

AGENDA

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION

**A MEETING OF THE OF THE SAN ANTONIO HOUSING TRUST
FINANCE CORPORATION BOARD OF DIRECTORS WILL BE HELD AT**

114 W. COMMERCE STREET, SAN ANTONIO, TEXAS 78205 (B ROOM)

AND VIA ZOOM:

<https://us02web.zoom.us/j/85801243916?pwd=ZTFyU1BXOUNLck1YYVZRb05GczdLUT09>

DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 858 0124 3916 PASSWORD: 482499

ON TUESDAY, DECEMBER 7, 2021

AT 1:00 P.M. TO CONSIDER THE FOLLOWING MATTERS:

Briefing and Possible Action on:

1. Approval of minutes
2. Public Comment
3. Resolution authorizing the San Antonio Housing Trust Finance Corporation Multifamily Housing Revenue Bonds (The Arbors at West Avenue Apartments), Series 2022; and other matters in connection therewith
4. Discussion and possible action to elect interim officers of the San Antonio Housing Trust Finance Corporation and approval of confirming resolution

***Executive Session**

The Board reserves the right to enter into an Executive Session at any time to discuss any of the agenda items pursuant to Section 551.071 (Consultation with Attorney) or 551.072 (Deliberation Regarding Real Property).

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION

BOARD MEMBERS:

Council Member Jalen McKee-Rodriguez (District 2), Council Member Phyllis Viagran (District 3),
Council Member Dr. Adriana Rocha Garcia (District 4), Council Member Teri Castillo (District 5),
Council Member John Courage (District 9)

**San Antonio Housing Trust Finance Corporation
Agenda Item #1**

SUMMARY:

This item includes the approval of minutes from the October 1, 2021 meeting.

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION
OFFICIAL MEETING MINUTES
Friday, October 1, 2021

The Finance Corporation met in session at 10:30 a.m., via zoom and at City Hall-100 Military Plaza, San Antonio, Texas 78205

The meeting was called to order by Councilman Courage and the roll was called by Maria Bradley.

PRESENT: Councilman Jalen McKee-Rodriguez, Councilwoman Phyllis Viagran, Councilwoman Adriana Rocha Garcia, Councilwoman Teri Castillo, and Councilman John Courage

ABSENT:

Staff/Visitors Present:

Pedro Alanis-Executive Director San Antonio Housing Trust Public Facility Corporation; Nicole Collazo- Director of Operations San Antonio Housing Trust Public Facility Corporation; JD Hernandez –Sr. Asset Manager San Antonio Housing Trust Public Facility Corporation; Maria Bradley – Sr. Administrative Assistant; Edward Mungia- District 4; Teresa Myers- Mayors Office; Marc De La Fuente-Gregory & Crutchfield, LLC; Jim Plummer- Bracewell; Summer Greathouse-Bracewell; Mirla Lopez- Sefla Languages

1. Approval of minutes

Councilwoman Rocha Garcia and Councilwoman Castillo seconded to approve minutes from September 20,2021 and August 20, 2021.

2. Citizens to be heard- None.

3. Consideration and possible action to approve the Finance Corporation's annual budget and to authorize the expenditures contained therein

Pete Alanis went over the Finance budget and mentioned that the year ending available cash balance is at about \$1.2 million. The Finance Corporation expected to receive \$121,000 in annual fees through the course of the year. The Foundation will have \$1.2 million towards the end of the year if it is not spent.

MINUTES COMMISSION ACTION:

Councilwoman Viagran and Councilwoman Rocha Garcia to approve the annual budget.

AYES: 5

NAYS:

ABSTAINED:

THE MOTION PASSED.

4. Consideration and possible action approving the sale of the Cevallos Lofts project, payment of the outstanding bonds issued by the Finance Corporation and the amended and Restated Regulatory Agreement, and other matters in connection therewith

Pete Alanis stated this item had to come back to the board because the Finance Corporation was the initial entity back in 2010 to issue the bonds, even though the bonds were paid off. There was a regulatory agreement that is still in effect. The Finance Corporation is selling the partnership interest with the NRP Group. Through the negotiation there will be an extend the affordability period for 55 years. Currently there was about 27 years left of affordability. In addition, the City of San Antonio will receive a repayment of \$3.6 million to go back to the home fund and the NSP program for other affordable housing activities. Anticipated closing date is October 14, 2021.

MINUTES COMMISSION ACTION:

Councilman McKee Rodriguez and Councilwoman Castillo seconded to approve item #4

AYES: 5

NAYS:

ABSTAINED:

THE MOTION PASSED.

Adjournment

The meeting was adjourned by Councilman Courage at 11:24 a.m.

San Antonio Housing Trust Finance Corporation
Agenda Item #2

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

San Antonio Housing Trust Finance Corporation
Agenda Item #3

Resolution authorizing the San Antonio Housing Trust Finance Corporation Multifamily Housing Revenue Bonds (The Arbors at West Avenue Apartments), Series 2022; and other matters in connection therewith

SUMMARY:

The project is a 234-unit multifamily, tax credit project in District 1 located at 3747 West Avenue, which consists of 150 existing units to be rehabilitated and an additional 84 units to be demolished and reconstructed. The developer is Prospera, a charitable, non-profit developer with approximately 4,300 units in 50 properties across South Texas.

All units will be rented to individuals whose incomes average at or below 60% of median family income, including 98 units that will be rented to individuals whose incomes are at or below 50% of median family income. Additionally, the project will retain 43 Section 8 units through a new 20-year HUD contract, which are expected to serve tenants earning 30% of median family income.

The project is expected to cost approximately \$51.6 million with up to \$25 million in tax exempt bonds being issued as a requirement for the 4% LIHTC Program. The expected permanent sources of funds are as follows: \$19,650,000 in HUD debt; \$19,422,129 in tax credit equity; a bridge loan of \$750,000; a seller note of \$7,972,488; a \$1.25 million HOME Loan; and a deferred development fee of \$2,597,885.

Multifamily revenue bonds will be issued by the Finance Corporation in an amount of up to \$25,000,000. The bonds are being issued because the rules of the 4% low income housing tax credit program require that at least 50% of the project be financed with tax-exempt bonds. The bond proceeds will be used to pay the cost of development. The bonds are payable exclusively from the project funds, not Finance Corporation or PFC funds, City funds or taxes.

ALTERNATIVES:

If a resolution is not approved, the 234 units will not be built and rehabilitated.

FISCAL IMPACT:

The San Antonio Housing Trust Public Facility Corporation will receive a 1% bond issuance fee in an amount of up to \$250,000.

RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the Arbors at West Avenue Apartments transaction to allow project to close financing.

ATTACHMENT:

Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Finance Corporation (the “Issuer”) hereby certifies as follows:

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the “Board”) held a meeting on December 7, 2021 (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION AUTHORIZING SAN ANTONIO HOUSING TRUST FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (THE ARBORS AT WEST AVENUE APARTMENTS), SERIES 2022; AND OTHER MATTERS IN CONNECTION THEREWITH

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Issuer.

SIGNED December 7, 2021.

Pedro A. Alanis, Assistant Secretary

RESOLUTION AUTHORIZING SAN ANTONIO HOUSING TRUST FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (THE ARBORS AT WEST AVENUE APARTMENTS), SERIES 2022; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the San Antonio Housing Trust Finance Corporation (the “Issuer”) has developed a program of issuing bonds and loaning their proceeds to defray, in whole or in part, all reasonable or necessary costs incidental to the acquisition, renovation, construction, and improvement of land, improvements, and related property at least 90% of which is intended to be occupied by persons of low or moderate income, as determined by the Issuer, all in order to alleviate a shortage of affordable rental housing within San Antonio, Texas, for such persons of low or moderate income, and to refund such bonds;

WHEREAS, the Issuer has been requested to issue its “Multifamily Housing Revenue Bonds (The Arbors at West Avenue Apartments), Series 2022” in the aggregate principal amount not to exceed \$25,000,000 (the “Bonds”), the proceeds of which will be used to finance the cost of acquiring, constructing, rehabilitating and equipping a proposed 234-unit multifamily apartment facility to be known as the Arbors at West Avenue Apartments, to be located at approximately 3747 West Avenue, San Antonio, Texas (the “Project”) for The Arbors at West Avenue LP, a Texas limited partnership (the “Borrower”);

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Trust Indenture (the “Indenture”) between the Issuer and Computershare Trust Company, N.A., as trustee (the “Trustee”), and to otherwise make available) the proceeds thereof to the Borrower pursuant to a Loan Agreement (the “Loan Agreement”) among the Issuer and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) among the Issuer, the Trustee, and the Borrower;

WHEREAS, the loan will be evidenced by a Note issued under the Loan Agreement (the “Note”), and assignments of the Note (the “Assignments”) from the Issuer in favor of the Bond Purchaser and/or Trustee;

WHEREAS, the Issuer will be presented with an Official Statement (the “Official Statement”) and a Bond Purchase Agreement (the “Purchase Agreement”), setting forth certain terms and conditions upon which the Bond purchaser will purchase the Bonds and the Issuer will sell the Bonds to the Bond purchaser;

WHEREAS, the Issuer is authorized to issue the Bonds pursuant to the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the “Act”);

WHEREAS, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, constructing, and equipping the Project;

WHEREAS, the Board of Directors of the Issuer (the “Board”) has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the Bonds and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms, and sales price of the Bonds and the manner of disbursing the proceeds thereof are advisable;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION THAT:

Section 1. The terms of the Indenture, the Loan Agreement, the Note, the Regulatory Agreement, and the Purchase Agreement are hereby authorized and approved when such documents are approved by the officer designated as the signatory on such document(s).

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, and each Assistant Secretary, or any of them, are authorized and directed to execute (to the extent required to be executed or acknowledged by the Issuer) and deliver (or to accept, as the case may be) the Indenture, the Loan Agreement, the Regulatory Agreement, the Note, the Assignments, the Official Statement, the Purchase Agreement, and any and all certificates (including tax certificates), applications (including volume cap and carry-over applications with the TBRB) and other instruments described therein upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds and the loan of the proceeds thereof to the Borrower, all upon the terms herein approved, and the President, the Vice President, the Secretary, the Treasurer, the Executive Director, and each Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in the terms of or amendment to each such instrument as such officers shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The Bonds, in the aggregate principal amount of not to exceed \$25,000,000, with an interest rate (not including applicable premium) not exceed 6%, as set forth in the Indenture, and with a maturity date not to exceed January 31, 2028, in substantially the form and substance set forth in the Indenture, are hereby approved, and the President, the Vice President, the Secretary, the Treasurer, the Executive Director, and each Assistant Secretary, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Bonds or have their facsimile signatures placed upon them, and such officers are hereby authorized and directed to deliver the Bonds. Authentication of the Bonds upon the terms and conditions and in the manner described in the Indenture as the same may be modified is authorized by this Resolution. The final principal amounts, interest rates, maturity dates (not to exceed the amounts, the rates, and the maximum term set forth above), and final redemption dates and prices for the Bonds shall be set forth in the final form of the Indenture, and the execution and delivery of the Purchase Agreement by the President, the Vice President, the Secretary, the Treasurer, the Executive Director, each Assistant Secretary, or any of them, shall constitute approval of the agreed final principal amounts of, interest rates on the Bonds, maturity dates of the Bonds, and the final redemption dates and prices for the Bonds. The proceeds of the Bonds are hereby authorized to be utilized as set forth herein and in the Indenture and the Loan Agreement.

Section 4. The Issuer hereby approves the filing of any request with the Texas Bond Review Board to obtain necessary volume cap for the transaction in order to be able to issue the amount of bonds authorized herein.

Section 5. The Issuer hereby confirms and ratifies the selection of Bracewell LLP as Bond Counsel and as the hearing officer for the purposes of the public TEFRA hearing regarding the Project.

Section 6. The Issuer hereby approves the selection of Computershare Trust Company, N.A. as the Trustee.

Section 7. The President, the Vice President, the Secretary, the Treasurer, the Executive Director, each Assistant Secretary, or any of them, are hereby authorized to execute and deliver to the Purchaser the written request of the Issuer for the authentication and delivery of the Bonds by the Purchaser in accordance with the Indenture.

Section 8. All action and resolutions, not inconsistent with provisions of this Resolution heretofore taken by the Board and the officers of the Issuer directed toward the financing of the Project and the issuance of the Bonds shall be and the same hereby is extended, ratified, approved, and confirmed. The officers of the Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the instruments approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 9. The Board confirms \$103,740 as the amount currently constituting low and moderate income in the City of San Antonio, Texas (the "City"), adjusted as set forth in the Regulatory Agreement, is hereby approved.

Section 10. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Section 394.002 of the Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City to obtain decent, safe, and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City, and to reduce public expenditures for crime prevention and control, public health, welfare, and safety and for other valid public purposes. No bonds may be issued unless the San Antonio Housing Trust Public Facility Corporation controls the general partner of the Borrower.

Section 11. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds, and assets pledged under the Indenture to secure payment of the Bonds, and under no circumstances shall the Bonds be payable from any other revenues, funds, assets, or income of the Issuer.

Section 12. The Bonds shall not constitute an indebtedness, liability, general, special, or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, or any other political subdivision or governmental unit.

Section 13. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Indenture.

Section 14. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution. In case any obligation of the Issuer authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

Section 15. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

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San Antonio Housing Trust Finance Corporation
Agenda Item #4

Discussion and possible action to elect interim officers of the San Antonio Housing Trust Finance Corporation

SUMMARY:

The bylaws of the San Antonio Housing Trust Finance Corporation (the "Corporation") require that certain transactions, including bond transactions, be executed by officers of the Corporation. The Corporation currently has no officers and will need to have some in place to complete pending transactions. Such officers will hold office on an interim basis only. A new election will be held when the board re-alignment process is completed and community board members are also put into place. The vacancies to be filled are as follows: President, Vice President, Secretary and Treasurer.

INTERIM OFFICER APPOINTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Finance Corporation (the “Corporation”) hereby certifies as follows:

1. In accordance with the bylaws of the Corporation, the Board of Directors of the Corporation (the “Board”) held a meeting on December 7, 2021 (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION CONFIRMING ELECTION OF INTERIM OFFICERS OF THE CORPORATION AND OTHER MATTERS IN CONNECTION THEREWITH

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Issuer.

SIGNED December 7, 2021.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONFIRMING ELECTION OF INTERIM OFFICERS OF THE CORPORATION AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, in order to continue the business of the San Antonio Housing Trust Finance Corporation (the “Corporation”), on December 7, 2021 at a duly called and noticed meeting, the board of directors of the Corporation (the “Board”) held elections to fill the vacant offices of President, Vice President, Secretary and Treasurer;

WHEREAS, the Board voted to elect each of the individuals set forth below (the “Officers”) to the office that appears next to such individual’s name, on an interim basis only, until the Board takes further action after the implementation of its revised governance framework;

WHEREAS, the Board desires to confirm and ratify by formal written resolution the election of the Officers;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION THAT:

Section 1. The following individuals were elected to serve as officers of the Corporation in the capacity set forth next to each such individual’s name, with the authority to undertake actions as authorized by the Board and to act as officers of the Corporation, including the authority to execute documents on behalf of the Corporation when authorized by the Board to do so:

President	_____
Vice President	_____
Secretary	_____
Treasurer	_____

Section 2. The prior appointments by the Board of Pedro A. Alanis and Nicole Collazo as Assistant Secretaries of the Corporation with the authority to undertake the actions of an Assistant Secretary as authorized by the Board and to act as officers of the Corporation, including the authority to execute documents on behalf of the Corporation when an Assistant Secretary is authorized to do so, are hereby confirmed and ratified.

Section 3. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 4. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

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