

**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION**  
**OFFICIAL MEETING MINUTES**

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**Date: Friday, June 17, 2022**

The Public Facility Corporation met in session at 2:06 p.m., via Zoom and in person at 114 W Commerce St, San Antonio, TX 78205.

**PRESENT: Antoinette Brumfield, Councilwoman Teri Castillo, Eric Cooper, Councilman John Courage, Jordan Ghawi, Rachell Hathaway, Marinella Murillo, Jane Pacione, and Councilwoman Phyllis Viagran.**

**ABSENT: Councilwoman Adriana Rocha Garcia, Councilman Jalen McKee-Rodriguez, and Mark Carmona.**

**STAFF/VISITORS PRESENT:**

Pedro Alanis- Executive Director San Antonio Housing Trust Foundation INC.; Nicole Collazo- Director of Operations San Antonio Housing Trust Foundation INC.; John Hernandez- Asset Manager San Antonio Housing Trust Foundation INC.; Lauren Bejaran- Sr. Administrative Assistant San Antonio Housing Trust Foundation INC.; Ruben Lizalde- D3; Edward Muniga- D4; Ileana Sandoval- D9; Dan Santee- Attorney DNRBZ; Summer Greathouse- Attorney Bracewell.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by Vice President Jane Pacione and the roll was called by Nicole Collazo.

Jordan Ghawi joined the meeting at 2:07 p.m.

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF MAY 25, 2022.**

Councilwoman Viagran motioned, and Councilwoman Castillo seconded for approval of the May 25, 2022, minutes with the noted corrections.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

3. **CITIZENS TO BE HEARD-INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS; A TOTAL OF 15 MINUTES WILL BE PROVIDED.**

NONE.

NO ACTION WAS TAKEN.

4. **DISCUSSION AND POSSIBLE ACTION TO APPROVE A RESOLUTION AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COUNTRY CLUB VILLAGE), SERIES**

**2022; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed to the board about Prospera Housing Community Services, a local affordable housing nonprofit, and Versa Development, LLC co-partnership to develop a 4% LIHTC project located on Magic Dr. in District 7. The \$68.6 million dollar project will include up to \$35,000,000 in required tax-exempt bonds to be issued by the Public Facility Corporation. Country Club village is currently an existing 82-unit age restricted project for older adults over the age of 62 which will be rehabilitated. An additional 187 units will be newly constructed on an adjacent 7 acres of property. The new units shall be rented to individuals meeting the age restrictions and whose incomes are at or below 60% AMI. The 82 rehabilitated units will continue with a Section 8 Project- Based Voucher contract for an additional 20 years. Because the 82 rehabilitated units are Section 8 units, the voucher holders will likely be occupied by older adults at or below 30% AMI.

Country Club will feature both residential amenities and supportive services appropriate for older adults that will be provided by onsite staff managed through Prospera. The 270 total units will consist of 1–2-bedroom units; 72 1-bedroom PBV units, and 80 units at 60% AMI. The 2-bedroom units will include 10 PBV units and 108 units at 60% AMI. The PFC will not be a part of the Tax Credit Partnership but will issue up to \$35 million in Tax Exempt Bonds. 50% of the property taxes will receive Property Tax Exemption through Prospera’s nonprofit partnership. The PFC will receive a 1% bond issuance fee of \$350,000 at closing, plus a \$30 dollars per door per year annual administrative fee while the bonds are outstanding. Country Club’s capital stack includes: \$27.1 million in HUD debt, \$27,395,000 in Tax Credit Equity, \$6.5 million seller note, \$4.3 million developer fee, and \$3.25 million in CDBG funds. The project is expected to cost approximately \$68,631,460 with a total development cost per door of \$143,000. Staff recommends approval of a resolution authorizing the San Antonio Housing Trust Public Corporation Multifamily Housing Revenue bonds (Country Club Village), Series 2022; and other matters in connection therewith.

Eric Cooper asked if the \$27 million dollars was missing from the total amount of \$68.6 million dollars due to the amount per door for 270 units totaling to \$254k, instead of \$143k per door. Pete Alanis stated he might have calculated the hard cost of construction per unit instead of per unit for total development cost. Eric Cooper asked what the \$110,000 per unit from the \$254,000 account for in terms of the total development cost. Pete Alanis stated that the hard cost accounts for 60% of the total development cost of the Tax Credit Project. These costs could include, architectural fees, attorney fees, and bond fees.

Eric Cooper asked Pete to brief on how the SAHTPFC can make more affordable multifamily developments when we are paying two times more for the development of the properties. Pete stated the cost of development has been an ongoing issue when it comes to constructing affordable housing. With inflationary prices impacting the cost of construction, the Low-Income Housing Tax Credit Partnership deals assist with bringing the cost of the sales tax and cost of materials for the project down. The strategic approach to calculating total development costs for a project include looking at the cost of the land, increasing density of the project to lower the overall total development cost per unit, and certain items that will be needed for some properties, like parking garages. Pete stated there are several variables that affect the financing structure for each development, so it is hard to calculate for each project where to cut costs. The Financial Structure would be beneficial for the PFC compared to a HUD debt execution that would require additional fees for the project. The trade offs for more sustainable, accessible, universally designed, solar ready, and EVE energy ready projects are additional costs that the PFC is looking to offset. With the Low-Income Housing Tax Credit Program, Country Club will be given \$27.3 million to help build as many affordable housing units as possible.

Eric Cooper asked if the PFC is going to pay \$254,000 per unit that averages 900 square feet. Pete stated it depends on the bedroom size of the units. The 1-bedroom units will average 500-600 square feet and the 2-bedroom units will average around 900- 1000 square feet. Councilman Courage asked Pete if the initial upfront cost will affect the long-term services that Prospera will be providing for Country Club. Pete stated that the services provided play a factor in calculating the initial upfront costs. Low Income Housing Tax Credit Projects require a certain level of supportive services, depending on the type of project it is. The supportive services will be paid for out of the project budget due it being an operating expense for the property. To provide the additional services, the annual budget, annual expenses, will have to be increased.

Councilwoman Castillo expressed she is in full support of the project and asked Pete who would oversee the Tenant Relocation Plan. Pete stated Prospera would oversee the Tenant Relocation Plan. Prospera had to provide a Tennnt Relocation Plan, and have the plan included in the budget of the project. Eric Cooper asked if the PFC will be receiving the \$30 per door revenues. Pete stated that the PFC will be receiving the \$30 per door as an annual administrative fee as part of the PFC bond review.

**MINUTES COMMISSION ACTION:**

Councilman Courage motioned, and Councilwoman Castillo seconded to approve a resolution authorizing the San Antonio Housing Trust Public Facility Corporation Multifamily Housing Revenue bonds (Country Club Village), Series 2022; and other matters in connection therewith.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**5. DISCUSSION AND POSSIBLE ACTION TO APPROVE TWO ITEMS RELATED TO CATTLEMEN SQUARE LOFTS:**

**(A) AUTHORIZING THE CATTLEMAN SQUARE LOFTS 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 CATTLEMAN SQUARE GP, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF ACG CATTLEMAN SQUARE, LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO ENTER INTO A JOINT VENTURE AGREEMENT TO SERVE AS GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH.**

**(B) AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (CATTLEMAN SQUARE LOFTS APARTMENTS), SERIES 2022; AND OTHER MATTERS IN CONNECTION THEREWITH.**

ITEMS PULLED. NO DISCUSSION.

## **6. BRIEFING ON THE SAN ANTONIO HOUSING TRUST'S 5-YEAR STRATEGIC PLAN FACILITATED BY MISSION MATTERS GROUP.**

Pete Alanis reported to the board on the new updates for the San Antonio Housing Trust's 5-Year Strategic Plan. The Alignment Phase of the projects is complete. Staff provided documents and materials associated to the alignment phase to Mission Matters. The Strategic Plan is currently in the Discovery phase. Discovery interviews with five City Council Members of the Board, the City's Chief Housing Officer, and the Chair of the Housing Commission, began in April and continues through mid-June. Stakeholders participated in seven focus groups facilitated by Mission Matters Group, including: Board Members, City Representatives, Community Housing Advocates, Community Housing Development Organizations, and Housing Developers. The Trust also invited approximately one hundred stakeholders to complete a survey. To date, the Survey has a 32% response rate. Pete stated that Mission Matters Group meets up with staff every 2 weeks to discuss the progress of the Discovery Phase.

Once the discovery interviews, focus groups and surveys are complete, Mission Matters Group will provide a synthesis of the finding to the SAHT Staff. After the Discovery Phase is completed, the Core Team's focus will be on development phase of the strategic plan. Pete stated he wanted update the board on the process of the Strategic Plan. During the time of the strategic plan development, the city of San Antonio is currently going through a bond process. The 2023 Tax Credit Program Round will start in October 2022. For the PFC to consider any projects to be done in 2023, the PFC will need to review and improve projects in August or September 2022. Pete is putting together terms and conditions stating what their priorities are for future Tax Credit Projects. The requirements in the terms and conditions will include such as site criteria and equity. SAHT Staff is also putting placeholders with respect to sustainable and universal designed criteria, due to the Sustainability and Universal Design Committee bringing those recommendations in the future.

Councilman Courage asked Pete to brief the board on what is in the pipeline in the way of requests that have been sent to SAHT and asked if they could be broken down into what are Low Income Housing Tax Credit Projects. Pete stated that he will present to the Finance and Audit Committee and the board, the project pipeline Pete advised to the board that he does not want to release too much information on development teams he has had discussions with before an application has been submitted. Pete meets with the development team first to see if SAHT wants to be involved in the project. The essential Housing Bond Tool and future projects applying for the bond program could possibly be utilized for future projects.

Councilwoman Castillo asked if the San Antonio Housing Authority was included in the one hundred stakeholders that were asked to complete the survey. Pete stated that the survey was sent to Ed Hinojosa, President, and CEO of SAHA. Pete stated that he will release a list to the board of all the stakeholders the survey was sent out to.

Councilman Courage asked Pete what the status of the property is at Cattleman Square Lofts since the project fell through. Pete stated the property is owned by Alamo City Group and they will ultimately decide on any plans for the property.

**NO MOTION NEEDED.**

## **7. ADJOURNMENT**

Vice President Jane Paccione adjourned the meeting. There being no further business, the meeting adjourned at 2:45 p.m.