

AGENDA

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

A MEETING OF THE OF THE SAN ANTONIO HOUSING TRUST
PUBLIC FACILITY CORPORATION BOARD OF DIRECTORS WILL BE HELD VIA
ZOOM LINK:

[HTTPS://US02WEB.ZOOM.US/J/81397684034?PWD=VnVlYVRYEDNCD1RGS2ZVV
2E5AJZ4DZ09](https://us02web.zoom.us/j/81397684034?pwd=VnVlYVRYEDNCD1RGS2ZVV2E5AJZ4DZ09)

DIAL-IN NUMBER 1-346-248-7799 MEETING ID: 813 9768 4034 PASSWORD: 532656
ON WEDNESDAY OCTOBER 21, 2020

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

Briefing and Possible Action on:

1. Approval of minutes
2. Public Comment
3. Consideration and possible action to approve a Resolution authorizing execution of a Memorandum of Understanding with Alamo Area Mutual Housing Association in connection with the **Cattlemen Square Apartments**, a new 140-unit 4% Low Income Housing Tax Credit multi-family project in partnership with Alamo Community Group, located on 1.57 acres in the near west side of downtown in Council District 5
4. Resolution authorizing **Preserve at Billy Mitchell Apartments** transaction (formerly known as Preserve at the Port), including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Port San Antonio Preserve GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith
5. Resolution authorizing the **Canyon Pass Apartments** transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Canyon GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to enter into a joint venture agreement to serve as the general contractor; and other matters in connection therewith
6. Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.072 (Real Property) and Texas Government Code Sec. 551.071 (Consultation with Attorney)

***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 PUBLIC FACILITY CORPORATION
BOARD MEMBERS:**

Council Member Roberto C. Trevino (District 1), Council Member Rebecca J. Viagran (District 3), Council Member Dr. Adriana Rocha Garcia (District 4), Council Member Shirley Gonzales (District 5), Council Member John Courage (District 9)

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 1

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Approval of minutes

SUMMARY:

This item includes the approval of minutes from the September 30, 2020 meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

OFFICIAL MEETING MINUTES

September 30, 2020

- The Public Facility Corporation met in session at 10:05 a.m, via Zoom
- The meeting was called to order by Councilwoman Viagran and the roll was called by Maria Bradley.

PRESENT: Councilwoman Rebecca Viagran, Councilman Roberto Treviño (Arrived at 10:07am), Councilwoman Shirley Gonzales and Councilman John Courage

ABSENT: Councilwoman Dr. Adriana Rocha Garcia

Staff/Visitors Present:

Pedro Alanis- Interim Executive Director San Antonio Housing Trust Public Facility Corporation; Nicole Collazo- Assistant Director San Antonio Housing Trust Public Facility Corporation; JD Hernandez – Asset Manager San Antonio Housing Trust Public Facility Corporation; Sharon Jennings-Contract Officer San Antonio Housing Trust Public Facility Corporation; Maria Bradley - Administrative Assistant, San Antonio Housing Trust Public Facility Corporation; James Plummer- Bracewell LLP; Summer Greathouse-Bracewell LLC; Kenneth Saks-Villas at Echo East; Jacque Wooding-Prospera Housing Community Service; Piette Gilbert; Victor Miramontes-Managing Partners Mission DG, LLC; Ryan Sweeney- Prospera Housing Community Services; Adolfo Pesquera-Virtual Builders Exchange; Juanna Cormier- LIHTC Consultant- Brad McMurray-Prospera Housing Community Services; Derek Roberts-District 9; Jean Latsha- Pedcor; Jose Gonzalez-Alamo Community Group

1. Approval of minutes for August 26,2020.

MINUTES COMMISSION ACTION:

The motion was made by Councilman John Courage and seconded by Councilwoman Gonzales to approve the minutes from August 26, 2020.

AYES: 4

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED.

2. PUBLIC COMMENT-

NONE.

3. Resolution authorizing the Northview Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing

the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Northview GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith

Pete briefed this is a 4% loan tax credit project. It is located on 281 North on District 10. This project will have 1, 2 and 3-bedroom units and will be rented to those incomes from 30 to 70% of the area medium income. Project will accept section 8 vouchers. The PFC will own the land and lease it to the tax credit partnership. The PFC has created a single-member LLC, which will be the General Partner of the tax credit partnership. Revenues coming into the PFC will be estimated about \$3,984.824.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilwoman Gonzales to approve resolution authorizing the Northview Apartments transaction.

AYES: 4

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED.

4. Consideration and possible action to approve the Public Facility Corporations annual budget and to authorize the expenditures contained therein.

Pete stated each year the SAHT adopts a budget in September for the fiscal year beginning October 1st -September 30th. Focus on key goals and accomplishments within a 12-month period. This year looking into a Governance re-alignment and explained the preliminary timeline. The Public Facility Corporation FY 2021 annual budget proposal of \$4.53 million to include 25% contribution to the Foundation and asset management of 22 properties. \$139,320 will be available for Community Investment and estimated available cash by the end of the year of \$3.5 million.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilwoman by Gonzales to approve the Public Facility Corporation's annual budget and to authorize the expenditures contained therein.

AYES: 4

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED.

Councilwoman Viagran adjourned the meeting. There being no further business, the meeting adjourned at 10:24a.m.

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 2

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Public Comment

SUMMARY:

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

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 3

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: District 5

SUBJECT:

Resolution approving and authorizing execution of a Memorandum of Understanding for the Cattleman Square Lofts Apartments

SUMMARY:

On August 26, 2020, the San Antonio Housing Trust Public Facility Corporation induced the 140-unit Cattleman Square Lofts Apartments on 1.6 acres of land in Council District 5. The project is being developed by the Alamo Community Group, a local 501(c)(3) non-profit affordable housing developer.

The PFC will serve as the general partner of the tax credit partnership and will receive 25% of the total developer fee through project stabilization and 25% of the deferred developer fee over an anticipated 10-year period, after which the PFC will receive 50% of the Cash Flow. Additionally, the PFC will receive a right of first refusal upon the sale of the project. In connection with the Project, the San Antonio Housing Trust Facility Corporation also approved the issuance of tax-exempt bonds in an amount not to exceed \$15,000,000.

At the time of inducement, a Memorandum of Understanding had not been negotiated between the parties for approval by this Board. The PFC staff and developers are in

negotiations for a Memorandum of Understanding for your approval and authorization to execute based on the terms and conditions presented to you.

The project will require a several layers of public investment to finance the project. PFC Staff and Alamo Community Group will be applying for 4% LIHTC as well as a \$3,000,000 multi-family loan through TDHCA. We are also applying to the City of San Antonio for a \$1.2 million HOME grant and \$500,000 grant through the Westside TIRZ. PFC is looking at an option of providing \$500,000 in PFC funds as a short bridge in order to reduce the burden on Westside TIRZ to issue \$100,000 payments per year for 5 years.

The anticipated unit mix will be provided as follows:

AMI	# of Units	Bedroom Range from E - 2 BR Units
30% AMI	17	\$378 - \$486
40% AMI	8	\$504 - \$648
50% AMI	29	\$630 - \$810
60% AMI	36	\$756 - \$972
70% AMI	8	\$882 - \$1,134
80% AMI	40	\$1,008 - \$1296
Market	2	At Market

ALTERNATIVES:

If you do not approve the resolution, the 140 units will not be constructed.

FISCAL IMPACT:

The inducement is non-binding and there is no impact to the Public Facility Corporation at this time. Options related to a PFC bridge will be provided at a later time.

RECOMMENDATION:

Staff recommends the Board approve a Resolution to approve and authorize execution of a Memorandum of Understanding containing the terms and conditions presented to you; and to allow other matters in connection therewith.

ATTACHMENT:

Resolution

CATTLEMAN SQUARE APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“SAHTPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the “Board”) held a meeting on October 21, 2020 (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 APPROVING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING FOR THE CATTLEMAN SQUARE APARTMENTS PROJECT; 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 Bylaws of SAHTPFC.

SIGNED October 21, 2020.

Pedro A. Alanis, Assistant Secretary

RESOLUTION

RESOLUTION APPROVING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING FOR THE CATTLEMAN SQUARE APARTMENTS PROJECT; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, ACG Cattleman Square, LP, a Texas limited partnership (the “Partnership”), and SAHT Cattleman Square GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire and construct an approximately 140-unit multifamily housing facility (the “Housing Facility”) to be located on 1.57 acres in the near west side of downtown and known as the Cattleman Square Apartments (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and (iii) enter into a joint venture with the Developer to form an entity that will serve as the general contractor for the Project;

WHEREAS, the Partnership, the General Partner, SAHTPFC, and Alamo Community Group or an affiliate or affiliates thereof (the “Developer”) will define their mutual relationship in a Memorandum of Understanding (the “MOU”);

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

Section 1. The execution of an MOU containing the terms and conditions presented to the Board, is hereby approved.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute the MOU, on the terms and conditions presented to the Board.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of the MOU, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. The officers of this 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 documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 5. If any section, paragraph, clause, or provisions 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.

Section 6. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 7. 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 8. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 9. This Resolution shall be in force and effect from and after its passage.

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San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 4

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: District 5

SUBJECT:

Resolution authorizing the Preserve at Billy Mitchell Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Port SA Preserve GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.

SUMMARY:

This Integrated Realty project is an acquisition and historic rehabilitation of existing 384-unit multi-family apartment complex located at 402 Gillmore Avenue in District 5. The development will serve tenants at the 30% - 70% AMI levels, and will accept Section 8 vouchers. The developer has also agreed to provide basic internet access for residents at the 30% to 50% AMI levels, provide a washer and dryer in each unit and contribute \$500,000 to a fund that will maintain rents at current levels for 2 years after the rehabilitation has been completed.

AMI	# of Units	Bedroom Range from 1 - 3 BR Units
30% AMI	19	\$405 - \$486
50% AMI	58	\$675 - \$936
70% AMI	307	\$945 – \$1,310

The Project is expected to cost approximately \$65,355,822. The anticipated sources of funds are as follows: \$37,905,822 in debt, \$15,000,000 in PACE financing, and \$12,400,000 in historic tax credit equity. The Finance Corporation will not issue any tax-exempt bonds in connection with the Project.

The PFC will create a single-member LLC, which will serve as the General Partner in a tax credit limited liability company partnership. Port SA Redevelopment, LP will act as a Limited Partner. The PFC will own the land and lease it to the tax credit partnership. The PFC will be the general contractor for the Project to obtain a sales tax exemption.

The project is located in the Edgewood School District near Winston Elementary and Brentwood Middle School which had failing scores in 2018/2019. However, Edgewood ISD is working on plans to turn these schools around. Edgewood is converting Winston Elementary School into a STEAM Academy. Brentwood was turned into a STEAM academy in 2019. JFK High School is becoming a P-Tech under the STEAM innovation zone.

Even though the property is removing taxes from the rolls, the benefit to rehabilitating 384 units of which 65% are vacant, all while getting attendance up at these schools is vital to promoting neighborhood revitalization efforts.

Staff recommends that the board approve the resolution to approve various legal documents once finalized and allow the project to close.

ALTERNATIVES:

If you do not approve the resolution, the 384 units will not be rehabilitated.

FISCAL IMPACT:

The 2020 ad valorem property tax is approximately \$234,029 on the existing property, which equates to \$3,510,435 not paid over 15 years due to the property tax exemption.

The PFC/FC will ensure the rehabilitation of 384 poorly conditioned units, as well as, receive an estimated \$15,800,000 over a 15-year period:

- \$250,000 Origination fee

- \$1,200,000 Developer fee (40%) from closing through construction completion
- \$7,184,031 in anticipated cash flow (40%) over next 15-year period
- \$7189,444 in sale or refinancing proceeds (40%) which is not anticipated to occur until at least year 15

RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the Preserve at Billy Mitchell Apartments transaction.

ATTACHMENT: Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“SAHTPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the “Board”) held a meeting on October 21, 2020, (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 PRESERVE AT BILLY MITCHELL (F/K/A PRESERVE AT THE PORT) APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE CREATION OF SAHT PORT SA REDEVELOPMENT, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF PORT SA REDEVELOPMENT, LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; 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 Bylaws of SAHTPFC.

SIGNED October 21, 2020.

Pedro A. Alanis, Assistant Secretary

RESOLUTION

RESOLUTION AUTHORIZING PRESERVE AT BILLY MITCHELL (F/K/A PRESERVE AT THE PORT) APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE CREATION OF SAHT PORT SA REDEVELOPMENT, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF PORT SA REDEVELOPMENT, LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Port SA Redevelopment, LP, a Texas limited partnership (the “Partnership”), and SAHT Port SA Redevelopment, LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire and rehabilitate an existing 396-unit multifamily housing facility (the “Housing Facility”) to be located at 402 Gillmore Avenue, San Antonio, Texas (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and (iii) serve as the general contractor for the Project;

WHEREAS, in connection with the financing, the Partnership will enter into one or more transactions for loans in an approximate amount of \$38,000,000 (collectively, the “Loan”);

WHEREAS, in connection with the execution of the Loan, the Partnership, the General Partner, and/or SAHTPFC may be required to enter into certain agreements, including, but not limited to, promissory notes, construction loan agreements, construction deeds of trust, environmental indemnification agreements, security agreements, pledge agreements and other agreements, certificates, assignments and ancillary documents requested by any lender (collectively, the “Loan Documents”);

WHEREAS, the Partnership will contribute approximately \$12,450,000 of equity to the construction of the Project, which will be raised from the sale of historic tax credits (the “Equity Financing”);

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, and including the documents attached as exhibits thereto, and closing certificates (collectively, the “Equity Documents”);

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the Loan and the Equity Financing and the terms of the Loan Documents and the Equity Documents, are hereby authorized and approved when such documents are executed by the officers provided below.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to the Loan Documents and the Equity Documents, indemnity agreements and guaranties covering the Land or the Project, and all other documents relating to the Loan and the Equity Financing, to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, the creation of the General Partner by SAHTPFC and its admission as the general partner of the Partnership, and the role of SAHTPFC as the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, the Executive Director, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and the Executive Director, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any assistant secretary or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of this 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 documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHTPFC for this transaction.

Section 7. If any section, paragraph, clause, or provisions 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.

Section 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 9. 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 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 5

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

SUBJECT:

Resolution authorizing the Canyon Pass Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Canyon Pass GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to enter into a joint venture agreement serve as the general contractor; and other matters in connection therewith.

SUMMARY:

This Pedcor project is a 264-unit multifamily 4% tax credit project located at approximately 25601 Overlook Parkway on approximately 15 acres in District 9. All units, which are 1, 2, and 3-bedroom units, will be rented to individuals whose income is at or below 60% of medium family income which equates to rents from \$810 to \$1,123, based on the number of bedrooms.

The project is located about a mile north of the recently closed Northview project in a high income area and in NEISD School district which high scores.

The Project is expected to cost approximately \$52,078,103 with up to \$35,000,000 in tax exempt bonds being issued as a requirement for the 4% LIHTC Program. The expected sources of funds are as follows: \$33,500,000 in tax exempt debt; \$17,636,307 in tax credit equity; a deferred development fee of \$364,786; and lease up revenue of \$576,810.

The PFC will own the land and lease it to the tax credit partnership. The PFC has created a single-member LLC, which will be the General Partner of the tax credit partnership. The PFC will enter into a joint venture that will serve as the general contractor for the Project to obtain a sales tax exemption.

ALTERNATIVES:

If a resolution is not approved, the 264 units will not be built.

FISCAL IMPACT:

The 2020 ad valorem property tax was \$7,306.61 on the existing property, which equates to \$109,599 not paid over 15 years due to the property tax exemption.

Revenues generated to the PFC/FC during that 15 years are estimated to be \$8,700,000:

- \$2,253,547 by receiving 40% of the total developer fee
 - Non-deferred portion of \$2,107,633 shall be paid at project stabilization
 - Deferred fees of \$145,914 are anticipated to be paid out after the first-year apartments are placed in service through year 3
- \$2,263,160 by receiving 50% of available cash flow through year 15
- \$335,000 in a 1% bond issuance fee to SA Housing Trust Finance Corporation
- \$118,800 in total annual bond fees through year 15
- \$3,755,819 in anticipated sales proceeds from the sale after year 15.

RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the Canyon Pass transaction to allow project to close financing.

ATTACHMENT:

Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“SAHTPFC”) hereby certifies as follows:

3. In accordance with its bylaws, the Board of Directors of SAHTPFC (the “Board”) held a meeting on October 21, 2020, (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 THE CANYON PASS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN SAHT CANYON PASS GP, LLC; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO ENTER INTO A JOINT VENTURE AGREEMENT TO SERVE AS THE GENERAL CONTRACTOR; 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.

4. 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 Bylaws of SAHTPFC.

SIGNED October 21, 2020.

Pedro A. Alanis, Assistant Secretary

RESOLUTION

RESOLUTION AUTHORIZING THE CANYON PASS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN SAHT CANYON PASS GP, LLC; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO ENTER INTO A JOINT VENTURE AGREEMENT TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Pedcor Investments-2019-CLXXV, L.P., a Texas limited partnership (the “Partnership”), and SAHT Canyon Pass GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire and construct a 264-unit multifamily housing facility (the “Housing Facility”) to be located at approximately 25601 Overlook Parkway, San Antonio, Texas (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and (iii) enter into a joint venture agreement to serve as the general contractor for the Project;

WHEREAS, the Partnership has requested that the San Antonio Housing Trust Finance Corporation (the “Issuer”) issue its Multifamily Housing Revenue Bonds (Canyon Pass Apartments), Series 2020 (the “Bonds”) to finance the Project (the “Bond Financing”);

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$33,500,000 and loan such proceeds to the Partnership;

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to the Financing Agreement, Construction Fund Agreement, the Bond Mortgage Note, the Regulatory Agreement and Declaration of Restrictive Covenants, a Deed of Trust, Assignment of Rents, Security Agreement, and Fixture, a Ground Lease, and a Bond Purchase Agreement (collectively, the “Bond Documents”);

WHEREAS, in connection with the financing, the Partnership will also enter into a loan transaction with Merchants Capital Corp. for a loan secured by the United States Department of Housing and Urban Development pursuant to Section 221(d)(4) of the National Housing Act (the “HUD Loan”) in an amount not to exceed \$33,500,000;

WHEREAS, in connection with the execution of the HUD Loan, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including, but

not limited to, a Firm Commitment, a Building Loan Agreement, a Note, a Multifamily Deed of Trust, Assignment of Rents and Security, a Regulatory Agreement, Certificates of Borrower, and a Subordination Agreement (collectively, the “HUD Documents”);

WHEREAS, the Partnership will contribute approximately \$17,637,000 of equity to the construction of the Project, which will be raised from the sale of tax credits (the “Equity Financing”);

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, and including the documents attached as exhibits thereto, and closing certificates (collectively, the “Equity Documents”);

WHEREAS, the timing of the Equity Contribution requires that the Partnership obtain a bridge loan in the approximate amount of \$12,800,000, which will be repaid upon receipt of the tax credit equity (the "Bridge Loan");

WHEREAS, in connection with the Bridge Loan, the General Partner and the Partnership will be required to enter into certain agreements, including but not limited to a Bridge Loan Agreement, a Guaranty, Security Agreement and Assignment, an Assignment of Ownership Interests and Security Agreement, a Bridge Note and other documents relating thereto (the "Bridge Loan Documents");

WHEREAS, the Corporation will amend its previous joint venture agreement with Pedcor Construction Management, LLC to cover the Project and the joint venture will enter into a Construction Contract to construct the Project (the “Construction Documents”);

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the Bond Financing, the Bridge Loan, the Equity Financing and the HUD Loan and the terms of the Bond Documents, the Equity Documents, the Bridge Loan Documents, the Construction Documents, and the HUD Documents, are hereby authorized and approved when such documents are executed by the officers provided below.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Bond Documents, the Bridge Loan Documents, the Equity Documents, the Construction Documents, the HUD Documents, indemnity agreements and guaranties covering

the Land or the Project, and all other documents relating to the Bond Financing, the Bridge Loan, the HUD Loan and the Equity Financing, to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, the acquisition of membership interest in the General Partner by SAHTPFC, and the role of SAHTPFC as a joint venturer in the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, the Executive Director, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and the Executive Director, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any assistant secretary or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of this 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 documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHTPFC for this transaction.

Section 7. If any section, paragraph, clause, or provisions 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.

Section 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 9. 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 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 6

Agenda Date: 10-21-2020

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

SUBJECT:

Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.072 (Real Property) and Texas Government Code Sec. 551.071 (Consultation with Attorney)