

SAN ANTONIO HOUSING TRUST
FOUNDATION

2022 OFFICIAL MEETING MINUTES

DATE: Friday, August 19, 2022

TIME AND PLACE: The San Antonio Housing Trust Foundation met in session at 2:03 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, Councilman Jalen McKee-Rodriguez, Marinella Murillo, Jane Pacione, and Councilwoman Phyllis Viagran.

ABSENT: Councilwoman Adriana Rocha Garcia 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.; Susan Snowden- Director of Finance 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; Norma Little- Leal & Carter, P.C.; Jason Arechiga- NRP Group; Mark Tolley- Mission Development Group; Steve Poppoon- LPDC, LTD; Nancy Poppoon- LPDC, LTD; Andrew Poppoon- LPDC, LTD; Jason Hauck- Morgan Group; Avis Chaisson- Palladium USA; Summer Greathouse- Attorney Bracewell; Cynthia Trevino- Attorney DNRBZ.

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

Councilwoman Teri Castillo joins the meeting at 2:05 PM.

- 2. APPROVAL OF BOARD MEETING MINUTES FOR JULY 15, 2022.**

Jordan Ghawi motioned, and Councilman Jalen McKee-Rodriguez seconded for approval of the July 15, 2022, minutes with the noted corrections.

AYES: 9

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. PRESENTATION AND POSSIBLE ACTION REGARDING THE SAN ANTONIO HOUSING TRUST FOUNDATION, INC. AUDIT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2021.**

Pete Alanis turned the floor over to SAHT's CPA, Norma Little from Leal & Carter, PC to brief the board on the audit for the SAHT Foundation INC. Norma Little presented the Independent Auditors' Report that lists the responsibilities Leal & Carter, PC has with each audit performed. The report also includes an Auditor's Opinion, that states that the financial statements that were presented by the SAHTF are in accordance with accounting principles accepted in the US. The audit preliminary draft includes the totals for each of the following: Assets- \$7,144,168; Liabilities- \$1,172,686; Net Position- \$6,110,279, as of September 30, 2021,; Operating Revenues- \$2,625,239; Operating Expenses- \$3,119,512; Operating Loss- \$493,957.

MINUTES COMMISSION ACTION:

Eric Cooper motioned, and Rachell Hathaway seconded to approve the San Antonio Trust Foundation, Inc. Audit for fiscal year ending September 30, 2021, with the noted corrections.

AYES: 9

NAYS:

ABSTAINED:

THE MOTION PASSED.

5. SUSTAINABLE AND UNIVERSAL DESIGN COMMITTEE UPDATE.

Pete briefed to the board about the updates The Sustainability and Universal Design has made since their meetings on May 26th, June 24th, August 4th, and August 15th. The goal of the committee is to develop sustainability and universal design standards recommendations for the San Antonio Housing Trust multifamily activities. The committee is composed of 3 SAHT board members and 13 community committee members who have various life experiences living with certain disabilities. During the May 26th meeting, the group initially met to discuss the charge of the committee, gain member perspectives, and discuss how the group wanted to proceed in future meetings.

On the June 24th meeting, the Sustainability and Universal Design Committee received two presentations from local non-profits that have expertise in these two fields: Build San Antonio Green and Disability San Antonio. Build SA Green discussed their multifamily certification program, designed for San Antonio's Climate, that includes energy efficiency, increased indoor air quality, and product durability. SAHT has previously partnered on 1,536 LIHTC units that achieved a BSAG Certification, including Woodlawn Ranch and Masters Ranch. Disability SA presented the 8 goals of universal design, and discussed the differences between universal design, visit-ability, and accessibility. The 8 goals of universal design include: Body Fit, Comfort, Awareness, Understanding, Wellness, Social Integration, Personalization, and Cultural Appropriateness.

SAHT staff hired The Kelsey as a consultant, a San Francisco based non-profit developer who developed all-inclusive universally designed apartments located in San Jose, California, to provide the committee three 90-minute professionally facilitated sessions to discuss the Kelsey Design Standards. These guidelines focus on inclusionary and accessibility standards that include elements of sustainability and universal design. The Kelsey team's last session will be on August 29th to discuss the possibility of adopting the Kelsey Design Standards to be included in SAHT's design goals.

Vice President Jane Paccione expressed her support for the Kelsey team's input on future SUDC goals and guidelines.

Councilman John Courage asked Pete Alanis if the design standards that are developed by the SUDC will be voted on by the board for future developers to abide by. Pete Alanis stated that the goal of the SUDC is to develop a set of recommendations for the board to consider. The board will ultimately decide what guidelines to abide by.

Eric Cooper recommended to the board that the San Antonio Food Bank could possibly send a truck for a food drop donation to those individuals with disabilities, who have difficulty navigating their way to grocery stores.

NO ACTION TAKEN.

6. BRIEFING AND DISCUSSION REGARDING THE 5-YEAR STRATEGIC PLAN OBJECTIVES.

Pete Alanis briefed to the board on Mission Matters, SAHT's Strategic Planning Consultant, outlining six strategic objectives sourced from community input through interviews, surveys, and focus groups at the July 15, 2022, meeting. Mission Matters and staff reviewed the feedback received to improve on the strategic objectives, key results, and supporting strategies. SAHT staff has also prepared their beliefs, values, and vital measures.

SAHT's purpose is to create and preserve housing that is affordable, accessible, attainable, and sustainable to San Antonio residents; and to support community development efforts that build and sustain neighborhoods, empower residents, and provide positive equitable outcomes. SAHT's beliefs include, housing is a human right, housing should be affordable and attainable for persons at all income levels, housing should be designed to accommodate persons with all types of body types and abilities, and housing should limit the impact on our environment and be resilient to changing climate.

Core Values include Compassion- Our empathy toward our residents leads us into action; Equity- We strive for fairness and justice as we create housing opportunities; Innovation - We bring a mindset of continuous improvement to all our work; Agility -We are flexible in our approach, bringing responsive and dynamic solutions; Integrity - We affirm there is strength in honesty and transparency.

The Strategic Objectives are as follows: Clarify SAHT's role in the Local Housing System; Facilitate Preservation of Affordable Multi-Family Rental Housing; Finance New Construction of Affordable Multi-Family Rental Housing; Support Neighborhood Preservation Efforts; Invest in SAHT's Capacity to Grow; Engage in Advocacy at Local, State, and Federal Level. Objective 1- Clarify SAHT's role in the local Housing System has 5 key results: board is clear & supportive of key role(s) Trust plays to achieve stated purposes, entities of the Trust have a shared identity, Trust is a thriving partner within the local housing ecosystem, public confidence in the trust is rebuilt thru improved communication & transparency, role of board is elevated through committee involvement and decision-making input.

Objective 2: Facilitate Preservation of Affordable Multi-Family Rental Housing has 3 key results: made meaningful contributions towards 5-year SHIP multifamily preservation goals, collaborate with affordable housing providers towards meeting preservation goals using PFC/FC Tools, and leverage public and private funding to support multifamily preservation efforts. Examples of Supporting Strategies include monitoring San Antonio's population of LIHTC to assess, prioritize, and develop preservation plans for at risk properties with expiring LURA's, working with nonprofits to pool smaller rental properties together on a 4% LIHTC

Execution, provide direct financial support for the preservation of multifamily rental (less than 30% -80% AMI), establish preservation rehabilitation criteria that promotes increase accessibility, universal design, and sustainability, collaborate with the City's Neighborhood and Housing Services Department (NHSD) on establishing a Preservation Network, and collaborate with NHSD to establish a Rental Rehabilitation Program.

Objective 3 - Finance New Construction of Affordable Housing for the Targeted Populations has 3 key results including, making meaningful contributions towards 5-year SHIP multifamily new construction/permanent supporting housing (PSH) goals, improvements made to multifamily new construction programs, establishment of Land Banks to acquire land impacting <60% AMI (Rental) <80% (Owner). Examples of supporting strategies include utilize COSA Displacement Impact Assessment Tool, partner to create LIHTC for targeted populations, lower required fees for nonprofit development partners, engage with Continuum of Care providers & Non-Profits on PSH, maintain SAHT cash resources to fund Operation/Supportive Services Reserves for PSH, establish multifamily new construction criteria promoting site selection, equity, digital access, tenant protections, increased accessibility, universal design, and sustainability features, prioritize use of publicly owned land to build permanent affordable housing, identify and acquire property suitable for future redevelopment (Inclusive Housing, multifamily Land Trusts, or PSH), and leverage SAHT funding for "Green or UD" Grants.

Objective 4 - Support Neighborhood Preservation Efforts has 2 key results including, making meaningful contributions towards 5-year SHIP Multifamily Homeownership Preservation and establish two community land trusts or community coops to prevent displacement & support homeownership (up to 120% AMI). Examples of supporting strategies include, prioritize community-based partners interested in establishing CLT in communities at risk of displacement, consider increasing organizational capacity to implement SAHT Single Family Land Trust impacted by our supported development, prioritize infill housing and acquisition/rehab programs for targeted populations, and leverage CLT activities with City sponsored rehab efforts.

Objective 5 - Invest in SAHT's Capacity to Grow has 6 key results including, identifying annual stream of additional corpus investment to grow Trust Fund, establishing financial & investment Policy, increasing staff capacity & expertise to achieve 5 Year Plan objectives, develop staff training plans, create a succession plan, and adopting an organizational operating system evidenced by setting and monitoring goals. Examples of supporting strategies include, utilizing Corpus for guarantees or reserves for SAHT initiatives, pursuing additional SAHT owned housing opportunities to build long term equity, leveraging long term streams of income to capitalize funding for SAHT initiatives, and establishing new creative programming that the City can invest in with Bond Funding.

Objective 6 - Engage in Advocacy at Local, State, and Federal Level has 4 key results including, increased revenue and resources for our local housing eco-system, policy makers are better informed about tools/resources needed for SA to house its residents, board members have a more sophisticated understanding of complex financing tools, and SAHT has increased organizational capacity to monitor legislative actions & prepare educational materials. Examples of supporting strategies include, investing time and resources to educate Board Members on SAHT Tools, SAHT & Board become more active in federal/state/local policy discussions, actively participate in housing industry groups (i.e., TAAHP), facilitate needs assessment, research best practices, and provide support for studies to inform legislative actions and funding decisions, support City on

educating on tax policy, and Medicaid expansion with manage care organizations, and Housing Choice Vouchers (HCV's).

SAHT's Vitals, what the Trust will measure throughout the next 5 years, consists of measuring the total number of multifamily units properties preserved, total number of multifamily units on properties added, total number of multifamily units placed in service, total number of multifamily units in construction, number of PSH units produced for persons experiencing chronic homelessness, total number of land parcel acquired and placed in Land Bank, amount of funding for community land trust(s), amount of grants or loan funds awarded, and the amount of tax exempt bonds issued.

Rachell Hathaway recommended Pete move Objective 5- Invest in SAHT's Capacity to Grow, up to Objective 2, due to the importance of having additional staff to accomplish the goals of the Strategic Plan.

Councilman John Courage recommended to Pete and staff a dashboard to review the metrics that the board can review every month.

Councilwoman Phyllis Viagran expressed her support for Objective 1- Clarify the SAHT's Role in our Local Housing System. Councilwoman Viagran stated Objective 1 should be prioritized.

Councilman Jalen McKee-Rodriguez asked Pete if the Strategic Plan final draft will be shown to the stakeholders and any individuals that provided their input on the survey for the Strategic Plan. Pete stated he would talk with Mission Matters on possibly releasing the Strategic Plan to the survey participants and the community.

NO ACTION TAKEN.

7. BRIEFING AND DISCUSSION ON THE FISCAL YEAR 2023 PRELIMINARY BUDGET.

Pete Alanis briefed to the board about the approach to operating priorities for the preliminary budget for fiscal year (FY) 2023. SAHT staff is presenting the preliminary budget to the board for their input before presenting the final budget proposal at the next Foundation meeting on September 16, 2022. SAHT proposes an increase of staff (5 to 7) to add Director of Asset Management and Support positions, a cost of living adjustment for staff positions (excluding the Executive Director), aligning compensation for 3 Director Positions, increasing operating reserves per existing Reserve Policy which includes rental expenses if staff elects to proceed with headquarters renovation, continuing asset financial and compliance monitoring for the growing list of assets, and budget document management software to track our list of growing assets.

SAHT's Operating Budget proposes a 57% increase from FY 2022, bringing the FY 2022 budget of \$1.04 million to \$1.62 million for FY 2023. The FY 2023 Operating Reserve is \$813,000 up from \$519,000 in the FY 2022. This accounts for 50% of the operating budget that goes into reserves. FY 2023 Operating Revenues from the PFC and FC into the Foundation are down \$1.43 million from \$2.33 million in FY 2022. SAHT is projecting an overall net loss of \$197,000. The cash projection for FY 2023 shows the Foundation will have just over \$2 million in cash plus \$813,688 in required reserves. Finance and Audit Committee recommends to the board reducing the cost of living to align with the City's 7% COLA increase, staff researching rentable space for growing staff versus expending funds on renovating the current property, and staff conducting a current property appraisal.

Jordan Ghawi expressed his support for SAHT to increase staff to support our current assets and assets that SAHT could acquire in the future.

Councilman John Courage asked Pete how long the Foundation will have to take a 25% Revenue Fee from the PFC and FC due to the possibility of the Foundation revenues increasing in the future and requested a 3 to 5 year forecast for the Foundation.

NO ACTION TAKEN.

8. THE BOARD OF DIRECTORS FOR THE SAN ANTONIO HOUSING TRUST FOUNDATION MAY CONVENE INTO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 CONSULTATION WITH ATTORNEY AND 551.076 RELATED TO SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY.

Vice President Jane Paccione convened The San Antonio Housing Trust Foundation into Executive Session at 3:31 p.m. to discuss Item Number 8.

Executive Session. The San Antonio Housing Trust reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), and 551.087 (economic development). ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED ON IN OPEN SESSION.

Vice President Jane Paccione reconvened the San Antonio Housing Trust Foundation into open session at 3:47 p.m. No action was taken during Executive Session.

NO ACTION TAKEN.

9. ADJOURNMENT

Vice President Jane Paccione adjourned the meeting. There being no further business, the meeting adjourned at 3:48 p.m.