AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
will be held at Municipal Plaza B Room
114 W Commerce St., San Antonio, TX 78205
and virtually via ZOOM:
https://us02web.zoom.us/j/88401956022?pwd=d0JETE0xcmUrZThSanpkUDZqeTZ2Zz09
DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 884 0195 6022 PASSWORD: 882001
On Friday, March 17, 2023, beginning at 2:00 p.m.

NOTICE: *A quorum of the board of directors will be physically located at 114 W Commerce St., San Antonio, TX 78205 at 2:00 p.m. One or more of the Directors may attend this meeting by video conference pursuant to the requirements set forth in the Texas Open Meetings Act. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

NOTICE: *This meeting of the Board, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director.*

1. Call to Order and Roll Call.
2. Discussion and possible action to approve minutes of February 17, 2023.
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Briefing and presentation of the combined 5 Year Financial Forecast for the SAHT entities.
5. Resolution inducing the **Legacy Senior Residences** transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for Low Income Housing Tax Credits; and authorizing the negotiation and execution of a Memorandum of Understanding; and other matters in connection therewith.
6. Resolution inducing the **Pavilion at Culebra Apartments** transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for Low Income Housing Tax Credits; and authorizing the negotiation and execution of a Memorandum of Understanding; and other matters in connection therewith.
7. Resolution authorizing amendments for the **Liv at Westover Hills Apartments**, including restructuring the debt for the project, authorizing additional debt, authorizing the Sale of the Limited Partner Interest of Mission Development Group in the Partnership and related amendments to the amended and restated agreement of Limited Partnership and other project documents, and other matters in connection therewith.
8. Resolution authorizing amendments for the **St. John's Apartments**, including

restructuring the permanent debt for the project, authorizing additional debt, authorizing a loan from San Antonio Housing Trust Public Facility Corporation to the project in an amount not to exceed $500,000, authorizing amendments to the amended and restated agreement of Limited Partnership and other project documents, and other matters in connection therewith.

9. Briefing and presentation on Legislative Priorities for the PFC related to the ongoing 2023 Texas Legislative Session

10. **Executive Session**: The San Antonio Housing Trust will be meeting in Executive Session pursuant to Texas Government Code Sections 551.072 Real Estate and 551.071 Consultation with Attorney to receive advice and deliberate and discuss the acquisitions of parcels of property for purpose of future affordable, sustainable multifamily development.

    a. Reconvene into open session and discussion and possible action related to any items discussed in Executive Session including a Resolution approving budget amendments for the San Antonio Housing Trust Public Facility Corporation for the fiscal year 2023 for various expenditures related to professional fees

***Executive Session**

The San Antonio Housing Trust Public Facility Corporation 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), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development). *ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED ON IN OPEN SESSION*

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY 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), Jane Paccione, Jordan Ghawi

Attendance by Other Elected or Appointed Officials: It is possible that members City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of any other boards, commissions and/or committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or take action on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretative services must be made 48 hours prior to this meeting. Please contact Nicole Collazo, for concerns or requests, at (210) 735-2772 or FAX (210) 735-2112.

San Antonio Housing Trust Public Facility Corporation
Agenda Item 2

This item includes the approval of minutes from the **February 17, 2023**, meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES

DATE: February 17, 2023

TIME AND PLACE: The Public Facility Corporation met in session at 2:03 p.m., via Zoom and in person at 114 W Commerce, San Antonio, TX 78205.

PRESENT: Councilwoman Adriana Rocha, Mark Carmona, Councilwoman Teri Castillo, Councilwoman Phyllis Viagran, Jordan Ghawi, Rachell Hathaway, Councilman John Courage, Marinella Murillo, Jane Pacione and Councilman Jalen McKee-Rodriguez.

ABSENT: Antoinette Brumfield and Eric Cooper.

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust Foundation.; Nicole Collazo- Director of Operations San Antonio Housing Trust Foundation; Tom Roth- Director of Development San Antonio Housing Trust Foundation; Jessica Kuehne- Director of Asset Management San Antonio Housing Trust Foundation.; John Hernandez- Senior Asset Manager San Antonio Housing Trust Foundation; Lauren Bejaran- Sr. Administrative Assistant San Antonio Housing Trust Foundation; Ruben Lizalde- D3; Edward Muniga- D4; Ileana Sandoval- D9; Summer Greathouse- Attorney Bracewell; Clarissa Rodriguez- Attorney DNRBZ; Avis Chaisson- Executive Director Palladium USA #8; Ryan Wilson- Franklin Development; Jose Gonzales- Alamo Community Group; Nikisha J. Baker- President and CEO SAMMinistries.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by President Adriana Rocha Garcia and roll call was called by Lauren Bejaran.

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF JANUARY 20, 2023.**
Councilman John Courage motioned, and Councilwoman Phyllis Viagran seconded for approval of the January 20, 2023, minutes with the noted corrections.
AYES: 7
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. **RESOLUTION INDUCING THE ELLISON APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION**

AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.
Pete Alanis briefed to the board about the 4% LIHTC Lincoln Ave Capital partnership project, Ellison Apartments.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilwoman Teri Castillo seconded to approve Item #4 for the Ellison Apartments transaction.
AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

5. **RESOLUTION INDUCING THE CATTLEMAN SQUARE LOFTS APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.**
Pete Alanis briefed to the board about the Cattleman Square Apartments, a 138-unit new construction 4% bond development partnership project with Alamo Community Group.

MINUTES COMMISSION ACTION:
Councilwoman Teri Castillo motioned, and Councilman John Courage seconded to approve Item #5 for the Cattleman Square Lofts Apartments.
AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

6. **RESOLUTION INDUCING THE WINSTON SQUARE/ROSELAWN APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.**
Pete Alanis briefed to the board on the Pico Union Partnership Project, the Winston/Roselawn Apartment transaction.

MINUTES COMMISSION ACTION:
Councilwoman Teri Castillo motioned, and Councilwoman Phyllis Viagran to approve Item #6 for The Winston Square/Roselawn Apartments.
AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

7. **RESOLUTION INDUCING THE PECAN MANOR/SPANISH SPUR APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAXPAGE CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed to the board on the Pico Union Partnership Project, the Pecan Manor/Spanish Spur Apartments.

MINUTES COMMISSION ACTION:

Councilwoman Phyllis Viagran motioned, and Councilwoman Teri Castillo seconded to approve Item #7 for the Pecan Manor/Spanish Spur Apartments.

AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

8. **RESOLUTION INDUCING THE PALLADIUM CRESTWAY APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed to the board on the Palladium Crestway Apartments, a 270-unit new construction partnership project with Palladium Group.

MINUTES COMMISSION ACTION:

Jordan Ghawi motioned, and Councilwoman Teri Castillo seconded to approve Item #8 for the Palladium Crestway Apartments.

AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

9. **RESOLUTION INDUCING THE LEGACY SENIOR RESIDENCES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed to the board that Item #9 for the Legacy Senior Residences will be moved to the March 17, 2023, SAHT PFC meeting.

NO ACTION TAKEN.

10. RESOLUTION INDUCING THE PAVILION AT CULEBRA APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.

Pete Alanis briefed to the board on Item #10, for the Pavilion at Culebra Apartments transaction.

MINUTES COMMISSION ACTION:

Jordan Ghawi motioned, and seconded Councilwoman Teri Castillo to tabled Item #10 Pavilion at Culebra Apartments to next month's board meeting.

AYES: 7
NAYS:
ABSTAINED:
THE MOTION PASSED.

11. ADJOURNMENT

President Adriana Rocha Garcia adjourned the meeting. There being no further business, the meeting adjourned at 2:45 p.m.

San Antonio Housing Trust Public Facility Corporation
Agenda Item 3

Public Comment

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.

To sign up for Public Comment please call 210-735-2772 24 hours prior to this meeting to place your name on the list.

Los oradores interesados tendrán 3 minutos cada uno para dirigirse a la Junta sobre temas de la agenda o asuntos relacionados con la política de vivienda; Se proporcionará un total de 15 minutos.

Para inscribirse en Comentario Público, llame al 210-735-2772 24 horas antes de esta reunión para incluir su nombre en la lista.

San Antonio Housing Trust Public Facility
AGENDA ITEM 4

BRIEFING AND PRESENTATION OF THE COMBINED 5 YEAR FINANCIAL FORECAST FOR THE SAHT ENTITIES.

SAHT staff has completed a Five-Year cash flow based on anticipated income and expenditures from all PFC and FC projects, as well as Foundation operations and activities. The chart below shows collectively all three entities and the combined cash flow with all potential income.

Staff separated the income into two categories of risk. The first is what we projected as regular cash inflows such as administrative fees, established cash flow, and other sources that have been earned. The second are sources are considered unearned revenue such as developer fees, deferred fees which are dependent on the performance of the development partner to construct and stabilize an asset.

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST CONSOLIDATED
5-YEAR CASH PROJECTION

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	5-Year Total
Beginning Cash Balance	**$ 12,444,172**	**$ 14,538,678**	**$ 13,678,501**	**$ 12,944,956**	**$ 12,628,944**	**$ 12,444,172**
Cash Inflows - Projected Fee Income	6,086,426	1,887,811	2,213,461	2,999,304	2,460,768	15,647,769
Cash Outflows - Projected Expenses	(3,991,920)	(2,747,988)	(2,947,005)	(3,315,316)	(3,429,253)	(16,431,482)
Ending Cash Balance	**$ 14,538,678**	**$ 13,678,501**	**$ 12,944,956**	**$ 12,628,944**	**$ 11,660,460**	**$ 11,660,460**
Potential Additional Fee Income*	**7,517,196**	**3,998,207**	**4,981,558**	**5,337,520**	**3,548,492**	**25,382,974**
Potential Additional Administrative Fee Expense	**(1,020,062)**	**(847,973)**	**(854,973)**	**(1,208,842)**	**(709,698)**	**(4,641,548)**
Adjusted Ending Cash Balance	**$ 21,035,813**	**$ 23,325,869**	**$ 26,718,910**	**$ 30,531,576**	**$ 32,401,885**	**$ 32,401,885**

Takeaways:

- As a whole, SAHT is in a solid financial cash position
- Financial Position will get stronger as we continue to close on more projects
- Cash flow model can show the fiscal impact to long term cash flow.
- Cash flow model can assist Board with making operating and programmatic expenditure decisions
- Staff can develop a cash investment strategy to maximize the interest returns on available cash.

San Antonio Housing Trust Public Facility
Agenda Item 5

RESOLUTION INDUCING THE LEGACY SENIOR RESIDENCES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

Background

In September 2022, the PFC board approved a non-binding inducement resolution for the 4% LIHTC project Legacy Senior Apartments located at 6211 S. New Braunfels Avenue, San Antonio, TX 78223 in Council District 3. The project was awarded a $50M allocation of private activity bonds by the Texas Bond review Board and has submitted a 4% LIHTC application with the Texas Department of Housing and Community Affairs and will need to close on the financing by July 30, 2023

Property Information

As currently proposed, the development will include one and two-bedroom apartment homes for older adults earning from 30% up to 60% of AMI. See the below targeted unit mix and bedroom sizes. The unit mix will assist the city in meeting SHIP goals and SAHT affordability targets.

Unit Mix & Affordability			
	30% AMI	60% AMI	Total
1 Bedroom	6	45	51
2 Bedroom	12	117	129
Total	**18**	**162**	**180**

The Legacy Senior Apartments will include an on-site manager and maintenance staff, secured access entry, community room with serving kitchen, computer room with free Internet access, theatre room, fitness center with age-appropriate equipment, interior mail room, swimming pool, veranda with patio seating and outdoor grills stations, dog park, carports for rent, and ample parking for residents and guests.

Beacon Management will be providing tenant counseling as well as facilitating on-site health clinics to promote resident well-being, financial education, activities that include arts & crafts, and potlucks. These services will be provided through local providers within the community and be available at no cost to residents.

The developer has committed to work with the architect and design team to institute Universal Design that will exceed the City of San Antonio's Universal Design (Visit-ability) Ordinance. The project will also participate with Energy Star Multifamily National Program.

The building design will include 10% of the units being accessible for mobility, visual, and hearing impaired. Two elevators will provide the access needed to all floor, making each unit visitable. Legacy will be an **all-electric** building with Energy Star rated appliances. The development team is reviewing the various programs and certifications available.

Development Team

Cornerstone Housing Group has developed more than 2000 units in 40 properties located in 9 states. While most of the projects are less than 80 units, they most recently closed financing on three developments between 122 and 199 units each.

The project development team identified Beacon Management as Property Manager who has decades of experience in affordable housing, currently managing 25 properties totaling 1,300 units. They will make other development team selections later in the process.

Site Information

The 7.93-acre vacant property is located north Brooks City Base near the Texas State Hospital campus as well as near SAHT's Copper Point and Greenline North developments. The vacant land is zoned MF-25 which allows multi-family development with a density of 25 units per acre. A small creek bisects the property requiring a multiple building design.

The site is supported by frequent Via Transit along the #36 and #20 routes, a 20-minute ride to downtown San Antonio and 8 minutes to Brooks Transit Center. The property is also across from Pytel Park.

Financial Considerations:

The project is anticipated to be a $43.6M project. The project was awarded a $50 Million reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. The transaction will be funded with $50M in private activity bonds issued by SAHTPFC and 4% LIHTCs issued by TDHCA. The project will also require a 100% Sales and Property Tax Exemption through the PFC being part of the Tax Credit Partnership.

The project currently has $6.7M funding gap. The developer will be applying to COSA for an estimated $2.5M housing bond allocation and will seek $4.2M request to TDHCA for National Housing Trust Funds.

SAHT is anticipated to receive the following:

- 1% Bond Issuance Fee (est. $500,000)
- 40% of Development/Deferred fee

- $50/unit Annual Bond Fee
- 50% of cash flow after Deferred Development Fees
- 25% of the sales tax savings

Recommendation:

Staff recommend approving Inducement resolution to support the Legacy Senior Residences.

Attachment:

- Resolution

LEGACY SENIOR RESIDENCES
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 March 17, 2023 (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 INDUCING THE LEGACY SENIOR RESIDENCES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; 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 March 17, 2023.

_____
Nicole Collazo, Assistant Secretary

RESOLUTION INDUCING THE LEGACY SENIOR RESIDENCES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Council of the City of San Antonio, Texas (the "City"), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the San Antonio Housing Trust Public Facility Corporation, a nonstock, nonprofit public facility corporation ("SAHTPFC");

WHEREAS, SAHTPFC, on behalf of the City, is empowered to finance the costs of public facilities that will provide decent, safe, and sanitary housing at affordable prices for residents of the City;

WHEREAS, Legacy-San An New Braunfels, LP, a Texas limited partnership (the "Partnership"), and SAHT Legacy GP, LLC, a Texas limited liability company and its general partner (the "General Partner"), have been formed to acquire and construct an approximately 180-unit multifamily housing facility (the "Housing Facility") to be located at approximately 6211 S. New Braunfels Avenue, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, 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, and (iii) serve as the general contractor for the Project;

WHEREAS, this Resolution shall constitute SAHTPFC's preliminary, non-binding commitment, subject to the terms hereof, to proceed;

WHEREAS, SAHTPFC and the Partnership or an affiliate or affiliates thereof will define their mutual relationship in a Memorandum of Understanding (the "MOU");

WHEREAS, the Partnership has also requested that SAHTPFC issue its Multifamily Housing Revenue Bonds (Legacy Senior Residences) Series 2023 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, Cornerstone Housing Group, LLC (the "Developer"), on behalf of the Partnership, has applied or will simultaneously herewith apply for low-income housing tax credits (the "LIHTCs") from the Texas Department of Housing and Community Affairs ("TDHCA");

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the General Partner and/or SAHTPFC will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (the "TDHCA Documents");

WHEREAS, the Partnership will contribute equity to the construction of the Project, which will be contributed by a limited partner to be determined at a later date (the "Equity Financing");

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans ("Subordinate Loans");

WHEREAS, the Board of Directors of SAHTPFC (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. Subject to the terms hereof, the SAHTPFC agrees that it will:

(a) cooperate with the Partnership with respect to the Project, and, if arrangements therefor satisfactory to the Partnership and SAHTPFC can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the Partnership or SAHTPFC in connection with the Project (collectively, the "Contracts"), providing among other things for financing, acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project, all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Corporation and the Partnership; and

(b) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

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 Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, 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, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. 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 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

(a) the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHTPFC and the City against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHTPFC or the City).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. **Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHTPFC reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHTPFC shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHTPFC whatsoever as a result of any decision by SAHTPFC not to enter into the proposed transaction.**

Section 6. The Board authorizes the negotiation and execution by any officer(s) of the Board of the MOU setting forth the details of the Project.

Section 7. 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 8. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHTPFC for this transaction.

Section 9. 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 and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. 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 11. 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 12. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 13. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility
Agenda Item 6

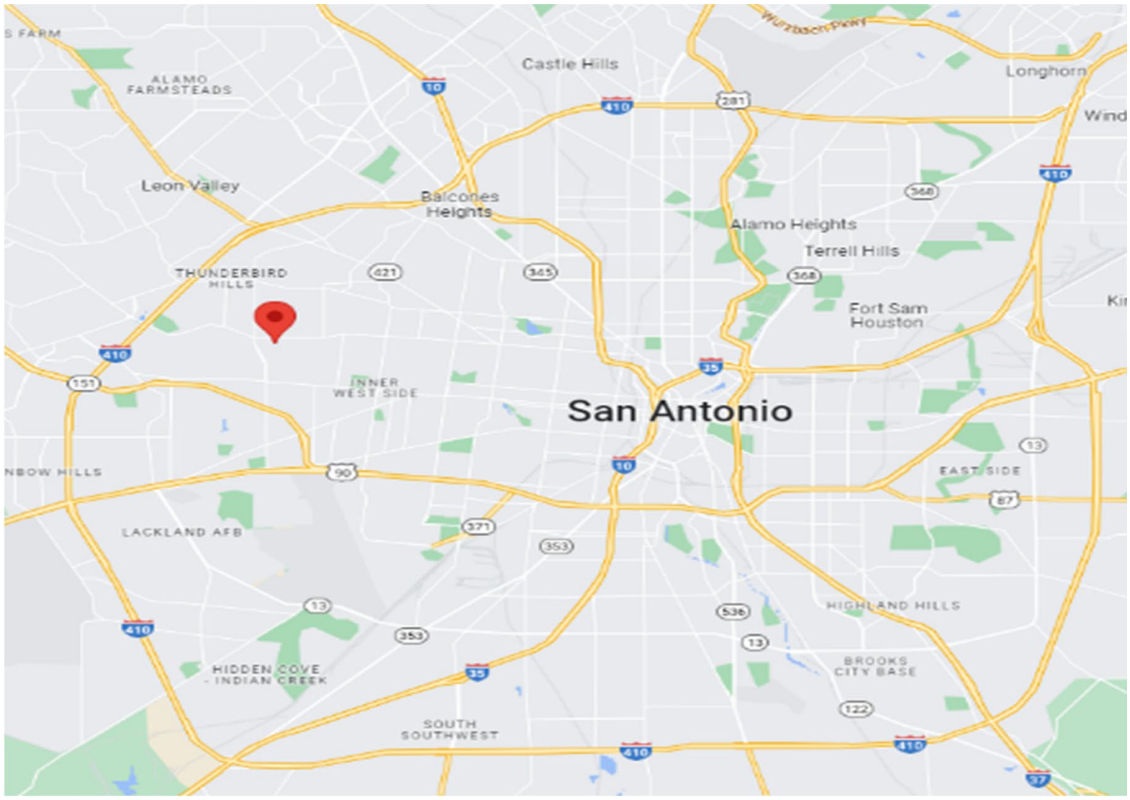
RESOLUTION INDUCING THE PAVILION AT CULEBRA APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

Background

Tirol Housing, LLC developer of the Pavilion at Culebra received an inducement resolution from ***Bexar County Housing Finance Corporation*** for a $28.5M reservation of Private Activity Bonds. On January 12, 2023, the project was awarded the $28.5M bond allocation from the Texas Bond Review Board (TBRB). The developer has filed an application with TDHCA for 4% Low Income Housing Tax Credits. The financing for this project must close by July 11, 2023. The developer has requested that SAHT PFC participate in the transaction as the general partner.

Property Information:

The 199-unit garden style development is located 6.96-acre parcel located at 4740 & 4742 Culebra Road between Mira Vista and El Centro Street in council District 5.



The project originally proposed all 199 units at the 60% AMI level. Staff indicated our desire to require deeper affordability.

The revised unit mix and affordability structure is indicated below:

Unit Mix & Affordability			
	30% AMI	60% AMI	Total
1 Bedroom	9	79	88
2 Bedroom	9	79	88
3 Bedroom	3	20	23
Total	**21**	**178**	**199**

Development Team:

The developer is Tirol Housing, LLC which is based in Portland, Oregon was established in 2007. The organization, through their affiliate Pavilion Construction has completed over 100 multifamily projects (68 which were affordable) containing over 6,000 units. The organization has completed projects in Washington, Oregon, New Mexico, and Texas. The property will be professionally managed by Greystar Management, an experienced third-party management firm. Pavilion Construction will be the GC and has secured HEDK Architects along with Westwood Civil Engineers.

Site Information:

The development is a garden style 3-story walk up design. The property will be fully gated and include the following amenities:

- Swimming pool
- Playgrounds
- Clubhouse with exercise room, computer room, activity center
- Units will be internet/cable ready
- Energy star rated appliances and washer/dryers in each unit

The developer has committed to increasing the number of accessible units for mobility, visual, and hearing impaired from the required 5%/2% to 10%/4%.

The developer has obtained title to the land which is properly zoned MF 33. The site has good access to highway connectors and services along Culebra Road. There is a Via bus stop on the frontage road in front of the property along Culebra Road. The property is serviced by the San Antonio Independent School District.

Financial Considerations:

Total development cost is estimated at $42.2M. The project at all 60% AMI was not projecting a financial gap. With the PFC requiring 10% of units at 30% AMI. There is a projected funding gap of $1.8-$2.0M. The developer plans to apply to securing $1.5 million in COSA affordable housing bond funds, and $700k in fee waivers.

SAHT is anticipated to receive the following:

- 40% of Development/Deferred fee (estimated at $1,920,000)
- 50% of cash flow after Deferred Development Fees
- 25% of the sales tax savings

Recommendation:

Staff recommends approving Inducement resolution to support the Pavilion at Culebra Apartments.

Staff also recommends that the PFC move forward with the partnership at the 100% units at 60% AMI level, if the project is unable to secure soft funding due to the 30% AMI requirements.

Attachment:

- Resolution

PAVILION AT CULEBRA 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:

3. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on March 17, 2023 (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 INDUCING THE PAVILION AT CULEBRA APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; 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 March 17, 2023.

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Nicole Collazo, Assistant Secretary

RESOLUTION INDUCING THE PAVILION AT CULEBRA APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Council of the City of San Antonio, Texas (the "City"), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the San Antonio Housing Trust Public Facility Corporation, a nonstock, nonprofit public facility corporation ("SAHTPFC");

WHEREAS, SAHTPFC, on behalf of the City, is empowered to finance the costs of public facilities that will provide decent, safe, and sanitary housing at affordable prices for residents of the City;

WHEREAS, Culebra Road Apartments, L.P., a Texas limited partnership (the "Partnership"), and Culebra Road Apartments GP, LLC, a Texas limited liability company and its general partner (the "General Partner"), have been formed to acquire and construct an approximately 199-unit multifamily housing facility (the "Housing Facility") to be located at approximately 4740 Culebra Road, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, 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, and (iii) serve as the general contractor for the Project;

WHEREAS, this Resolution shall constitute SAHTPFC's preliminary, non-binding commitment, subject to the terms hereof, to proceed;

WHEREAS, SAHTPFC and the Partnership or an affiliate or affiliates thereof will define their mutual relationship in a Memorandum of Understanding (the "MOU");

WHEREAS, the Partnership has also requested that Bexar County Housing Finance Corporation issue its Multifamily Housing Revenue Bonds (Pavilion at Culebra Apartments) Series 2023 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, Tirol Housing, LLC (the "Developer"), on behalf of the Partnership, has applied or will simultaneously herewith apply for low-income housing tax credits (the "LIHTCs") from the Texas Department of Housing and Community Affairs ("TDHCA");

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the General Partner and/or SAHTPFC will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (the "TDHCA Documents");

WHEREAS, the Partnership will contribute equity to the construction of the Project, which will be contributed by a limited partner to be determined at a later date (the "Equity Financing");

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans ("Subordinate Loans");

WHEREAS, the Board of Directors of SAHTPFC (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. Subject to the terms hereof, the SAHTPFC agrees that it will:

(a) cooperate with the Partnership with respect to the Project, and, if arrangements therefor satisfactory to the Partnership and SAHTPFC can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the Partnership or SAHTPFC in connection with the Project (collectively, the "Contracts"), providing among other things for financing, acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project, all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Corporation and the Partnership; and

(b) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

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 Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, 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, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. 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 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHTPFC and the City against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHTPFC or the City).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHTPFC reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHTPFC shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHTPFC whatsoever as a result of any decision by SAHTPFC not to enter into the proposed transaction.

Section 6. The Board authorizes the negotiation and execution by any officer(s) of the Board of the MOU setting forth the details of the Project.

Section 7. 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 8. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHTPFC for this transaction.

Section 9. 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 and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. 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 11. 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 12. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 13. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility
Agenda Item 7

RESOLUTION AUTHORIZING AMENDMENTS FOR THE LIV AT WESTOVER HILLS APARTMENTS, INCLUDING RESTRUCTURING THE DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING THE SALE OF THE LIMITED PARTNER INTEREST OF MISSION DEVELOPMENT GROUP IN THE PARTNERSHIP AND RELATED AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, AND OTHER MATTERS IN CONNECTION THEREWITH

Background
Liv at Westover Hills is a 197 unit 4% LIHTC development located at 9015 Ingram Road in Council District 6. The property, placed in service in ***July of 2020*** is designed to serve older adults ages 62 years and older. The project has 9 units at 30% AMI, 129 units at 60% and 59 unrestricted market units.

SAHT staff have been working with representatives from Mission DG and The Eenhoorn Group to facilitate a sale of Mission DG's Special Limited Partnership (SLP) in the LIV at Westover Hills.

- During construction, the project encountered cost overruns
- The project had challenges during lease up due to the Covid pandemic
- To sustain the project, the Tax Credit Investor (AHP) made a $495,000 loan to the partnership at 10%
- Mission DG, Ltd. also made a loan of $380,000 at 0% to cover the cost overruns
- Final tax credit equity installments have not been funded due to stabilizing delays
- The $1.3M operating deficit reserve has been depleted due to ongoing operating deficits
- Mission DG has funded ongoing operating deficits of approximately $782,575.

Mission DG has acknowledged that they can no longer continue to fund operating deficits and do not have the expertise to oversee effective management of the asset. To that end, Mission DG retained brokerage services to market the sale of its SLP interest.

The Eenhoorn Group was selected and negotiated a $2.6M sale. They are an experienced real estate development and management company based at of Grand Rapids, MI. They have extensive experience running LIHTC senior communities. Eenhoorn, SAHTPFC and the ILP are still finalizing the terms of the transaction. However, below is the general structure:

1. At closing, $1.3M of the purchase price will be reinvested to replenish the depleted Operating Deficit Reserve. This will be an interest free loan to the partnership from Eenhoorn. The loan will be repaid in year 15 or earlier.
2. At closing, the existing $495k loan from AHF currently $567k w/interest will be paid in full

by Eenhoorn which will be in the form of a 0% loan to the LIHTC Partnership repaid with DF/cash flow.

3. SAHT PFC (GP) will receive a preferred payment of $15,000 per year before/until the loan is repaid.
4. Partnership will cover SAHT PFC's federal tax return and state franchise tax return up to $2k per year.
5. Ensure AHP consents to sale of the property after year #15 increases SAHTPFC's share of the cash flow to 50% (from 40%) and increase SAHTPFC's share of future net sale/refi to 10.01% rather than the current .01%.

Fiscal Impact

The original estimate of revenues from this project was approximately $3.55 million over 15 years from projected developer fee and cash flow. However, due to the performance of the asset, staff did not assign a revenue forecast until the project was stabilized. So, the current cash flow model presumed the project would not receive revenues over the next five years.

The estimated revenues as a result of this sale and workout plan is valued at just over $1 million for the remainder of the 15 year term. Upon closing, staff will amend our cash flow projection through 2027.

Recommendation:

Staff recommends approving resolution authorizing the sale of interest for Liv at Westover Hills Apartments.

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:

In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on March 17, 2023, (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 AMENDMENTS FOR THE LIV AT WESTOVER HILLS APARTMENTS, INCLUDING RESTRUCTURING THE DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING THE SALE OF THE LIMITED PARTNER INTEREST OF MISSION DEVELOPMENT GROUP IN THE PARTNERSHIP AND RELATED AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, 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.

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 San Antonio Housing Trust Public Facility Corporation.

SIGNED March 17, 2023.

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Nicole Collazo, Assistant Secretary

RESOLUTION AUTHORIZING AMENDMENTS FOR THE LIV AT WESTOVER HILLS APARTMENTS, INCLUDING RESTRUCTURING THE DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING THE SALE OF THE LIMITED PARTNER INTEREST OF MISSION DEVELOPMENT GROUP IN THE PARTNERSHIP AND RELATED AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Westover Hills P3, LP, a Texas limited partnership (the "Partnership") owns and operates the LIV at Westover Hills Apartments located at 9015 Ingram Road (the "Project") in partnership with San Antonio Housing Trust Public Facility Corporation ("SAHTPFC"), which is the sole member of the general partner of the Partnership;

WHEREAS, to finance the construction of the Project, the Partnership and certain of its partners entered into various documents in connection with the construction of, debt and equity financing for, and operation of the Project including without limitation, loan agreements, promissory notes, security agreements, guaranty agreements, partnership and limited liability company agreements, leases, construction contracts and other related documents (collectively, the "Project and Financing Documents");

WHEREAS, in order to facilitate the continued operation of the Project pursuant to the Project and Financing Documents, The Eenhoorn Group ("Eenhoorn") has offered to purchase the limited partner interest of Mission Development Group in the Partnership along with certain other rights of Mission Development Group associated with the Project (the "Partnership Interest Sale");

WHEREAS, in order to facilitate the continued operation of the Project pursuant to the Project and Financing Documents, Eenhoorn will invest additional money into the Project in the form of capital contributions and/or loans (the "Additional Funds");

WHEREAS, in connection with Eenhorn contributing the Additional Funds, the Project and Financing Documents will be amended to reflect the contribution and repayment terms associated therewith;

WHEREAS, in order to facilitate the continued operation of the Project, the Partnership has requested SAHTPFC (i) obtain a loan from Eenhoorn or one of its affiliates or designees in an amount not to exceed $300,000 (the Eenhoorn Loan") and (ii) make a subordinate loan to the Partnership in a like amount as the Eenhoorn Loan (the "SAHTPFC Loan", and collectively with the Eenhoorn Loan, the "Loans");

WHEREAS, in connection with the Loans, the Partnership, General Partner and/or SAHTPFC will be required to enter into certain agreements, including but not limited to loan agreements, promissory notes, deeds of trust, security agreements, and varies collateral assignments, estoppels and certificates (collectively for each of the Eenhoorn Loan and the SAHTPFC Loan, the "Loan Documents");

WHEREAS, to finance the construction of Project, the Partnership raised equity through the sale of low-income housing tax credits and in connection therewith entered into an Amended

and Restated Agreement of Limited Partnership and other ancillary documents (collectively, the "Partnership Agreement");

WHEREAS, the Partnership Agreement sets forth certain terms, including without limitation regarding the payment of fees and distributions to the various partners of the Partnership, which will be amended in connection with the Partnership Interest Sale and contribution of the Additional Funds (the "Partnership Agreement Amendment");

WHEREAS, the Partnership and Eenhorn have requested to modify and amend the Project and Financing Documents and enter into any additional documents necessary to, among other things, restructure the debt, incur additional indebtedness, obtain and make the Loans and authorize the Partnership Agreement Amendment and otherwise facilitate the continued operation of the Project (collectively, the "Amendment Documents");

WHEREAS, the Board of Directors of SAHTPFC (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 transactions necessary to consummate modifications to the debt and equity structures and the Partnership Interest Sale (collectively, the "Amendments") and to authorize the Loans;

WHEREAS, the 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 Loans, the Loan Documents, the Amendments and the Amendment Documents are hereby authorized and approved.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute the Loan Documents and the Amendment Documents and any and all other documentation required to achieve the foregoing purposes, whether on behalf of SAHTPFC or the general partner of the Partnership.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, 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, 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 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. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to SAHTPFC for this transaction.

Section 6. 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 7. 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 8. 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 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 10. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility
Agenda Item 8

RESOLUTION AUTHORIZING AMENDMENTS FOR THE ST. JOHN'S APARTMENTS, INCLUDING RESTRUCTURING THE PERMANENT DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING A LOAN FROM SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO THE PROJECT IN AN AMOUNT NOT TO EXCEED $500,000, AUTHORIZING AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, AND OTHER MATTERS IN CONNECTION THEREWITH.

Background

The St. John is a 228 unit 4% LIHTC project placed in service in June 2020 and located at 222 E. Mitchell Dr. in Council District 3. The project is a partnership with Mission DG that was financed with private activity bonds issued by SAHTPFC, conventional debt, and regular and historic tax credits. The project has 9 units at 30% AMI, 167 units at 60% and 52 unrestricted market units.

The project was initially structured as a HUD FHA 221(d)(4) construction to perm financing execution. However, the Archdiocese of San Antonio, which owns the land, would not agree to subordinate the land lease to the HUD FHA mortgage. This required the Mission DG to use *conventional construction financing* which would be retired by a permanent mortgage and the final installments of the tax credit equity.

However, operations were negatively impacted by the Covid 19 pandemic which prevented the property from stabilizing necessary to obtain the final two installments of tax credit equity. Mission DG pursued permanent financing through Freddie Mac. Unfortunately, the delays in stabilization also coincided with a significant rise in interest rates which *reduced* the amount of permanent financing.

Mission DG has secured a commitment from Freddie Mac for $22,661,000. However, $3.0M of the loan amount will be held back until property operations improve. The project will have 1 year to achieve the earn out provisions for the $3.0M. Below is the projected sources and uses:

IBC Loan payoff	$26,000,000
Estimated Closing & Escrows	779,460
TOTAL USES	**$26,779,460**

Net Loan proceeds	$19,661,000
CPC Holdback Bridge	3,000,000
4th & 5th Equity Installments	1,056,064
42 Equity Loan (35% of CF)	1,236,000
MDG Loan (22.75% of CF	1,368,534
SAHT Loan (7% Int 42.75% of CF)	*500,000*

TOTAL SOURCES	**$26,779,460**

SAHT PFC loan is expected to get fully repaid by year 9. To close on the Freddie Mac loan, Mission DG will take out a mezzanine loan for $3.0M, which will be paid Freddie Mac releases the $3.0M hold back.

The project needs to convert to permanent mortgage ***before interest rates rise further***. Once the permanent loan closes and property operations are fully stabilized, the project will be able to start paying of the aforementioned subordinate loans and the deferred development fee.

Fiscal Impact

The original estimate of revenues from this project was approximately $3.75 million over 15 years from projected developer fees and cash flow. However, due to the performance of the asset, staff did not assign a revenue forecast until the project was stabilized. So, the current cash flow model presumed the project would not receive revenues over the next five years.

The estimated revenues as a result from the increases in interest rates and the loan necessary to convert to permanent financing is valued at just over $1.09 million for the remainder of the 15 year term. Note approximately $1.2 million in deferred fees will be owed to the Trust at year 15. This is due to priority loans from 42 Equity, PFC, and Mission DG needing to be paid off first from cash flow. Upon closing, staff will amend our cash flow projection through 2027.

Recommendation:

Staff recommends approving the resolution to authorize a loan to the partnership in an amount not to exceed $500,000 for the St. John's Apartments.

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:

In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on March 17, 2023, (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 AMENDMENTS FOR THE ST. JOHN'S APARTMENTS, INCLUDING RESTRUCTURING THE PERMANENT DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING A LOAN FROM SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO THE PROJECT IN AN AMOUNT NOT TO EXCEED $500,000, AUTHORIZING AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, 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.

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 San Antonio Housing Trust Public Facility Corporation.

SIGNED March 17, 2023.

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Nicole Collazo, Assistant Secretary

RESOLUTION AUTHORIZING AMENDMENTS FOR THE ST. JOHN'S APARTMENTS, INCLUDING RESTRUCTURING THE PERMANENT DEBT FOR THE PROJECT, AUTHORIZING ADDITIONAL DEBT, AUTHORIZING A LOAN FROM SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO THE PROJECT IN AN AMOUNT NOT TO EXCEED $500,000, AUTHORIZING AMENDMENTS TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP AND OTHER PROJECT DOCUMENTS, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, 222 Mitchell Redevelopment LP, a Texas limited partnership (the "Partnership") owns and operates the St. John's Apartments located at 222 East Mitchell Street (the "Project") in partnership with San Antonio Housing Trust Public Facility Corporation ("SAHTPFC"), which is the sole member of the general partner of the Partnership;

WHEREAS, to finance the construction of the Project, the Partnership and certain of its partners entered into various documents in connection with the construction of, debt and equity financing for, and operation of the Project including without limitation, loan agreements, promissory notes, security agreements, guaranty agreements, partnership and limited liability company agreements, leases, construction contracts and other related documents (collectively, the "Project and Financing Documents");

WHEREAS, in order to facilitate the continued operation of the Project pursuant to the Project and Financing Documents, CPC Mortgage Company LLC ("CPC") has issued a commitment to the Partnership pursuant to which they, as Freddie Mac Lender, will make a permanent loan in a principal amount not to exceed $25,000,000 (the "Permanent Loan") based upon a Freddie Mac Commitment under which the Federal Home Loan Mortgage Corporation ("Freddie Mac") will purchase the Permanent Loan;

WHEREAS, in order to facilitate the continued operation of the Project pursuant to the Project and Financing Documents, the Partnership will borrow additional money in an amount not to exceed $5,000,000 pursuant to one or more subordinate loans from various parties (the "Additional Subordinate Loans");

WHEREAS, in order to facilitate the continued operation of the Project, the Partnership has requested SAHTPFC make a subordinate loan to the Partnership in the approximate amount of $500,000 (the "SAHTPFC Loan");

WHEREAS, in connection with the Permanent Loan, the Additional Subordinate Debt and the SAHTPFC Loan, the Partnership, General Partner and/or SAHTPFC will be required to enter into certain agreements, including but not limited to loan agreements, promissory notes, deeds of trust, security agreements, and varies collateral assignments, estoppels and certificates (collectively for each of the Permanent Loan, the Additional Subordinate Loans and the SAHTPFC Loan, the "Loan Documents");

WHEREAS, to finance the construction of Project, the Partnership raised equity through the sale of low-income housing tax credits and in connection therewith entered into an Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement");

WHEREAS, the Partnership Agreement sets forth certain terms regarding the payment of fees and distributions to the various partners of the Partnership that will be amended in connection with the Permanent Debt and the Additional Subordinate Debt (the "Partnership Agreement Amendment");

WHEREAS, the Partnership and CPC have requested to modify and amend the Project and Financing Documents and enter into any additional documents necessary to, among other things, restructure the permanent debt, incur additional indebtedness and authorize the Partnership Agreement Amendment and otherwise facilitate the continued operation of the Project (collectively, the "Amendment Documents");

WHEREAS, the Board of Directors of SAHTPFC (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 transactions necessary to consummate the modifications to the debt and equity structures (collectively, the "Amendments") and to authorize the Permanent Loan, the Additional Subordinate Loans and the SAHTPFC Loan (collectively, the "Loans");

WHEREAS, the 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 Loans, the Loan Documents, the Amendments and the Amendment Documents are hereby authorized and approved.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute the Loan Documents and the Amendment Documents and any and all other documentation required to achieve the foregoing purposes, whether on behalf of SAHTPFC or the general partner of the Partnership.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, 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, 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 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. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to SAHTPFC for this transaction.

Section 6. 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 7. 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 8. 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 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 10. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility
Agenda Item 9

BRIEFING AND PRESENTATION ON LEGISLATIVE PRIORITIES FOR THE PFC RELATED TO THE ONGOING 2023 TEXAS LEGISLATIVE SESSION

Summary:
The San Antonio Housing Trust serves as a proactive leader that confronts these issues with greater education and advocacy for compassionate and equitable housing policy. To that end, the Trust is committed to help change the narrative and messaging around the value of equitable living opportunities, and support policies that incentivize or require the inclusion of housing for all in future developments that request or require public funding or resources.

Federal Legislative Policies:

- **Fix the mismatch between LIHTC & Section 8 Voucher Program.** Often tax credit units are higher than the rents at LIHTC properties. There should be a solution that provides automatic approval for the Section 8 Voucher Holder above FMR thresholds at LIHTC properties.
- **Scale up on our affordable housing programs** to ensure people with the lowest incomes have stable, accessible, and affordable homes. Historically, the private market cannot and will not build and operate homes that are deeply affordable to extremely low-income families**.**
- **Expand rental assistance programs** to make them universally available to all households. Our housing crisis highlighted a fundamental mismatch between growing housing costs and stagnant incomes for people with the lowest incomes.
- **Provide new housing vouchers and housing counselling services** to families with young children, helping them move to safe, affordable housing connected to well-performing schools, well-paying jobs, healthcare services, and transit.
- **Create universal rental assistance** for every eligible household, as part of the nation's safety net
- **Expand resources** to increase the supply of housing affordable to those with the greatest needs through the national Housing Trust Fund
- **Prohibit Source of Income Discrimination**
- Support comprehensive services and **intensive case management for homeless** individuals and families.
- Authorize additional funding to the **Public Housing Capital Fund** of the Department of Housing and Urban Development

State of Texas Legislative Session

- Provide meaningful property tax relief through **increased state funding for public education**, which reduces the burden on local taxpayers, and tax policies that target those most in need; and
- Empower local governments to **remove barriers to housing for low-income families** and increase the local affordable housing stock.
- Support **Medicaid expansion** to provide health insurance to low-income Texans

Specific PFC Related Legislation

HB 1556 (Rosenthal): *(Staff Partially Supports)*

Relating to requirements for beneficial tax treatment related to a leasehold or other possessory interest in a public facility used to provide affordable housing. Bill requires:

- minimum rent restrictions 50% Market; 25% at 80% AMI; 25% at 60% AMI
- 10% of units would be reserved for Section 8 Vouchers, if the project is in an area with good schools, higher income, and low poverty areas.
- Rent limits are all adjusted for family size.
- Rent capped at 80% AMI w/ utility allowances.
- Applicants must earn from 60%-80% AMI.
- Rent capped at 30% of 60% AMI w/ utility allowance.
- individual/family (applicant) must earn more than 60% AMI.
- Requires sponsor entity to establish goals & criteria.
- Requires PFC to issue an RFP.
- PFC Rehab projects must be "substantial" and no younger than 10 years.
- Addresses source of income discrimination.
- Caps standards that an individual's or family's share of the total monthly rent payable for an affordable housing unit does not exceed 250%
- Requires independent auditor compliance report.
- Requires submission of annual report to "TDHCA and Comptroller".

HB 2071/SB1278 *(Staff Partially Supports)*

Relating to certain public facilities used to provide affordable housing.

- MF Projects to be located within the jurisdictional boundaries of the sponsor entity.
- Sets criteria for an existing MF property acquired by a PFC to come into compliance within 1 year of acquisition.
- Amends the requirement for 80% AMI units to be adjusted for family size.
- Requires written notice to Mayor and School District President prior to acquisition.
- Sets a 15% of cost floor and rehab commencement date to acquisition rehab PFC projects.
- Establishes a minimum 10% of units at 60% AMI, unless
    - Majority of board members are elected officials, or
    - Project is approved directly by Municipality/County entity.
- Establishes affordability standards by family size or S8 Voucher standard.
- Project cannot refuse to rent to S8 Voucher holders & caps underwriting at 250% of family's share of total monthly rent.
- Requires affirmative marketing to S8 Voucher holders.
- Requires submission of 3rd party compliance audit to Chief Appraiser by April 1st of each year.
- Requires submission of certain documents and reporting information prior to initial occupancy or 30 days after acquisition of existing property.
- Tenant Organization acknowledgement
- Establishes Right to Renew Criteria
- Establishes a 120-day cure period for any non-compliance issue.

HB 3568*(Staff Partially Supports)*
Relating to increased affordability

SB 570 (House Bill also filed)
Relating to the taxation of a leasehold or other possessory interest in a public facility granted by a public facility corporation. *Repeal of* Section 303.042(f), Local Government Code, does not apply to a leasehold or other possessory interest granted before the effective date of this Act. *A leasehold or other possessory interest* granted before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose. Takes effect January 1, 2024.5

Other State Bills

SB 202 and HB 1344 *(Staff Supports)*
A bill that prohibits an increase in the rent before the end of a lease term of a tenant residing in a development supported with a low-income housing tax credit allocation. HUD provides the LIHTC program with new rent and income limits each year. Currently, property managers/owners of LIHTC properties can raise the rent prior to the end of the lease to align with the maximum allowable rents in the new year. This bill would end the practice of raising rents mid-lease.

SB 570 *(Staff Supports)*
Source of Income Discrimination. Source of income discrimination' refers to the practice of refusing to rent to a housing applicant because of that person's lawful form of income such as Social Security, Temporary Assistance for Needy Families (TANF), Emergency Housing Assistance, and Section 8 Housing Vouchers. Any actions to remove these barriers towards accepting these forms of payment will increase access to housing opportunities and reduce inequities in housing.

SB 325/HB 1058 *(Staff Supports)*
Relating to a franchise or insurance premium tax credit for certain housing developments.
The Low-Income Housing Tax Credit program has been one of the most successful affordable housing programs in US History. Tax Credits offset a dollar-for-dollar credit of an organizations federal tax liability. When the State of Texas awards tax credits to a housing development, the development sells those credits to corporations for cash equity coming into the project. This reduces the amount of debt required to finance a project; thus, the project can offer lower rents to lower income tenants. This bill appears to offer an additional tax credit through Insurance Premiums.

SB 1480 *(Staff Supports)*
Relating to the allocation of Low Income Housing Tax Credits.
This bill removes the prioritization of the cost per square foot from consideration by staff. Also removes the requirement for a LIHTC project not to be located within the same census tract as another LIHTC project.

San Antonio Housing Trust Public Facility
Agenda Item 10

***EXECUTIVE SESSION**: THE SAN ANTONIO HOUSING TRUST WILL BE MEETING IN EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.072 REAL ESTATE AND 551.071 CONSULTATION WITH ATTORNEY TO RECEIVE ADVICE AND DELIBERATE AND DISCUSS THE ACQUISITIONS OF PARCELS OF PROPERTY FOR PURPOSE OF FUTURE AFFORDABLE, SUSTAINABLE MULTIFAMILY DEVELOPMENT.*

A. RECONVENE INTO OPEN SESSION AND DISCUSSION AND POSSIBLE ACTION RELATED TO ANY ITEMS DISCUSSED IN EXECUTIVE SESSION INCLUDING A RESOLUTION APPROVING BUDGET AMENDMENTS FOR THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION FOR THE FISCAL YEAR 2023 FOR VARIOUS EXPENDITURES RELATED TO PROFESSIONAL FEES

The Public Facility Corporation is seeking to acquire one or more parcels for the purpose of future affordable housing opportunities. To conduct the necessary due diligence actions associated with the future acquisition of one or more parcels. Staff is recommending amending the FY 2023 Public Facility Corporation budget to provide $461,000 in available PFC revenues to Professional Services for assistance with the acquisition.

Attachment:
Budget Amendment
Resolution

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORP
FY 2023 Budget Amendment #2023-001

	FY 2023 Adopted Budget	Amendment #2023-001	FY 2023 Amended Budget
OPERATING REVENUES			
Fee Income			
Administrative Fee	$ 75,000	$ -	$ 75,000
Asset Management Fee	150,000	-	150,000
Cash Flow Fee	421,559	-	421,559
Deferred Developer Fee	616,817	-	616,817
Developer Fee	4,496,070	-	4,496,070
Incentive Management Fee	45,539	-	45,539
Partnership Management Fee	22,500	-	22,500
Supervisory Management Fee	18,233	-	18,233
Total Fee Income	5,845,718	-	$ 5,845,718
Distribution Income from Cash Flow	316,815		316,815
TOTAL OPERATING REVENUES	**$ 6,162,533**	**$ -**	**$ 6,162,533**
OPERATING EXPENSES			
Administraitve Fees	$ 1,540,633	$ -	$ 1,540,633
Professional Services			
Asset Management Services	310,000	-	310,000
Compliance Monitoring Services	163,600	-	163,600
Real Estate Services	**-**	**461,000**	**461,000**
Total Professional Services	473,600	461,000	934,600
Properties Expense	-		
TOTAL OPERATING EXPENSES	**$ 2,014,233**	**$ 461,000**	**$ 2,475,233**
OPERATING INCOME (LOSS)	**$ 4,148,300**	**$ (461,000)**	**$ 3,687,300**
NONOPERATING REVENUES (EXPENSES)			
Interest Income - Banks	$ 200	$ -	$ 200
TOTAL NONOPERATING REVENUES	$ 200	-	200
INCREASE (DECREASE) IN NET POSITION	**$ 4,148,500**	**$ (461,000)**	**$ 3,687,500**

SAN ANTONIO HOUSING TRUST PUBLIC FACILITIES CORPORATION

RESOLUTION _____

A RESOLUTION APPROVING BUDGET AMENDMENT FOR THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION FOR THE FISCAL YEAR 2022- 2023 FOR VARIOUS EXPENDITURES RELATED TO PROFESSIONAL FEES FOR PURPOSE OF PROFESSIONAL SERVICES TO ASSIST WITH THE ACQUISITION OF PARCELS OF PROPERTY FOR FUTURE AFFORDABLE, SUSTAINABLE MULTIFAMILY DEVELOPMENTS

WHEREAS, the San Antonio Housing Trust Public Facility Corporation (PFC) is pursuing additional opportunities for growing its affordable, sustainable multifamily developments in line with its Strategic Plan and the SHIP; and

WHEREAS, the PFC needs additional assistance to work on the acquisitions of the property with professional real estate services, but the costs were not within budget; and

WHEREAS, the Housing Trust's Board of Directors approved the engagement of CBRE to assist with necessary real estate projects; and

WHEREAS, the PFC needs to engage CBRE's professional services to assist with the property acquisitions; and

WHEREAS, after reviewing the needs of the PFC operations, the Executive Director recommends a budget amendment to meet the needs of the organization for such acquisition with professional services of CBRE for property acquisition; and

WHEREAS, there are no increases or decreases in the budget, rather the recommendations are for adjustments to various budget categories as noted in Exhibit A; and

WHEREAS, the Finance and Audit Committee recommends approval of the recommended budget adjustment for PFC Board consideration and approval; and

WHEREAS, the Public Facility Corporation Board of Directors finds this budget adjustment in the public interest based on the realignment of the PFC for acquisition of parcels for meeting its strategic goals and for such stated purpose as warranted and necessary.

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

Section 1. The above Recitals are true and correct and are a material part of this Resolution and are incorporated herein for all purposes.

Section 2. The Board of Directors for the San Antonio Housing Trust Public Facility Corporation does hereby approve the budget amendment as recommended by the Executive Director for the Fiscal Year

beginning October 1, 2022 and ending September 30, 2023, as indicated in Exhibit A for Professional Fees for assistance with property acquisition

Section 3. If any section, subsection, clause, phrase or provision of this Article, or any application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void, or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Article, or any application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 4. This Resolution shall be cumulative of all provisions of the PFC, except where the provisions of this Resolution are in direct conflict with the provisions of such Resolution, in which event the conflicting provisions of such Resolution are hereby repealed.

Section 5. That it is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 6. This Resolution shall take effect immediately from and after its passage and the publication of the caption hereof, as provided by law.

PASSED and APPROVED this the ___day of March 2023

SIGNED:

_____
Councilwoman Adriana Rocha Garcia,
President

ATTEST:

_____
Jordan Ghawi, Secretary