Prepaid expense	7,598
Total current assets	3,709,741
Property and equipment	
Oblate Land	30,000
Land Improvements	15,311
Oblate Building	67,000
Oblate Building Improvements	80,247
Equipment	40,157
Furniture	22,225
Accumulated depreciation	(81,850)
Total property and equipment	173,090
Other assets	
Loans receivable - note 7	2,548,676
Mortgage loans receivable - note 7	269,898
Allowance for bad debts	(17,743)
Equity investment - note 6	357,508
Interest receivable	114,130
Total other assets	3,272,469
Total assets	7,155,300

Continued on next page

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Statement of Financial Position (continued)
September 30, 2020

Liabilities	
Current liabilities	
Accounts payable and accrued expenses	5,654
Agency funds SAHTPFC - note 10	358,762
Due to San Antonio Housing Trust - note 8	186,558
Due to Renew SA - note 9	90
Total current liabilities	551,064
Long-term liabilities	-
Total long-term liabilities	-
Total liabilities	551,064
Net assets	
Without donor restrictions	3,772,198
With donor restrictions	2,832,038
Total net assets	6,604,236
Total liabilities and net assets	7,155,300

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended September 30, 2020

Changes in net assets without donor restrictions:	
Revenues and gains	
Administrative fees	1,203,359
City of San Antonio	177,721
Interest income	18,099
Miscellaneous income	19,522
Total revenues and gains without donor restrictions	1,418,701
Net assets released from restrictons:	
Satisfaction of program restrictions	558,668
Total net assets released from restriction	558,668
Total revenues, gains and other support without donor restrictions	1,977,369
Expenses and losses:	
Project and program expenses	
Program salaries and benefits	206,586
Grants to others	1,296,317
Other project expenses	323,465
Loss on investment in partnership	27,236
Total project and program expenses	1,853,604
Fundraising expenses	
Fundraising salaries and benefits	2,347
Total fundraising expenses	2,347
Management and general expenses	
Advertising	1,925
Auto expense	45
Contract bookkeeping	1,098
Depreciation	467
Employee benefits	3,829
Equipment failure	483
Meals and entertainment	192
Insurance - liability and workers' comp.	1,655

Continued next page

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Statements of Activities and Changes in Net Assets (continued)
For the Year Ended September 30, 2020

Management and general expenses *(continued)*	
Membership dues and licenses	177
Occupancy	794
Office supplies, printing, postage	1,358
Payroll expenses	21,995
Professional fees	6,140
Rental of equipment and storage	318
Repairs and maintenance	3,999
Subscriptions and journals	225
Telephone	397
Travel and training	414
Less: capitalized assets	(15,311)
Total management and general expenses	30,200
Total expenses	1,886,151
Increase in net assets without donor restrictions	91,218
Changes in net assets with donor restrictions:	
Interest income	175,480
Grants - Post Purchase Counseling	5,752
Grants - Risk Mitigation	341,915
Net assets released from restrictions	(558,668)
Decrease in net assets with donor restrictions	(35,521)
Increase in total net assets	55,697
Net assets at beginning of year	6,548,539
Net assets at end of year	6,604,236

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Statement of Cash Flows
For the Year Ended September 30, 2020

Cash flow from operating activities:	
Change in net assets	55,697
Depreciation	3,894
Adjustments to reconcile deficit of revenue under expenses to net cash provided by operating activities:	
(Increase) / decrease in:	
Contract reimbursement receivables	(76,078)
Receivable SAHTFC	134,751
Receivable SAHTPFC	119,452
Prepaid expense	(7,263)
Increase / (decrease) in:	
Accounts payable and accrued expenses	(1,486)
Agency funds SAHTPFC	358,762
Due to San Antonio Housing Trust	(141,279)
Net cash provided by operating activities	446,450
Cash flow from investing activities:	
Interest receivable	(114,130)
Principal repayments	174,523
Acquisition of equipment	(15,311)
Decrease in equity investment	27,236
Net cash provided by investing activities	72,318
Cash flow from financing activities:	-
Net cash from financing activities	-
Net increase in cash	518,768
Cash and cash equivalents, beginning of year	2,643,378
Cash and cash equivalents, end of year	3,162,146
Supplemental disclosure:	
Interest paid	-
Taxes paid	-

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Statement of Functional Expenses
For the Year Ended September 30, 2020

	Program	Management and General	Fundraising	Total
Advertising	-	1,925	-	1,925
Accounting and audit	6,640	-	-	6,640
Auto expense	333	45	-	378
Contract bookkeeping	8,052	1,098	-	9,150
Depreciation	3,427	467	-	3,894
Disbursement to SAHT	186,558	-	-	186,558
Employee Benefits	30,634	3,829	348	34,811
Equipment and furniture	3,543	483	-	4,026
Grants to others	1,296,317	-	-	1,296,317
Meals and entertainment	1,410	192	-	1,602
Insurance - liability and workers' comp.	12,140	1,655	-	13,795
Membership dues and licenses	1,297	177	-	1,474
Net loss from partnership	27,236	-	-	27,236
Occupancy	5,822	794	-	6,616
Office supplies, printing and postage	9,961	1,358	-	11,319
Payroll expenses	175,952	21,995	1,999	199,946
Professional fees	45,025	6,140	-	51,165
Rental of equipment and storage	2,333	318	-	2,651
Repairs and maintenance	29,326	3,999	-	33,325
Subscriptions and journals	1,652	225	-	1,877
Telephone	2,910	397	-	3,307
Travel and training	3,036	414	-	3,450
Less: capitalized assets	-	(15,311)	-	(15,311)
Totals	1,853,604	30,200	2,347	1,886,151

The accompanying notes are an integral part of these financial statements

San Antonio Housing Trust Foundation, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2020

Note 1 – The Organization

San Antonio Housing Trust Foundation, Inc. ("SAHTF'") is a nonprofit organization and component unit of the City of San Antonio, incorporated under the laws of the State of Texas on January 30, 1990. The organization's primary purpose is to support charitable, educational and scientific undertakings, specifically to provide housing for low and middle-income families. All property, assets, profits and net revenue of the Foundation are dedicated irrevocably to charitable, educational and scientific purposes. SAHTF receives the majority of its revenue from administrative fees, *see Note 10*.

Note 2 – Summary of Significant Accounting Policies

Accounting Basis – The financial statements are presented on the accrual basis of accounting.

Restricted Funds – The restricted funds primarily represent funds received from the City of San Antonio. The City funds the Foundation through interest received from the San Antonio Housing Trust.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates (depreciation, allowance for bad debts) and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management estimates the allowance for bad debt based on its review of the types of loans outstanding and performance of specific loans.

Equipment / Depreciation – Equipment is recorded at cost for purchased assets and fair market value as of the date of donation for donated assets. Depreciation is computed using the straight-line method over the useful lives of the assets of five to seven years.

Tax Exempt Status – SAHTF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Management is not aware of any tax positions that would have a significant impact on its financial position. SAHTF is subject to routine examinations by taxing authorities; however, there are currently no examinations for any tax periods in progress. Its federal tax returns for the last 3 years remain subject to examination.

Cash and Cash Equivalents – SAHTF considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Interest Income – Interest income is recognized as interest is accrued on loans bearing interest.

Contributions – SAHTF has prepared the accompanying financial statements in accordance with FASB Accounting Standards Codification 958-605, Not-for-Profit Entities. FASB ASC 958-605, contributions received are recorded as net assets without donor restrictions and nets assets with donor restrictions.

Note 2 – Summary of Significant Accounting Policies - *continued*

Bad Debt Expense – SAHTF writes off a loan once it has been determined to be uncollectible, which is determined by various factors such as first-lien foreclosure without sufficient funds to pay SAHTF in a second-lien position, bankruptcy or likelihood of bankruptcy, failure to pay and inability to pay, or all other reasonable means of collection have been pursued unsuccessfully. An allowance for bad debts has been established by management in the amount of $17,743 as of September 30, 2020.

Financial Statement Presentation – SAHTF has prepared the accompanying financial statements in accordance with FASB Accounting Standards Codification 958-205, Not-for-Profit Entities. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. In addition, the Organization is required to present a statement of cash flows.

Subsequent Events – Subsequent events have been evaluated by management through the date of the report of the independent auditors. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

New Accounting Pronouncements – In February 2016, the FASB issued ASU No. 2018-01, *Leases (Topic 842)* which was a new accounting pronouncement regarding lease accounting. In 2020, ASU No. 2020-05 was released which deferred the effective date for applying ASC 842 for the Organization until its year beginning January 1, 2022. A lessee will be required to recognize on the balance sheet the assets and liabilities for leases with lease terms of more than 12 months. Management is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

Note 3 – Cash Balances In Excess of FDIC Insured Limits

The Foundation's cash balances in excess of the FDIC insured limits as of September 30, 2020 were collateralized by pledged securities in accordance with the City of San Antonio's Administrative and Fiscal Contract. The securities are held by the Federal Reserve Bank of Dallas.

Note 4 – Concentration of Credit Risk

SAHTF's mortgage receivables are typically secured by a second-lien on the borrower's home. In addition, SAHTF's notes receivable are concentrated in the low-income housing sector to further SAHTF's purpose. These are considered concentrations of credit risk.

Note 5 – Contract Reimbursements Receivable

Contract reimbursements receivable represent qualifying costs incurred by SAHTF as of September 30, 2020 for which reimbursement had not yet been received.

Note 6 – Equity Investment

The equity investment is an investment in a limited partnership, as a project of the Foundation. The Foundation is a limited partner in The Exchange Group - 1992, LTD. (the Exchange Building) which was formed April 27, 1992. This investment is carried on the equity basis of accounting based on the capital account balance reflected on the partnership's tax return filed for the year ended December 31, 2019.

Note 7 – Loans Receivable / Mortgages Receivable

Loans receivable are notes due from various housing projects and are due in installments at various dates through 2035. These notes are collateralized by deeds of trust on the properties. Annual interest rates on the notes range from 0% to 6%.

Mortgages receivable represent $10,000 second-lien mortgages made to qualifying new homebuyers and various other MRB/MCC down payment or closing costs assistance loans. The $10,000 loans are due in 360 monthly (30 years) installments with varying maturity dates through 2029. The down-payment assistance loans are due in 60 monthly installments with payments starting after the first mortgages are paid. The notes are collateralized by deeds of trusts on the homes being purchased. Annual interest rates on these notes are 3.5% on the $10,000 second-lien mortgages and 0% on the down-payment assistance loans.

Other second-lien mortgage loans were funded between 1999 and 2003 from the George Gervin Youth Center funding round. These loans carry a 3% annual interest rate with principal and interest due over 30 years.

In 2013 the Organization loaned VDC Babcock, LP $750,000 at an interest rate of 4.4% annually. The principal amount and accrued interest are due and payable in annual installments on the first day of each April, beginning April 1, 2014 and continuing on the first day of each April thereafter until the expiration of forty (40) years, being April 1, 2057. The Organization shall apply each annual payment first to accrued interest and the remainder to the principal amount. As of September 30, 2020 the balance due to SAHTF is $270,085.

Note 8 – Due to San Antonio Housing Trust

In FY 2005, San Antonio Housing Trust (the "Trust") determined that each year SAHTF will set aside the interest received on notes funded by the Trust up to 1% of the loan portfolio balance due for the purpose of funding any future loan losses. The Executive Director can determine whether additional funds are available to fund above the 1% amount. The remaining interest and principal payments received each year are to be paid to the Trust. An amount of $186,558 was accrued for the year ending September 30, 2020 and payable to the Trust as of September 30, 2020.

Note 9 – Due to Renew SA

On December 2014 the Organization entered into an agreement with the City of San Antonio (COSA) to serve as the escrow agent between COSA and San Antonio Affordable Housing, Inc. for the Renew SA Acquisition and Development project. The Organization received $670,000 to establish the escrow fund in accordance with the terms of the escrow agreement. As of September 30, 2020 a balance of $90 remains in the escrow fund.

Note 10 – Related Party Transactions

San Antonio Housing Trust (the "Trust") and SAHTF board of directors were comprised of the same board members during the year ended September 30, 2020 although there are no requirements by the organizations' by-laws that the board members must be identical. SAHTF has an amount due to the Trust, *see Note 8*. SAHTF earned administrative fee income from San Antonio Housing Trust Public Facility Corporation (SAHTPFC) in the amount of $959,657 with $358,622 due at year end and $243,702 from San Antonio Housing Trust Finance Corporation (SAHTFC) with $94,695 due at year end. During the year, SAHTF became an agent of funds for related parties SAHTPFC and SAHTFC due to the related parties bank accounts being converted into deposit only accounts. As of year end September 30, 2020, SAHTF held funds for SAHTPFC in the amount of $358,762. SAHTF, SAHTPFC and SAHTFC shared the same Executive Director for the year ended September 30, 2020.

Note 11 – Deferred Compensation Plan

San Antonio Housing Trust Foundation, Inc. offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is available to all Foundation employees, permits them to defer a portion of their compensation until termination, retirement, death or unforeseen emergency. The Foundation contributions to the plan totaled $12,405 for the year ended September 30, 2020.

Note 12 – Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year - end	6,999,953
Less those unavailable for general expenditures within one year, due to:	
Donor – restricted to payment of current liabilities	551,064
Donor – restricted to payment of long-term debt	-
Financial assets available to meet cash needs for general expenditure within one year	6,448,889

Note 13 – Net Assets Released from Restrictions

Net assets released from restriction consisted of the following as of September 30, 2020:

Housing Counseling	$2,845
Partnership loss	27,236
SAHT Disbursement	182,572
Housing Summit	4,100
Risk Mitigation	341,915
Released from restrictions	$558,668

Note 14 – Litigation

The Organization's management is not aware of any pending or threatened claim against it.

Note 15 – Subsequent Events

The Company's ongoing finances may experience instability and the estimate included in the financial statements may change due to current political and economic conditions as a result of public health concerns related to the novel coronavirus, or COVID-19 pandemic. The duration and intensity of these impacts and resulting disruption to which these events effect the Company's activity will depend on the future developments, which are highly uncertain and cannot be predicted at this time.

GREGORY & CRUTCHFIELD, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

To the Board of Directors
San Antonio Housing Trust Foundation, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of San Antonio Housing Trust Foundation, Inc. ("SAHTF") (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 5, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SAHTF's financial statements are free of

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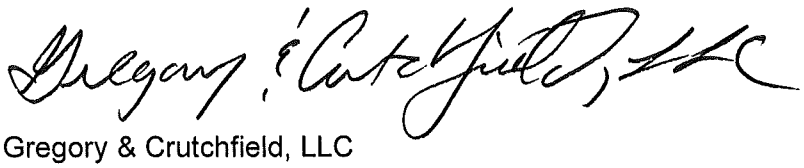
material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Gregory & Crutchfield, LLC

San Antonio, Texas
March 5, 2021

GREGORY & CRUTCHFIELD, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report On
Comparison of Actual to Budgeted Expenses -
City of San Antonio Operating Contract
For the Year Ended September 30, 2020

Board of Directors
San Antonio Housing Trust Foundation, Inc.

We have audited the basic financial statements of San Antonio Housing Trust Foundation, Inc. for the year ended September 30, 2020 and our report, dated March 5, 2021 appears on page one of these financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule C*omparison of Actual to Budgeted Expenses – City of San Antonio Operating Contract - For the Year Ended September 30, 2020* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Gregory & Crutchfield, LLC

San Antonio, Texas
March 5, 2021

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San Antonio Housing Trust Foundation, Inc.
Comparison of Actual to Budgeted Expenses
City of San Antonio Operating Contract
For the Year Ended September 30, 2020

	Actual	Budget	Budget Variance (Under) / Over
Advertising	1,925	1,800	125
Audit	6,640	7,000	(360)
Auto expense allowance	378	2,500	(2,122)
Bind, print and reproduction	-	150	(150)
Contract - bookkeeping	9,150	9,300	(150)
Entertainment and food	1,605	1,653	(48)
Subscription and dues	1,877	800	1,077
Insurance - workers' compensation	650	1,100	(450)
Insurance - health and life	22,406	42,600	(20,194)
Insurance - business package	13,145	11,047	2,098
Leave buyback	-	6,000	(6,000)
Legal fees	6,227	20,000	(13,773)
Maintenance and repairs	33,325	50,000	(16,675)
Membership and licenses	1,474	800	674
Mail and parcel post	2,218	350	1,868
Office supplies	9,100	8,000	1,100
Fees to professional	44,937	55,000	(10,063)
Rental of equipment	2,651	1,000	1,651
Retirement plan expense	12,405	25,000	(12,595)
Salaries	184,032	260,000	(75,968)
Taxes - payroll	15,914	20,000	(4,086)
Taxes - unemployment	-	2,000	(2,000)
Telephone allowance	37	250	(213)
Telephone and internet	3,271	3,000	271
Travel and training	3,800	8,000	(4,200)
Utilities	6,616	7,500	(884)
Capital outlays			
Furniture purchases	380	500	(120)
Equipment purchases	3,646	3,500	146
Total	387,809	548,850	(161,041)

See independent auditor's report (other matters)