

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES
January 22, 2020

- The Public Facility Corporation met in session at 2:08p.m, Municipal Plaza, Room “B”, 105 Main Plaza, San Antonio, TX 78205
- The meeting was called to order by Councilwoman Viagran and the roll was called by John Hernandez.

PRESENT: Rebecca Viagran, Roberto Treviño, Dr. Adriana Rocha Garcia, Shirley Gonzales and John Courage

ABSENT:

Staff/Visitors Present:

Pedro Alanis- Interim Executive Director San Antonio Housing Trust Finance Corporation; Nicole Collazo- Assistant Director San Antonio Housing Trust Finance Corporation; JD Hernandez – Asset Manager San Antonio Housing Trust Finance Corporation; Maria Bradley – Administrative Assistant, San Antonio Housing Trust Finance Corporation; David Holland-Provident; Madison Iszler-Express News; Jay Podjenski-D1; Lleana Sandoval-D9; Debra Guerrero-NRP Group; Edward Mungia-D4; Jean Latsha- Pedcor; Daryl Lange- Bitterhue Group;Caroline McDonald-Brown & Ortiz; Jose Gonzalez-Representing Alamo Community Group

1. Approval of minutes-

MINUTES COMMISSION ACTION:

The motion was made by Councilwoman Dr. Rocha Garcia and seconded by Councilman Treviño to approve the minutes from December 10, 2019.

AYES: 4

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED.

2. PUBLIC COMMENT- NONE

3. Consideration and possible action to approve a Resolution amending the lease agreement between the Public Facility Corporation and the Foster Road GL LP due to pending sale of the Viridian Apartments (Montabella Pointe II) located at 5415 N Foster in Council District

Pete Alanis stated the Foster Road project was a Finance Corporation and Public Facility Corporation deal and is now complete. It has 321- units and half of those units available were tenants whose incomes are less than 80% of the AMI. NRP Group is seeking to sell to Canyon Partners Real Estate.

The two options to choose from are:

1. Cash out approximately \$1.34 million at the point of the sale
2. Keep receiving net cash flow of 7.5% for the remaining of the lease over the net present value of \$3.4 million.

COMMISSION ACTION:

The motion was made by Councilman Treviño and seconded by Councilwoman Rocha Garcia for the approval the Resolution amending the lease agreement between PFC and the Viridian Apartments in choosing the new cash flow option for the remaining of the lease.

AYES: 5

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED

4. Consideration and possible action to approve a Resolution inducing the Ridgeline Flats Apartments, a new 349-unit mixed income affordable/market PFC structure in partnership with the NRP Group LLC, located on 26 acres of land located between IH-10 and Bitters Road on the north side of Loop 1604 in Council District 9.

Pete Alanis briefed about this affordable market structured financing with the PFC that would own into a 75-year lease. Previous PFC structure has called to either take an ownership position option or cash out option vs net cash flow option. He wants to see if we can negotiate a higher percentage net cash flow lease instead of having the option to sell. In the past this project created an affordable concession program which provides a buy down amount units from the 80% units down to the 60% units AMI level. The PFC was able to negotiate with NRP to have them fund a \$650,000 affordability concession program. The Public Facility Corporation is anticipated to receive approximately \$900,000 and would get 15% net cash flow.

Jim Plummer is suggesting to the board to consider building a dedicated fund.

Councilwoman Viagran asked why is income averaging not part of this agreement. Jim replied that it is strictly Public Facility Corporation funded project.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilman Treviño for the approval of the Resolution inducing the Ridgeline Flats Apartments.

AYES: 5

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED

5. Consideration and possible action to approve a Resolution authorizing execution of a revised Term Sheet for Friedrich Lofts a new 347-unit mixed income affordable/market PFC structure in partnership with Provident Realty Advisors, located on 4.04 acres at 1617/1631 East Commerce in Council District 2.

Pete Alanis commented that this project is a 347-unit multi-family project, garden style development with a parking garage. This will be a \$68 million development. The developer Provident Realty Advisors (PRA) negotiated terms with American South Real Estate Fund. In this deal the PFC will receive \$250,000 closing fee, \$25,000 annual administrative fee. Upon a capital event, the PFC would receive 16.5% net cash flow.

COMMISSION ACTION:

The motion was made by Councilman Treviño and seconded by Councilwoman Gonzales to approve the Resolution authorizing execution of the revised time sheet for Fredrick Lofts.

AYES: 5

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED

6. Consideration and possible action to approve a Resolution inducing the acquisition and rehabilitation of the Preserve at the Port Apartments, a 396-unit 4% Low Income Housing Tax Credit multi-family project in partnership with Integrated Realty and Streamline, located at 402 Gillmore Avenue in Council District 5, and a Memorandum of Understanding in connection therewith.

Pete Alanis mentioned that Integrated Realty is seeking a partnership with the SAHTPFC to acquire and rehab Preserve at the Port Apartments. In the Memorandum of Understanding, the Developer has agreed to two requirements.

1. Not raising the rents for existing tenants for two years.
2. Developer will create a "rent bank" to assist any tenants going through short-term financial crisis.

The SAHTPFC will receive 40% of the developer fee (approximately \$1,147,250) at closing and 40% of the deferred developer fee (approximately \$689,000) over a 15-year period. The PFC would also receive 50% of any proceeds from the sale or refinancing of the project.

COMMISSION ACTION:

The motion was made by Councilwoman Gonzales and seconded by Councilman Treviño for approval of the Resolution inducing the acquisition and rehabilitation of the Preserve at the Port Apartments

AYES: 5

NAYS: 0

ABSTAIN: 0

7. Consideration and possible action to approve a Resolution authorizing execution of a Memorandum of Understanding with a Pedcor Housing Corporation affiliate and a Village Capital Corporation affiliate in connection with Northview Apartments, a new 156-unit 4% Low Income Housing Tax Credit multi-family project, located at 23132 US Highway 281 North in Council District 9.

Pete Alanis mentioned that on the December 10, 2019 meeting the SAHTPFC induced the 156-unit Northview Apartments. The PFC will receive 40% of the developer fee at closing and 40% of the deferred developer fee over a 15-year period. The PFC will also receive 45% of any proceeds from the sale or refinancing of the project.

The SAHTFC also approved the tax-exempt bonds in the amount not to exceed \$25,000,000.

The updated Memorandum of Understanding states that the developer reserve a minimum of 10% of all the units for residents earning at or less than 30% AMI.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilman Treviño to approve the Resolution and execution of the Memorandum of Understanding for the Northview Apartments.

AYES: 5

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED

8. Assistant Secretary's Report- A bring on financials, progress of projects or grant expenditures, personnel matters and other activities which do not require Board action.

Nicole Collazo informed the Board that the job opening for the Executive Director position has been posted on the SAHT website and other job posting sites. Councilman Courage wants to know if the job posting could be posted on the CoSA's website. Nicole said she will ask about that.

Pete Alanis briefed on the financial report for the FY 2020 forecast anticipated \$3.2 million. In the first quarter Public Facility Corporation and Finance Corporation have collected \$1,388,40 in revenues.

The PFC has received \$288,382 in the first quarter and the FC has received \$198,757 in revenues in the first quarter. The Foundation gets 25% of all revenues from the PFC and FC in a quarterly basis to support operations.

Councilman Courage said he wanted to look at the NALCAB assessment and sit down to discuss the implementation of it and start tacking it. He mentioned there were many different directions and not one cohesive direction. He would like the two boards to come together and discuss the assessment. Councilwoman Viagran agreed to arrange a special work session discuss the assessment.

NO ACTION WAS TAKEN

Councilwoman Viagran adjourned the meeting. There being no further business, the meeting adjourned at 3:11p.m.