AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
will be held at Municipal Plaza C Room
114 W Commerce St., San Antonio, TX 78205
and virtually via ZOOM:
https://us02web.zoom.us/j/82875357147?pwd=RXFnZ2NVbW5XMW90Z1Y4Wmsxc0lBZz09
DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 828 7535 7147PASSWORD: 721215
On Friday, September 29, 2023, beginning at 2:00 p.m. or immediately following the adjournment of the San Antonio Housing Trust Foundation board meeting.

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 July 28, 2023.
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Consideration and possible action to approve the San Antonio Housing Trust Public Facility Corporation FY 2024 Annual Budget and to authorize the expenditures contained therein.
5. Briefing, discussion and possible action regarding a resolution concerning the application of Brooks Family Apartments Limited Partnership relating to the proposed financing of up to $50,000,000 of the costs of acquisition, construction, and equipping of the **Brooks Family Apartments** and other matters in connection therewith.
6. Briefing, discussion and action regarding a resolution concerning the application of Brooks Senior Apartments Limited Partnership relating to the proposed financing of up to $35,000,000 of the costs of the acquisition, construction, and equipping of the **Brooks Senior Apartments** and other matters in connection therewith.
7. Briefing, discussion and possible action regarding a resolution concerning the application of the Commons Acequia Trails, LP relating to the proposed financing of up to $30,000,000 of the costs of the acquisition, construction, and equipping of **The Commons at Acequia Trails Apartments** and other matters in connection therewith.
8. Briefing, discussion and possible action regarding a resolution concerning the application of ARDC Zarzamora, LTD, relating to the proposed financing of up to $35,000,000 of the costs of

the acquisition, construction, and equipping of the **Artisan at Zarzamora Apartments** and other matters in connection therewith.

9. Briefing, discussion and possible action regarding a resolution concerning the application of Legacy at Springvale, LTD. relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the **Legacy at Springvale Apartments** and other matters in connection therewith.
10. Briefing, discussion and possible action regarding a resolution concerning the application of Legacy – San An Loop 410, L. P. relating to the proposed financing of up to $45,000,000 of the costs of the acquisition, construction, and equipping of the **Legacy Senior Loop 410 Residences** and other matters in connection therewith.
11. Briefing, discussion and possible action regarding a resolution concerning the application of Pearsall Park Limited Partnership relating to the proposed financing of up to $35,000,000 of the costs of the acquisition, construction, and equipping of the **Residences at Pearsall Park** and other matters in connection therewith.
12. Briefing, discussion and possible action regarding a resolution concerning the application of Pedcor Investments-2022-CSCI, L.P. relation to the proposed financing of up to $50,000,000 of the costs of the acquisition, construction and equipping of the **Creek Bend Apartment Homes** and other matters in connection therewith.
13. Adjournment.

***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 accommodation 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.

Posted on: September 25, 2023 4:40 PM

San Antonio Housing Trust Public Facility Corporation
Agenda Item 2

This item includes the approval of minutes from the **July 28, 2023**, meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES

DATE: July 28, 2023

TIME AND PLACE: The Public Facility Corporation met in session at 2:53 p.m., via Zoom and in person at 114 W Commerce, San Antonio, TX 78205.

PRESENT: Antoinette Brumfield, Eric Cooper, Jordan Ghawi, Rachell Hathaway, Marinella Murillo, Jane Paccione, Councilwoman Adriana Rocha, and Councilwoman Phyllis Viagran

ABSENT: Mark Carmona, Councilwoman Teri Castillo, Councilman John Courage, and Councilman Jalen McKee-Rodriguez

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust Foundation.; Susan Snowden- Financial Director San Antonio Housing Trust; 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- Senior Administrative Assistant San Antonio Housing Trust Foundation; Ruben Lizalde- D3; Edward Muniga- D4; Mirla Lopez- SEFLA Languages Interpreter; Adam Martin- Lake Flato Architects; Beverly Baldwin- Alamo Architects; Beth Hudson- Alamo Architects; Trent Tunks- Alamo Architects; Valentina Fernandez- City of San Antonio Neighborhood and Housing Services.

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

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF JUNE 16, 2023, AND JUNE 30, 2023.**

   MINUTES COMMISSION ACTION:
   Jordan Ghawi motioned, and Jane Paccione seconded to approve the minutes of June 16, 2023, and June 30, 2023.
   AYES: 4
   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.**

   NONE.
   NO ACTION TAKEN.

4. **RESOLUTION AUTHORIZING THE PAVILION AT CULEBRA APARTMENTS**

TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND OF THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF ALL OF THE MEMBERSHIP INTEREST OF SAHT CULEBRA ROAD APARTMENTS GO, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF CULEBRA ROAD APARTMENTS LIMITED PARTNERSHIP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO ENTER INTO A JOINT VENTURE AGREEMENT TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH.

Pete Alanis briefed the board on the proposed final authorizations to close Tirol Housing, LLC. Partnership Project, Pavilion at Culebra Apartments. The Finance & Audit Committee met on July 11, 2023, and recommends authorizing the Assistant Secretary to take necessary actions to close financing on Pavilion at Culebra Apartments.

MINUTES COMMISSION ACTION:
Councilwoman Phyllis Viagran motioned, and Jordan Ghawi seconded to approve Item #4 for The Pavilion at Culebra Apartments.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

5. **RESOLUTION AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO OBTAIN A CREDIT FACILITY IN THE AMOUNT OF $10,000,000.00 AND WITH A MATURITY OF FIVE YEARS PER DRAW DOWN FROM FROST BANK; AUTHORIZING THE ASSISTANT SECRETARY TO EXECUTE ALL DOCUMENTATION NECESSARY TO COMMENCE AND CARRY OUT THE CREDIT FACILITY AGREEMENT AND OTHER DOCUMENTS, INCLUDING BUT NOT LIMITED TO POSSIBLE INTEREST RATE SWAPS OR LOAN AND REAL PROPERTY CLOSING TRANSACTION PURSUANT TO SAME; AND ADDRESSING RELATED MATTERS.**

Pete Alanis briefed the board on the proposed resolution authorizing The San Antonio Housing Trust Public Facility Corporation to obtain a credit facility in the amount of $10,000,000.00 from Frost Bank, as part of SAHT's 5-Year Strategic Plan to seek options to contribute to the *Construction of New Affordable Rental Housing.*

SAHT approached Frost Bank to establish a no cost credit facility that will be used to finance the acquisition of land or existing improved properties. Frost will provide up to $10 million in debt at 75% lower of the purchase price or appraised value of the collateral. Interest only payments at 80.4% of Daily Simple Secured Overnight Financing Rate, plus 1.78% per annum will be paid for 36 months. SAHT has the option to interest rate swap contracts to eliminate interest rate risk. A10% principal reduction will be required at the end of 36 months, plus an additional 10% reduction will be required at the end of 48 months. Any remaining balance will be paid in full at the end of 60 months. SAHT is required to maintain primary deposit accounts with Frost and maintain liquid assets of $2 million.

The Finance & Audit Committee met on July 11, 2023, and recommends authorizing the

establishment of the $10 million facility.

Jordan Ghawi asked Pete is there would be a separate bank account to hold the funds for the facility. Pete responded stating all funds for certain facilities or projects would have their own separate bank account.

MINUTES COMMISSION ACTION:
Jane Paccione motioned, and Jordan Ghawi seconded to approve Item #5, authorizing to establish a $10 million Frost Bank facility.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

6. **RESOLUTION AUTHORIZING THE ACQUISITION OF A MINIMUM OF 10.00 ACRES AND UP TO APPROXIMATELY 19.68 ACRES OF VACANT LAND LOCATED ALONG THE WEST SIDE OF S. ZARZAMORA, SOUTH OF 410 IN PHASE II OF THE VIDA DEVELOPMENT IN COUNCIL DISTRICT 4.**

Pete Alanis briefed the board on the proposed resolution authorizing the acquisition of a minimum of 10.00 acres and up to approximately 19.68 acres of vacant land located along the west side of S. Zarzamora and South of 410 in Phase II of the Vida Development in City Council District 4. Southstar at Verano Investment LLC has accepted the PFC's conditional offer with a sales price based on $3.95/SF, subject to the final acreage amount between $1.72 million and $3.39 million.

CBRE will commence due diligence on behalf of the PFC, upon execution of the purchase and sale contract. SAHT shall deposit $15,000 in Earnest Money with Chicago Title. Final acquisition size and costs will depend on due diligence conducted on site which will determine the minimum acreage needed for the future residential property. The PFC has the option to pay cash from available PFC cash or utilize capacity from an established lending facility.

The Finance & Audit Committee recommends authorizing the Executive Director to execute a PSA for the purchase of between 10.00 and 19.68 acres of vacant land in Phase II of the Vida Development.

MINUTES COMMISSION ACTION:
Councilwoman Phyllis Viagran motioned, and Jane Paccione seconded to approve Item #6.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

7. **BRIEFING, DISCUSSION AND POSSIBLE ACTION TO APPROVE A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR THE PURPOSE OF AN ON CALL ARCHITECTURAL SERVICES WITH ALAMO ARCHITECTS AND LAKE FLATO; AND SETTING AN EFFECTIVE DATE.**
Pete Alanis briefed the board on the proposed resolution authorizing the Executive Director to negotiate and execute a professional services agreement for the purpose of an On Call

Architectural Services Agreement with Alamo Architects and Lake Flato. Both firms are local firms, experience in multi-family developments, and have provided substantial participation in our SAHT Inclusive Universal Design Standards.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Jane Paccione seconded to approve Item #7 for Professional Services Agreement for the purpose of an On Call Architectural Services with Alamo Architects and Lake Flato.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

8. **BRIEFING, DISCUSSION AND POSSIBLE ACTION TO APPROVE A RESOLUTION APPROVING A BUDGET AMENDMENT FOR THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION FOR FISCAL YEAR 2023 RELATED TO A NET INCREASE IN BUDGETED REVENUES AND OPERATING EXPENSES.**
Pete Alanis briefed the board on the proposed resolution approving a 9+3 budget amendment for the San Antonio Housing Trust Public Facility Corporation for FY 2023 related to a net increase in budgeted revenues and operating expenses.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilwoman Phyllis Viagran seconded to approve Item #8 to approve a budget amendment for the SAHT PFC for FY 2023.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

9. **ADJOURNMENT**
President Adriana Rocha Garcia adjourned the meeting. There being no further business, the meeting adjourned at 3:34 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 Corporation
Agenda Item 4

Consideration and possible action to approve the San Antonio Housing Trust Public Facility Corporation fiscal year 2024 Proposed Budget and authorize the expenditures contained therein.

On August 18, 2023, staff presented the *preliminary* Public Facility Corporation budget. Since the prior meeting, staff has made the following revisions to the PFC Budget:

Operating Expenses

- The $449k "revenue share" line item was reduced to zero since the revenue is not the PFC's but a pass-through of City of San Antonio loan proceeds.

- The $250,000 match "Contribution to the Trust Fund" was reduced to zero since the City Council did not elect to contribute to the Trust in FY 2024 City Budget.

Program Expenses

- The "VIDA Acquisition" line item increased from $1.38M to $1.43M to account for a 10% increase in the equity requirement outlined in the Frost Facility Agreement.
- The "Acquisition of Site #2" line item of $2.36M was reduced to zero since we do not have a 2nd property under contract. Future sites will be considered along with a future budget adjustment if approved by the board.
- Staff added a line item for "Other Programs and Initiatives" with a budget amount of $2.59M for future programmatic purposes in line with the Five-Year Plan.

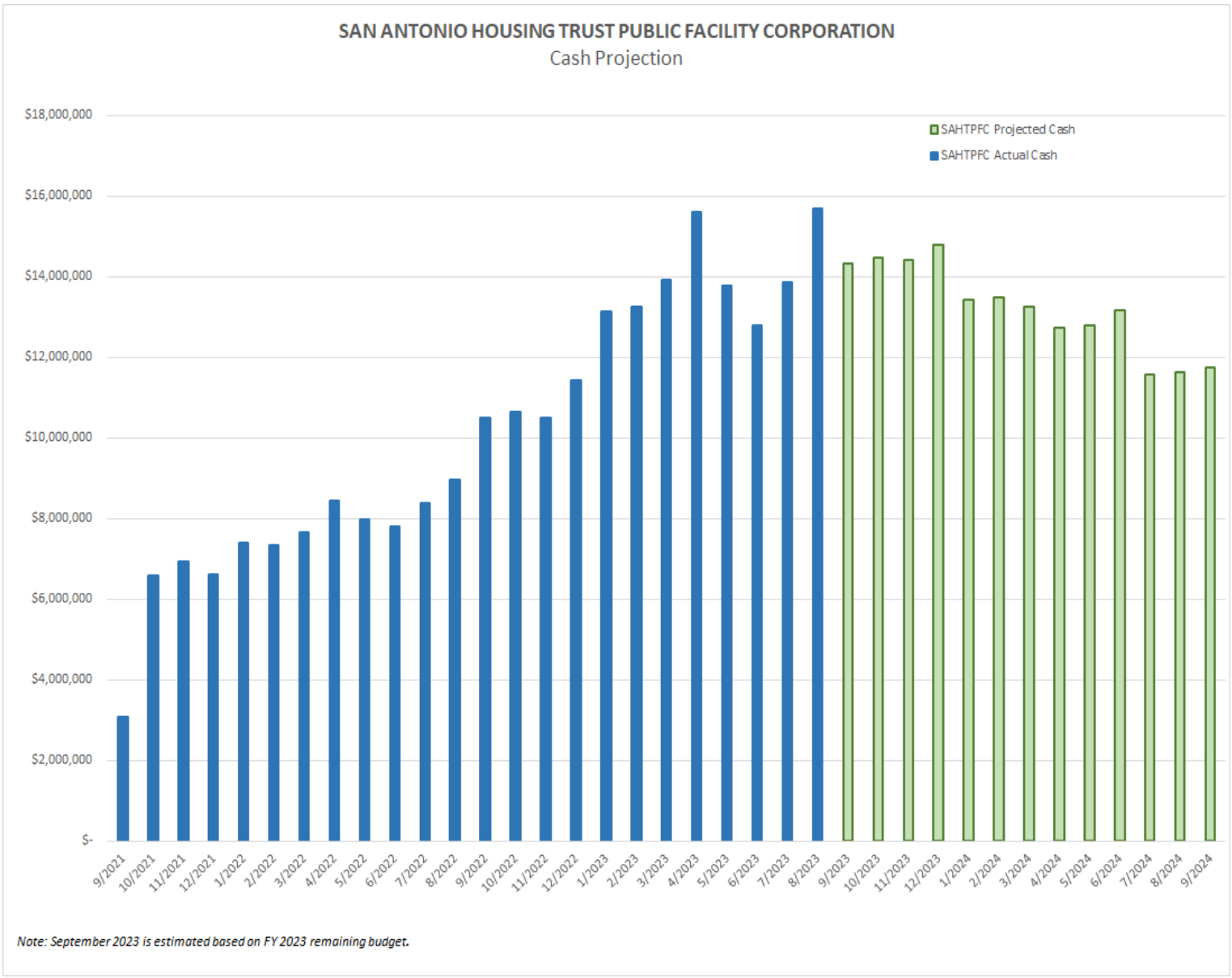
These changes in expenses resulted in a 463k savings from what was proposed in the preliminary budget which brings our estimate end of year "Net Position" to **$0**.

Recommendation:
The Finance Committee met on September 18, 2023 to consider the proposed FY 2024 PFC Budget and voted to move this item forward to the Public Facility Corporation board for consideration.

Attachment:
FY 2024 Proposed Public Facility Corporation Budget and cash flow.

	FY 2023 Budget	FY 2024 Proposed Budget	Change
OPERATING REVENUES			
Grant Income			
Bexar County - Viento Land Purchase	$ 2,500,000	$ -	(2,500,000)
Total Grant Income	2,500,000	-	(2,500,000)
Fee Income			
Administrative Fees	75,000	-	(75,000)
Application Fees	15,000	-	(15,000)
Asset Management Fees	139,584	278,333	138,749
Bond Issuance Fees	861,194	-	(861,194)
Cash Flow Fees	109,484	291,092	181,608
Deferred Developer Fees	1,126,665	816,042	(310,623)
Developer Fees	2,901,343	1,579,466	(1,321,877)
Incentive Management Fees	9,765	372,368	362,603
Origination Fee	250,000	-	(250,000)
Partnership Management Fees	250,219	177,194	(73,025)
Supervisory Management Fees	16,878	18,233	1,355
Total Fee Income	5,755,132	3,532,728	(2,222,404)
Distribution Income from Cash Flow	391,388	404,714	13,326
Rent Income - Ground Leases	1,100,000	1,100,000	-
TOTAL OPERATING REVENUES	**$ 9,746,520**	**$ 5,037,442**	**$ (4,709,078)**
OPERATING EXPENSES			
Administrative Fees	1,536,630	984,361	(552,269)
Disbursements to City of San Antonio			
Contribution to SAHT Corpus	233,533	-	(233,533)
Revenue Share	740,000	-	(740,000)
Total Disbursements to City of San Antonio	973,533	-	(973,533)
Program Expenses			
Acquisition - VIDA	104,800	1,437,825	1,333,025
Acquisition - Site #2	108,667	-	(108,667)
Other Programs and Initiatives	-	2,588,347	2,588,347
Total Program Expenses	213,467	4,026,172	3,812,705
Professional Services			
Accounting & CFO Services	65,400	72,000	6,600
Asset Management Services	180,000	220,259	40,259
Audit Services	17,000	17,850	850
Compliance Monitoring Services	163,600	89,200	(74,400)
Other Professional Services	1,000	50,000	49,000
Total Professional Services	427,000	449,309	22,309

	FY 2023 Budget	FY 2024 Proposed Budget	Change
OPERATING EXPENSES (Continued)			
Properties Expense			
Filing Fees	500	500	-
Security Services	73,440	-	(73,440)
Total Properties Expense	73,940	500	(73,440)
Subscriptions			
Subscriptions - Software Licenses	1,500	2,100	600
Total Subscriptions	1,500	2,100	600
TOTAL OPERATING EXPENSES	**$ 3,226,070**	**$ 5,462,442**	**$ 2,236,372**
OPERATING INCOME (LOSS)	**$ 6,520,450**	**$ (425,000)**	**$ (6,945,450)**
NONOPERATING REVENUES (EXPENSES)			
Income Tax Expense	(150,000)	(50,000)	100,000
Interest Income - Banks	485,000	475,000	(10,000)
TOTAL NONOPERATING REVENUES (EXPENSES)	**335,000**	**425,000**	**90,000**
INCREASE (DECREASE) IN NET POSITION	**$ 6,855,450**	**$ -**	**$ (6,855,450)**



Note: September 2023 is estimated based on FY 2023 remaining budget.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION PFC23-0929-04

A RESOLUTION APPROVING A BUDGET AMENDMENT FOR THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION FOR FISCAL YEAR 2024 TO ADDRESS EXPENSES AND ADJUSTMENTS

WHEREAS, the San Antonio Housing Trust Public Facility Corporation ("SAHTPFC") presented on August 18, 2023, a preliminary FY 2024 Annual Plan and Budget; and

WHEREAS, the SAHTPFC provided feedback to adjust certain line items; and

WHEREAS, after reviewing the needs of the SAHTPFC operations, the Executive Director recommends a budget amendment to meet the needs of the organization for revenue and expenses; and

WHEREAS, Exhibit A evidences the SAHTPFC and revenues related to the fees, changes in revenue, and operating expenses; and

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

WHEREAS, the Public Facility Corporation Board of Directors finds this budget adjustment in the public interest based on changes to revenues and operating expenses 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, 2023, and ending September 30, 2024, as indicated in Exhibit A related to changes in revenues and operating expenses.

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 SAHTPFC, 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 September 2023.

SIGNED:

_____

Councilwoman Adriana Rocha Garcia

President

ATTEST:

_____

Jordan Ghawi, Secretary

San Antonio Housing Trust Public Facility Corporation

Agenda Item 5

RESOLUTION CONCERNING THE APPLICATION OF BROOKS FAMILY APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS FAMILY APARTMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

Background

Lincoln Avenue Capital is a nationwide firm seeking to partner with the SAHT PFC to develop a proposed 340-unit new construction 4% bond development targeted for low-income families. The *Brooks Family Apartments* will be a mix of affordable units for households whose incomes range from 30% to 70% of area median income (AMI).

Property Information

As currently proposed, the development will include a mix of one, two, and three-bedroom apartment homes for families earning up to 70% of AMI. Of the 340 total apartment homes, 51 units (15%) will be restricted for those households earning up to 30% AMI, 238 units (70%) will be restricted to families earning up to 60% AMI, and 51 units (15%) will be restricted to families earning up to 70% AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability				
	<30% AMI	60% AMI	70% AMI	Total
1 BR	11	53	11	75
2 BR	19	90	19	128
3 BR	21	95	21	137
Total	**51**	**238**	**51**	**340**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

The development will include two elevators, a swimming pool, dog park, resident garden, fitness center, and community room. Units will include energy star rated appliances, washer and dryer hook-ups, granite countertops, and private patios or balconies. Residential services will also be provided to the residents free of charge on-site; the program for which will be established in partnership with Community Housing Resource Partners. CHR Partners currently provides residential services for several SAHT LIHTC developments. LAC will provide internet access to all units with a minimum speed of 100Mbps (if available) or the highest available commercial internet service.

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.

Development Team
Lincoln Avenue Capital (LAC) provides high-quality, sustainable, and affordable homes for low-income individuals, seniors, and families across the country with a portfolio that includes more than 22,000 apartment homes in over 119 properties located in 22 states. The project development team has selected Seldin, Inc. as the third-party management firm. Seldin was founded in 1923 and specializes in affordable multifamily property management. They currently manage 20,000 units in 11 states. LAC has identified HEDK Architects, a Texas firm who has designed over 70 apartment communities. The Engineering firm is the local firm, Pape Dawson. The Accounting team is Novogradac & Company LLP. The attorney team is Coats Rose. LAC has selected Galaxy builders, Ltd. as the general contractor. SAHT has utilized these firms in prior developments without issue.

Site Information
The property is located at the intersection of Research Plaza and Challenger Drive within the Brooks Activity Center which is an *SA Tomorrow Regional Center.* The site is a 13.07-acre vacant parcel and is currently zoned I-1. The developer is working on a zoning change to MF33. The site is directly across the street from a VIA transit stop and approximately 0.5 miles from the VIA transit center.

The redevelopment of the former Brooks Army base has been extremely successful. The following amenities are near the site:

- Mission Trail Baptist Hospital as well as several clinics and medical offices
- The Greenline park space, Brooks Park, and Mission Reach Trail
- Target, Wal-Mart, HEB, and Sam's Club
- Walgreen and CVS pharmacies
- Retail shopping
- Numerous restaurants

The Brooks Redevelopment area is currently serviced by four market-rate rental properties and 4 more in development. This along with their neighboring senior project will be the first 100% affordable family housing developments within the footprint of the Brooks Redevelopment area.

Financial Considerations:
The project is anticipated to cost $85.8 million and will require the SAHTPFC to apply for a $50 million bond reservation through the Texas Bond Review Board.

Sources	Amount
First Mortgage	$35,990,000
LIHTC Equity	34,337,000
Cash Flow from Operations	5,927,000
COSA Fee Waiver	450,000
Deferred Developer Fee	9,071,000
Total Sources	**$85,775,000**

Uses	Amount
Acquisition	$ 5,980,000
Construction Hard Costs	56,343,000
Project Soft Costs	1,299,000
Tax Credit/Bond Costs	1,193,000
Financing/Reserves	11,389,000
Developer Fee	9,571,000
Total Sources	**$85,775,000**

The project is currently not projected funding gap, however it is too early to ascertain accurate assumptions.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board for consideration.

Attachments:
Resolutions

BROOKS FAMILY APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF BROOKS FAMILY APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS FAMILY APARTMENTS 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF BROOKS FAMILY APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS FAMILY APARTMENTS 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Brooks Family Apartments Limited Partnership, a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 340-unit multifamily housing facility to be located at approximately the intersection of Research Plaza and Challenger Drive and to be known as the Brooks Family Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $50,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $50,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $50,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation

Agenda Item 6

RESOLUTION CONCERNING THE APPLICATION OF BROOKS SENIOR APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS SENIOR APARTMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

Background

Lincoln Avenue Capital is a nationwide firm seeking to partner with the SAHT PFC to develop a proposed 240-unit new construction 4% bond development targeted for low-income seniors 55 years of age and older. LAC Brooks Senior will be a mix of affordable units for households whose incomes range from 30% to 70% of area median income (AMI).

Property Information

As currently proposed, the development will include a mix of one- and two-bedroom apartment homes for senior families earning up to 60% of AMI. Of the 240 total apartment homes, 36 units (15%) will be restricted for those households earning up to 30% AMI, 168 units (70%) will be restricted for households earning up to 60% AMI, and 36 units (15%) will be restricted for households earning up to 70% AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability				
	<30% AMI	60% AMI	70% AMI	Total
1 BR	17	74	17	108
2 BR	19	94	19	132
Total	**36**	**168**	**36**	**240**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

The development will include two elevators, a swimming pool, dog park, resident garden, fitness center, and community room. Units will include energy star rated appliances, washer and dryer hook-ups, granite countertops, and private patios or balconies. Residential services will also be provided to the residents free of charge on-site; the program for which will be established in partnership with Community Housing Resource Partners. CHR Partners currently provides residential services for several SAHT LIHTC developments. LAC will provide internet access to all units with a minimum speed of 100Mbps (if available) or the highest available commercial internet service.

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.

Development Team

Lincoln Avenue Capital (LAC) provides high-quality, sustainable, and affordable homes for low-income individuals, seniors, and families across the country with a portfolio that includes more than

22,000 apartment homes in over 119 properties located in 22 states. The project development team has selected Seldin, Inc. as the third-party management firm. Seldin was founded in 1923 and specializes in affordable multifamily property management. They currently manage 20,000 units in 11 states. LAC has identified HEDK Architects, a Texas firm who has designed over 70 apartment communities. The Engineering firm is the local firm, Pape Dawson. The Accounting team is Novogradac & Company LLP. The attorney team is Coats Rose. LAC has selected Galaxy builders Ltd. as the general contractor.

Site Information

The property is located at the intersection of Research Plaza and S. New Braunfels Avenue within the Brooks Activity Center which is an *SA Tomorrow Regional Center.* The site is a 6.55-acre vacant parcel and is currently zoned C-3. The developer is working on a zoning change to MF33. The site is directly across the street from a VIA transit stop and approximately 0.5 miles from the VIA transit center.

The redevelopment of the former Brooks Army base has been extremely successful. The following amenities are near the site:

- Mission Trail Baptist Hospital as well as several clinics and medical offices
- The Greenline park space, Brooks Park, and Mission Reach Trail
- Target, Wal-Mart, HEB, and Sam's Club
- Walgreen and CVS pharmacies
- Retail shopping
- Numerous restaurants

The Brooks Redevelopment area is currently serviced by four market-rate rental properties and 4 more in development. This will be the first 100% affordable senior housing development within the Brooks Redevelopment area.

Financial Considerations:

The project is anticipated to cost $53.7 million ($223.8k per unit) and will require the SAHTPFC to apply for a $35 million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. The project will also receive a 100% property tax and sales tax exemption due to SAHTPFC's participation in the tax credit partnership.

Sources	Amount
First Mortgage	$22,350,000
LIHTC Equity	21,339,000
Cash Flow from Operations	4,064,000
COSA Fee Waiver	370,000
Deferred Developer Fee	5,560,000
Total Sources	**$53,683,000**

Uses	Amount
Acquisition	$ 2,770,000
Construction Hard Costs	34,606,000
Project Soft Costs	1,324,000
Tax Credit/Bond Costs	985,000
Financing/Reserves	7,984,000
Developer Fee	6,014,000
Total Sources	**$53,683,000**

The project is currently not projected funding gap; however, it is too early to ascertain accurate assumptions.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board for consideration.

Attachments:
Resolutions

BROOKS SENIOR APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

3. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF BROOKS SENIOR APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS SENIOR APARTMENTS 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF BROOKS SENIOR APARTMENTS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE BROOKS SENIOR APARTMENTS 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Brooks Senior Apartments Limited Partnership, a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 240-unit multifamily housing facility for seniors to be located at approximately the intersection of South New Braunfels Avenue and Research Plaza and to be known as the Brooks Senior Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $35,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $35,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $35,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation
Agenda Item 7

Briefing, discussion and possible action regarding a resolution concerning the application of the Commons Acequia Trails, LP relating to the proposed financing of up to $30,000,000 of the costs of the acquisition, construction, and equipping of The Commons at Acequia Trails Apartments and other matters in connection therewith.

Background
SAMMinistries has requested that SAHT PFC provide an inducement resolution for the issuance of $30,000,000 in private activity bonds to help finance the development of a new 201-unit permanent supportive housing development known as The Commons at Acequia Trails.

Property Information
As currently proposed, the development will include a mix of studio and one-bedroom apartment homes for individuals experiencing chronic homelessness. Of the 201 total apartment homes, 31 units (15%) will be restricted to households earning up to 30% AMI, and 170 units (70%) will be restricted to households earning up to 60% AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
Studio	20	112	132
1 BR	11	58	69
Total	**31**	**170**	**201**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

Rooted in the evidence-based practices of Housing First and Trauma-Informed Care, the proposed project will provide single-occupancy units that are a mix of efficiency and one-bedrooms. The development will also include a carefully orchestrated mix of private and public spaces, maximizing the number of individual living units on the 6.9 acres while also providing ample space for an open, supportive community. Housing will be paired with on-site, intensive case management, and supportive services such as medical, dental, and mental health care along with life skills programming that will help residents establish long-term tenancy and independence.

In accordance with the principles of Housing First, and demonstrated by SAMMinistries' history of successful client outcomes, The Commons at Acequia Trails will be a low-barrier program that prioritizes stability first with safe, reliable, and autonomous housing so that individuals served can effectively combat substance abuse, improve their physical and/or mental health, and increase their education and/or benefits. Qualified case managers utilize a model of care that is person-centered to address resident needs. Service utilization will be strictly voluntary and will not impact tenancy. However, three unique aspects of the program are expected to motivate most all residents to access needed resources and change the trajectory of their lives: 1) all staff including property managers will be trained in Trauma-Informed Care, which will enhance the quality of staff-resident

interactions, promote a consistent atmosphere of respect and dignity and build residents' self-confidence; 2) the supportive community that develops between and among residents will foster behavioral health recovery, in much the same way mutual aid programs do, and build capacity for growth; and 3) SAMMinistries' extensive experience serving individuals who are often service-resistant has advised the application of these evidence-based methods and will build resident engagement and success.

All residents will have access to the on-site clinics described above, as well as resources to increase educational attainment and/or vocational training, and connection to employment and workforce readiness programs. Individuals will receive care that helps them recover from experiences of homelessness and other trauma and restore senses of safety and belonging in their community. Services available will focus not only on individual resident needs and progress, but on ensuring engagement in the community, and more broadly in the local neighborhood. The proposed project's physical space will include 10,500 square feet of Supportive Services and Community Wellness amenities, including:

- Case management offices
- Meeting rooms
- Outdoor recreation space
- Bicycle parking storage (5 per every 20 units)
- Laundry facilities
- Fitness center

Supportive services will be provided by SAMMinistries with two case workers located on site.

The development will contain four 3-story buildings. Three of the buildings will be connected by external breezeways and be serviced by two elevators. A third 3 story building will be a walk-up garden style design with open breezeways and stairwells. There will be a one story free standing 10,500 square foot building which will house the community room, laundry room, fitness center, meeting space, and offices for case managers.

A key project goal for The Commons at Acequia Trails is to improve the availability of accessible housing units. One hundred percent of ground floor dwelling units will be accessible for persons with mobility issues and a minimum of 25% of units will be designed for persons with hearing or visual disabilities.

The Commons at Acequia Trails prioritizes sustainable design strategies and will strive to develop Net-Zero energy buildings. The project will seek to incorporate sustainable water management systems and fixtures, energy efficient appliances, continuous insulation and weatherization, on-site renewable energy generation through photovoltaic panels, etc.
As proposed, The Commons at Acequia Trails will be designed and constructed to achieve certification under the Build San Antonio Green program for multifamily developments. Sustainable development practices proposed include:

- Energy efficient roof material (white roofs, cool roofs, three-year aged SRI of 65)

- Electrification of heating and cooling equipment
- High solar reflectance roof (min. 50% of building footprint)
- Enhance connections to transportation, especially active transit options.
- Cool and reflective surfaces, including roofs and pavement.
- Water efficiency measures
- Low Impact Development (subject to verification by SARA)
- Bio swales and Xeriscaping/SAWS Water Saver and/or other native plant materials
- Protect or restore native habitat at site.
- "Dark Sky" compliant exterior site lighting

Development Team

San Antonio Metropolitan Ministry Inc., dba SAMMinistries, is the applicant, developer, and the owner and operator of The Commons at Acequia Trails, a planned Permanent Supportive Housing (PSH) development.

To assist in the implementation of The Commons at Acequia Trails as a transformational, single-site PSH development, SAMMinistries is leading an expert development team that includes:

- Affinius Capital (f/k/a Affinius Capital) - Development & Financial Advisor
- Patrinely Group - Fee Developer
- Alamo Architects - Architect
- Pape-Dawson - Civil Engineer
- Franklin Construction - General Contractor
- Aedis Urban - LIHTC Consultant
- Locke Lord - LIHTC Counsel

Site Information

The property is located within the *Brooks Regional Center (an SA Tomorrow Regional Center)* on 6.9 acres of vacant land currently zoned R-4. The developer will work with city officials to have the zoning changed to MF-33.

The site is supported by frequent Via Transit along the #36 route, which runs along S. Presa. There is an existing bus stop a short walk from the property. There are retail services and supermarkets in the Brooks redevelopment area which is approximately 1 mile from the site.

Financial Considerations:

The project is anticipated to be a $53.6 million project that will require the SAHT PFC or FC to apply for a $30 Million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA.

Sources	Amount
First Mortgage (NHTF)	$ 2,400,000
LIHTC Equity	15,920,705
Federal Solar Tax Credit	274,378
45L Tax Credit	422,058
Gap	5,280,499
COSA Housing Bond Award	15,000,000
Deferred Developer Fee	2,850,238
Total Sources	**$42,147,878**
Uses	**Amount**
Acquisition	$ 1,410,379
Construction Hard Costs	27,089,399

Project Soft Costs	4,657,939
Tax Credit/Bond Costs	1,693,935
Financing/Reserves	2,841,382

Developer Fee	4,454,844
Total Sources	**$42,147,878**

The project currently has a projected funding gap of 5,280,499.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board for consideration.

Attachments:
Resolutions

COMMONS AT ACEQUIA TRAILS APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

5. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF THE COMMONS ACEQUIA TRAILS, LP RELATING TO THE PROPOSED FINANCING OF UP TO $30,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE COMMONS AT ACEQUIA TRIALS APARTMENTS 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.

6. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF THE COMMONS ACEQUIA TRAILS, LP RELATING TO THE PROPOSED FINANCING OF UP TO $30,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE COMMONS AT ACEQUIA TRIALS APARTMENTS 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, The Commons Acequia Trails, LP, a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 201-unit multifamily housing facility to be located near the intersection of South Presa Street and Old Corpus Christi Road and to be known as the Commons at Acequia Trails Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $30,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8 (together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the San Antonio Housing Trust Public Facility Corporation may acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $30,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the

provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $30,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

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San Antonio Housing Trust Public Facility Corporation

Agenda Item 8

Briefing, discussion and possible action regarding a resolution concerning the application of ARDC Zarzamora, LTD, relating to the proposed financing of up to $35,000,000 of the costs of the acquisition, construction, and equipping of the Artisan at Zarzamora Apartments and other matters in connection therewith.

Background

Franklin Development Properties, Ltd. is a San Antonio based firm that specializes in affordable and market rate multifamily housing. The firm has been in existence for 19 years and developed over 4,000 multifamily units. The firm also has a separate construction division and property management division which are both experienced in affordable multifamily housing. Franklin Development Properties, Ltd. is seeking to partner with the SAHT PFC to develop a proposed 250-unit new construction 4% bond development targeted for low-income families. The Artisan at Zarzamora Apartments will be 100% affordable for households whose incomes range from 30% to 60% of area median income (AMI).

Property Information

As currently proposed, the development will include a mix of two and three-bedroom apartment homes for families earning up to 60% of AMI. Of the 250 total apartment homes, 26 units (10%) will be restricted for those households earning up to 30% AMI, and 224 units (90%) will be restricted to households See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
2 BR	12	102	114
3 BR	14	122	136
Total	**26**	**224**	**250**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

The development will include a swimming pool, dog park, resident garden, fitness center, and community room. Units will include energy star rated appliances, washer and dryer hook-ups, granite countertops, and private patios or balconies. Residential services will also be provided to the residents free of charge on-site; the program for which will be established in partnership with Community Housing Resource Partners. CHR Partners currently provides residential services for several SAHT LIHTC developments. LAC will provide internet access to all units with a minimum speed of 100Mbps (if available) or the highest available commercial internet service. 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.

Development Team

SAHTPFC has previously partnered with Franklin Development to complete Park at 38 Thirty (196 units) and Greenline North (292 units). Both projects were completed on time and under budget and have been leased up and stabilized. The principals, and lead members of the development, construction, and property management teams are based here in San Antonio. The general contractor will be Franklin Construction Ltd., property management will be performed by Franklin Apartment Management. The architect, engineer, accounting firm, and provider of supportive services have not been determined for this project.

Site Information

The property is located within the *Texas A&M- San Antonio Regional Center (an SA Tomorrow Regional Center)* on 12 acres of vacant land currently zoned MF-25, with a small portion zoned C-2. All the building structures will be in the land zoned MF-25. The development will be in the rapidly growing Palo Alto/Gillette area in south San Antonio. The site has good access to IH- 410, IH-35, and IH37. It is a short distance to Texas A&M university and Palo Alto Community College. The site is serviced by the Southwest ISD, which includes Bob Hope Elementary, Resnik Middle School and Southwest Legacy High school. The site is supported by frequent Via Transit along the #520 Route, with a stop at I-410 and Zarzamora.

Financial Considerations:

The project is anticipated to be a $60.3 million project that will require the SAHT PFC or FC to apply for a $35 Million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. The project will also require a 100% Sales and Property Tax Exemption through the PFC being part of the Tax Credit Partnership.

Sources	**Financing**
First Mortgage	$26,432,000
LIHTC Equity	24,554,000
GAP Financing	5,500,000
Deferred Developer Fee	3,857,000
Total Sources	**$60,343,000**
Uses	**Amount**
Acquisition	$ 2,614,000
Construction Hard Costs	38,857,000
Project Soft Costs	2,888,000
Tax Credit/Bond Costs	977,000
Financing/Reserves	7,136,000
Developer Fee	7,871,000
Total Sources	**$60,343,000**

The project currently has a $5,500,000 funding gap.

Recommendation:

The Finance and Audit Committee recommended moving this forward to the full board.

Attachments:

Resolutions

ARTISAN AT ZARZAMORA APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

7. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF ARDC ZARZAMORA, LTD. RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE ARTISAN AT ZARZAMORA APARTMENTS 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.

8. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF ARDC ZARZAMORA, LTD. RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE ARTISAN AT ZARZAMORA APARTMENTS 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, ARDC Zarzamora, Ltd., a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 250-unit multifamily housing facility to be located at approximately the intersection of South Zarzamora Street and Interstate 410 and to be known as Artisan at Zarzamora Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $35,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended,

including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8 (together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $35,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the

Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $35,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation
Agenda Item 9

RESOLUTION CONCERNING THE APPLICATION OF LEGACY AT SPRINGVALE, LTD. RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY AT SPRINGVALE APARTMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

Background
Real Tex Development Corporation ("Realtex") is an experienced affordable housing developer seeking to partner with the SAHT PFC to develop a proposed 300-unit new construction 4% bond development. The Legacy at Springvale Apartments will be a mix of affordable units for households whose incomes range from 30% to 60% of area median income (AMI).

Property Information
As currently proposed, the development will include a mix of one-, two-, and three-bedroom apartment homes for families earning up to 60% of AMI. Of the 300 total apartment homes, 44 units (15%) will be restricted for households earning up to 30% AMI, and 256 units (85%) will be restricted for households earning up to 60% AMI. See the below unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
1 BR	11	61	72
2 BR	22	128	150
3 BR	11	67	78
Total	**44**	**256**	**300**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

The units are planned to be constructed in 3-4 story buildings of wood-frame construction. Parking for the project will consist of surface parking at this time and the developer may add some carports for lease at a nominal fee at some point depending on the pricing and budget. There will also be the required number of accessible parking spaces as required. Exterior walls will be comprised primarily of stucco and stone and will retain the Craftsman/Prairie Style architecture popular in the early twentieth century.

There will be a large clubhouse/leasing facility along with a resort-style swimming pool. Also included will be a fitness center with audio-visual aerobic equipment, an executive business center with free computer and Internet access and a Resident Room with a kitchen for use by staff, residents and caterers. Restrooms and changing rooms for the swimming pool and fitness center will also be located within the clubhouse. Other common amenities include barbecue grills w/picnic tables, and landscaped common areas. Every apartment home will exceed the

requirements for the Energy Star Rating, which is not limited to, but includes having energy efficient appliances including, a frost-free refrigerator with icemakers, a self-cleaning oven, a microwave, a dishwasher, and a garbage disposal.

All apartment homes will have carpet, faux-wood flooring, granite countertops in kitchens and baths, washers and dryers in every unit, walk-in closets with built in shelving, and energy efficient ceiling fans in the living and bedroom areas. There will be cable, phone, and internet connections in the living room and each bedroom. The ceiling heights are currently designed for 9' ft ceilings.

On-site supportive services will also be provided to the residents free of charge. The scope of services will meet all TDHCA requirements. Realtex has reached out to local non-profits Merced Housing and Community Housing Resource Partners for proposals to provide supportive services at the site.

The developer has agreed to provide internet access to all units with a minimum speed of 100Mbps (if available) or the highest available commercial internet service. 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.

Development Team

Realtex is a 25-Year-old fully integrated development company established in 1998 in Austin, Texas specifically to create multifamily housing. Its principals have extensive experience in developing, financing, constructing, and managing housing communities primarily in Texas but also all over the southern US. Realtex has successfully partnered with the HUD, TDHCA, and many local cities and has successfully developed over 45 affordable multifamily properties totaling over 5,500 units throughout Texas, Mississippi, Florida, and Georgia.

The development team members have extensive experience in developing quality multifamily apartments throughout the States of Texas, Mississippi, Florida, and Georgia:

- Developer: Rick J. Deyoe, Realtex Development Corporation
- General Contractor: Michael Czapski, Nations Construction, LLC
- Management Entity: Alma Cobb, Realtex Housing Management, LLC
- Architect: Michael Graham, Element Architects, LLC
- Project Attorney: Michelle Snedden, Shackleford & Associates, LLP

Site Information

The property is located at the corner of Cedarhurst Dr. and Valley Hi Drive, within the *Port San Antonio Regional Center (an SA Tomorrow Regional Center)* on 14 acres of vacant land. The assemblage is currently zoned C-1, R-6, and MF-33. The developer will work with the appropriate COSA departments to change the zoning designation for the entire parcel to MF-33.

The *Port San Antonio Area Regional Center* is forecast to grow by 13,500 to 15,500 households from 2010 to 2040. Since 2010, the Regional Center is estimated to have grown by just over 100 units per year, which is a *slower rate than forecasted for the area* since the completion of the plan.

The site is supported by route 616 route of Via Transit which has a stop on Springvale Road. There are existing sidewalks which provide access to the north and south bound stops which are within walking distance of the subject. The site is within walking distance of a full service HEB and retail services at the intersection of Cedarhurst Dr. and Valley Hill Dr. The project is serviced by the Northside Independent School District (Allen (ES), Rayburn (MS) and Jay (HS). Medina Base Road public park is located a short distance from the property.

Financial Considerations:
The project is anticipated to cost $59.2 million. The project that will require the SAHT PFC to apply for a $40 Million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA.

Sources	Financing
First Mortgage	$28,400,000
LIHTC Equity	25,731,000
Deferred Developer Fee	5,087,000
Total Sources	**$59,218,000**
Uses	**Amount**
Acquisition	$ 1,400,000
Construction Hard Costs	42,277,000
Project Soft Costs	1,369,000
Tax Credit/Bond Costs	839,000
Financing/Reserves	6,193,000
Developer Fee	7,140,000
Total Sources	**$59,218,000**

The project currently does not have a projected funding gap.

Staff is recommending funding a Tenant Assistance Fund at $450k ($1,500/unit) from receipt of 25% of the sales tax savings received from the developer. If this is not sufficient to fund the TEAM reserve, the balance will be funded from a portion of the Developer Fee received by SAHTPFC.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board

Attachments:
Resolutions

LEGACY AT SPRINGVALE APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

9. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF LEGACY AT SPRINGVALE, LTD. RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY AT SPRINGVALE APARTMENTS 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.

10. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF LEGACY AT SPRINGVALE, LTD. RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY AT SPRINGVALE APARTMENTS 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Legacy at Springvale, Ltd., a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 300-unit multifamily housing facility to be located at approximately the intersection of Springvale Drive and Valley High Drive and to be known as the Legacy at Springvale Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $40,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $40,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $40,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation

Agenda Item 10

Briefing, discussion and possible action regarding a resolution concerning the application of Legacy – San An Loop 410, L. P. relating to the proposed financing of up to $45,000,000 of the costs of the acquisition, construction, and equipping of the Legacy Senior Loop 410 Residences and other matters in connection therewith.

Background

Cornerstone Housing Group is a nationwide firm seeking to partner with the SAHT PFC to develop a proposed 201-unit new construction 4% bond development targeted for adults ages 55+. The *Legacy Senior Apartments* at Loop 410 will be affordable for households whose incomes are at or below 60% of area median income (AMI).

Property Information

As currently proposed, the development will include one- and two-bedroom apartment homes for adults 55 + earning 30% to 60% of AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
1 BR	7	56	63
2 BR	14	124	138
Total	**21**	**180**	**201**

The unit mix will assist the city in meeting SHIP goals and SAHT affordability targets.

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 provide property management services. A to be determined third party will be providing supportive services to the residents at no additional costs. The range of supportive services is expected to include tenant counseling as well as facilitating on-site health clinics to promote resident well-being, financial literacy education, activities that include arts & crafts, and potlucks.

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 floors, 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 2,000 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 10-acre vacant property is located at IH 410 and Zarzomora. The vacant land is zoned MF-25 which allows multi-family development with a density of 25 units per acre. No zoning change is required for the proposed development.

The project is within the Texas A&M Regional Center. The area has experienced significant growth with the Vida master planned community which includes single family and multifamily developments. A commercial portion of Vida is planned for the near future. University Healthcare announced the construction of a full-service hospital which should be completed in approximately 3 years. The continued expansion of the Texas A&M campus has also fueled development growth in the immediate area.

Financial Considerations:
The project is anticipated to be a $50.4 million project that will require the SAHT PFC to apply for a $45 million bond reservation through the Texas Bond Review Board.

Sources	Financing
First Mortgage	$20,000,000
LIHTC Equity	19,020,186
Gap Funding	*6,900,000*
45L Energy Credit	1,005,000
City Fee Waiver	250,000
Deferred Developer Fee	3,263,442
Total Sources	**$50,438,628**

Uses	Amount
Acquisition	$ 1,742,400
Construction Hard Costs	28,066,600
Project Soft Costs	2,416,450
Tax Credit/Bond Costs	1,374,213
Financing	11,203,747
Reserves	1,160,218
Developer Fee	4,475,000
Total Sources	**$50,438,628**

The project has a $6.9 million identified preliminary gap.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board for consideration.

Attachments:
Resolutions

LEGACY SENIOR LOOP 410 RESIDENCES

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

11. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF LEGACY- SAN AN LOOP 410, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY SENIOR LOOP 410 RESIDENCES 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.

12. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF LEGACY- SAN AN LOOP 410, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY SENIOR LOOP 410 RESIDENCES 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Legacy-San An Loop 410, L.P., a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 200-unit multifamily housing facility for seniors to be located at approximately the intersection of South Zarzamora Street and Interstate 410 and to be known as Legacy Senior Loop 410 Residences (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $45,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $45,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $45,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation

Agenda Item 11

RESOLUTION CONCERNING THE APPLICATION OF PEARSALL PARK LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE RESIDENCES AT PEARSALL PARK AND OTHER MATTERS IN CONNECTION THEREWITH

Background

Lincoln Avenue Capital is a nationwide firm seeking to partner with the SAHT PFC to develop a proposed 240-unit new construction 4% bond development targeted for low-income seniors 55 years of age and older. The *Residences at Pearsall Park* will be a mix of affordable units for households whose incomes range from 30% to 60% of area median income (AMI).

Property Information

As currently proposed, the development will include a mix of one- and two-bedroom apartment homes for senior families earning up to 60% of AMI. Of the 312 total apartment homes, 47 units (15%) will be restricted for those households earning up to 30% AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
1 BR	11	97	108
2 BR	13	119	132
Total	**24**	**216**	**240**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

The development will include two elevators, a swimming pool, dog park, resident garden, fitness center, and community room. Units will include energy star rated appliances, washer and dryer hook-ups, granite countertops, and private patios or balconies. Residential services will also be provided to the residents free of charge on-site; the program for which will be established in partnership with Community Housing Resource Partners. CHR Partners currently provides residential services for several SAHT LIHTC developments. LAC will provide internet access to all units with a minimum speed of 100Mbps (if available) or the highest available commercial internet service.

The developer has committed to work with the architect and design team to institute SAHT's adopted Inclusive Multifamily Design Standards which will exceed the City of San Antonio's Universal Design (Visit-ability) Ordinance.

Development Team
Lincoln Avenue Capital (LAC) provides high-quality, sustainable, and affordable homes for low-income individuals, seniors, and families across the country with a portfolio that includes more than 22,000 apartment homes in over 119 properties located in 22 states. The project development team has selected Seldin, Inc. as the third-party management firm. Seldin was founded in 1923 and specializes in affordable multifamily property management. They currently manage 20,000 units in 11 states. LAC has identified HEDK Architects, a Texas firm who has designed over 70 apartment communities. The Engineering firm is the local firm, Pape Dawson. The attorney team is Coats Rose. LAC has selected Galaxy Builders Ltd. as the general contractor.

Site Information
The property is in City Council district 4 and within the *Port San Antonio Regional Center (an SA Tomorrow Regional Center)* on 21 acres of vacant land currently zoned R-6. LAC will seek to change the zoning designation to MF-33. The property will need to be rezoned.

The site is supported by frequent Via Transit along the #614 Route. There are existing sidewalks which provide access to the north and south bound stops which are within 0.25 miles of the subject. The site is adjacent to the Centro Fitness Facility. The site is a short distance to Pearsall Park/Dog Park, Sporti Soccer Complex, and other commercial neighborhood assets. Lackland Air Force Base is approximately 1 mile away.

Financial Considerations:
The project is anticipated to be a $53.6 million project that will require the SAHT PFC or FC to apply for a $35 Million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. The project will also require a 100% Sales and Property Tax Exemption through the PFC being part of the tax credit partnership.

Sources	Financing
First Mortgage	$22,350,000
LIHTC Equity	21,722,000
Cash Flow from Operations	4,090,000
Deferred Developer Fee	5,483,000
Total Sources	**$53,645,000**

Uses	Amount
Acquisition	$ 1,900,000
Construction Hard Costs	35,326,000
Project Soft Costs	1,324,000
Tax Credit/Bond Costs	986,000
Financing/Reserves	7,986,000
Developer Fee	6,123,000
Total Sources	**$53,645,000**

The project currently does not have a projected funding gap.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board.

Attachments:
Resolutions

RESIDENCES AT PEARSALL PARK

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

13. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF PEARSALL PARK LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE RESIDENCES AT PEARSALL PARK 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.

14. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF PEARSALL PARK LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE RESIDENCES AT PEARSALL PARK 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Pearsall Park Limited Partnership, a Texas limited partnership (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed approximately 240-unit multifamily housing facility for seniors to be located at approximately the intersection of Holm Road and Ray Ellison Boulevard and to be known as the Residences at Pearsall Park (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $35,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $35,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $35,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

* * *

San Antonio Housing Trust Public Facility Corporation
Agenda Item 12

RESOLUTION CONCERNING THE APPLICATION OF Pedcor Investments-2022-CXCI, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND APARTMENT HOMES AND OTHER MATTERS IN CONNECTION THEREWITH

Background

Pedcor, is a highly qualified national firm seeking to partner with the SAHT PFC to develop a proposed 312-unit new construction 4% bond development targeted for low to moderate income families. The *Creek Bend Apartments* will be a mix of affordable units for households whose incomes average from 30% to 60% of area median income (AMI).

The SAHTPFC board approved a $43 million bond inducement resolution on September 9, 2022. The developer returned the initial award due to increased costs and rising interest rates. The developer is requesting a new inducement resolution to increase the bond application amount to $50 million.

Property Information

As currently proposed, the development will include a mix of one-, two-, and three-bedroom apartment homes for low to moderate income families. Of the 312 total apartment homes, 16 units (5%) will be restricted for those households earning up to 30% AMI; 296 units will be restricted for those households earning up to 60% AMI. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
1 BR	5	79	84
2 BR	9	183	192
3 BR	2	34	36
Total	**16**	**296**	**312**

The unit mix will assist the City in meeting SHIP goals and SAHT affordability targets for 30% and 60% AMI Units.

The Creek Bend Apartments will feature a swimming pool with splash pad, fitness center, business center, furnished community room with wi-fi, covered pavilion, barbecue grills and picnic tables, 2 playgrounds, and a dog park. In addition, some carports and garages will be available for rent. Additional amenities will include covered entry; nine-foot ceilings in living room and all bedrooms (at minimum), a walk-in closet in at least one bedroom, breakfast bar, microwave oven, self-cleaning or continuous cleaning oven, refrigerator with icemaker, storage room, and a covered patio or balcony. While the clubhouse will include a laundry room for those residents without their own washer/dryer, all the units are also equipped with laundry connections.

Residential services Tenant services will be provided and may include services such as a weekly exercise program, annual health fair provided by a health care professional, notary services during regular business hours, twice monthly arts/crafts and other recreational activities, twice monthly on-site social events, and/or a food pantry.

The Pedcor team will assess future costs of transit services due to the distance from the closest transit stop/station. However, they may seek to coordinate with VIA on a stop at the location. The Stone Oak Transit Park and Ride is approximately 4 miles away. Currently no transit stops or Via Link services this area.

The property will feature several energy-conserving/green building features will be incorporated into the development, including 15 SEER HVAC or greater, a 30-year roof, Energy-Star rated dishwasher and refrigerator, Energy-Star windows, at least one Energy-Star rated ceiling fan per unit, Energy-Star rated lighting, and EPA Water Sense showerheads and faucets in all units.

Development Team

Pedcor is one of the largest developers of affordable housing within the multifamily housing tax credit program and with reference to Affordable Housing Finance Magazine Pedcor consistently remains one of the Top 50 developers and owners/managers of LIHTC units in the country.

Pedcor's development/investment portfolio includes 77 - conventionally financed 9% LIHTC partnerships, 94 - 4% LIHTC tax-exempt bond financed partnerships, 29 - work force housing projects with 51% at 80% AMI set aside and 43 - market rate partnerships in addition to 1 special use facility providing a haven for women who have been victims of domestic violence. In summary, since its inception, Pedcor has successfully closed 242 partnerships consisting of 33,131 units (20,643 tax credit and 11,488 market) located within 186 communities throughout 21 states.

Pedcor Property Management will be the Property Manager who has substantial experience in affordable housing in the Texas market including several SAHT partnered properties. They have also identified 5th Dimension Architects & Interiors LLC, who has worked with Pedcor on prior apartment communities. Pedcor Construction is the General Contractor.

Site Information

The property is located at the most norther parcel within the City of San Antonio Limits on 18 acres of a 37-acre tract of vacant land. The site is zoned C-2 with a GC-3 corridor overlay, which allows primarily for commercial uses. The site would need to be rezoned to allow for multifamily development, which can be accomplished through zoning to MF or MXD, the latter of which would retain some commercial components.

The project is located less than a mile from Kinder Ranch Elementary School and less than 1.5 miles from Pieper Ranch Middle School and Pieper High School, all very highly rated. Neighborhood amenities are approximately 1.5-4.0 miles south along HWY 281 North.

Creek Bend is located north of the Stone Oak regional center located at US Highway 281 and Loop 1604. The regional center comprises the master planned community of Stone Oak, two independent

hospitals and the Northwood Shopping Center, among other uses. This mix of uses supports over 21,000 jobs and 75,000 residents in the area.

Financial Considerations:
The project is anticipated to be a $96.7 million project that will require the SAHT PFC or FC to apply for a $50 million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. The project will also require a 100% Sales and Property Tax Exemption through the PFC being part of the Tax Credit Partnership.

Sources	Financing
Bond Debt	$43,400,000
LIHTC Equity	37,396,000
Deferred Developer Fee	7,339,000
GAP	*3,351,000*
Lease Up Rental Income	3,670,000
Accrued Interest	1,606,000
Total Sources	**$96,762,000**

Uses	Amount
Acquisition	$ 3,493,000
Construction Hard Costs	62,395,000
Construction Period Costs	9,360,000
Permanent Financing Costs	1,839,000
Bond Issuance Costs	1,183,000
Soft Costs	6,364,000
Reserves	1,159,000
Syndication Costs	269,000
Developer Fee	10,700,000
Total Sources	**$96,762,000**

The project has a $3,351,000 preliminary funding gap.

Recommendation:
The Finance and Audit Committee recommended moving this item forward to the full board for consideration.

Attachments:
Resolutions

CREEK BEND APARTMENT HOMES

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

15. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 29, 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 CONCERNING THE APPLICATION OF PEDCOR INVESTMENTS-2022-CXCI, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND APARTMENT HOMES 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.

16. 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 29, 2023.

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF PEDCOR INVESTMENTS-2022-CXCI, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND APARTMENT HOMES 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 Corporation 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 (the "Issuer");

WHEREAS, the Issuer, on behalf of the City, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds;

WHEREAS, Pedcor Investments-2022-CXCI, L.P., a Texas limited (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction and equipping of a proposed approximately 312-unit multifamily housing facility to be located at approximately the northwest corner of Highway 281 and Borgfeld Road and to be known as the Creek Bend Apartment Homes (the "Project"); and (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act, for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed $50,000,000 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the San Antonio Housing Trust Public Facility Corporation acquire the membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed $50,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer 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 User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the City (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the City, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) 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 Bonds shall specifically provide that neither the State of Texas (the "State"), the City, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the City, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 3. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the City against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to

reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, 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 the Issuer or the City) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the City Council.

Section 4. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 5. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 6. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 7. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 8. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of $5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed $50,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary, Treasurer, Assistant Secretary or Executive Director of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. 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 16. 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 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

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