

## AGENDA

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A Regular Board Meeting for:  
**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION**  
will be held at Municipal Plaza B Room  
114 W Commerce St., San Antonio, TX 78205  
and virtually via ZOOM:

<https://us02web.zoom.us/j/89928792640?pwd=V1Z1Qk5lM2l1wNGVlVDdDZ2VqaVI4QT09>

DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 899 2879 2640 PASSWORD: 030212

On Friday, October 20, 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 September 29, 2023.
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Discussion and possible action to approve a Resolution recommending Board of Director Appointments for the San Antonio Housing Trust Public Facility Corporation to the City Council of the City of San Antonio consistent with the restated Bylaws.
5. Discussion and possible action for Election of Officers.
6. Briefing, discussion, and action regarding a resolution for Mission Trail Community Association relating to a proposed \$750,000 forgivable loan from SAHTPFC to provide financing for capital repairs to the Riverside Terrace manufactured home community; and other matters in connection therewith.
7. Briefing, discussion, and possible action regarding a resolution inducing the S Hausman Apartments in Partnership with Athena Doman, Inc., to be located on a tract of land located at the intersection of Champions Gate and S Hausman Road on the southeast side of N Loop 1604; and authorizing the negotiation and execution of a term sheet and other matters in connection therewith.
8. **Executive Session:** The San Antonio Housing Trust PFC will convene into executive session pursuant to Texas Government Codes Section 551.072, (Real Property) and 551.071 (Consultation with Attorney) to discuss and deliberate the acquisition of land parcels for purpose of Land Banking.

- a. Reconvene into Open Session and take action on any issues as discussed in Executive Session as needed.

9. 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: October 13, 2023 7:47PM

**San Antonio Housing Trust Public Facility Corporation**  
**Agenda Item 2**

This item includes the approval of minutes from the **September 29, 2023**, meeting.

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

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**DATE: September 29, 2023**

**TIME AND PLACE:** The Public Facility Corporation met in session at 2:18 p.m., via Zoom and in person at 114 W Commerce, San Antonio, TX 78205.

**PRESENT: Antoinette Brumfield, Mark Carmona, Councilman John Courage, Jordan Ghawi, Councilman Jalen McKee-Rodriguez, Marinella Murillo, Jane Paccione, Councilwoman Adriana Rocha Garcia.**

**ABSENT: Councilwoman Teri Castillo, Eric Cooper, and Councilwoman Phyllis Viagran.**

**STAFF/VISITORS PRESENT:**

Pedro Alanis- Executive Director San Antonio Housing Trust Foundation.; Nicole Collazo- Director of Operations San Antonio Housing Trust Foundation; Susan Snowden- Financial Director San Antonio Housing Trust Foundation; Tom Roth- Director of Development San Antonio Housing Trust Foundation; Jessica Kuehne- Director of Asset Management San Antonio Housing Trust Foundation; John Hernandez- Senior Asset Manager San Antonio Housing Trust Foundation; Lauren Bejaran- Senior Administrative Assistant San Antonio Housing Trust Foundation; Ruben Lizalde- D3; Edward Muniga- D4; Justin Renteria- D5; Milee Ray- D9; Mirla Lopez- SEFLA Languages Interpreter; Nikisha J. Baker- SAMMinistries; Jill Flynn- Cornerstone Housing Group; Alma Cobb- Realtex Development; Brad McMurray- Prospera Housing Community Services; Raymond Lucas- Prospera Housing Community Services; Jacque Woodring- Prospera Housing Community Services; Karla Desatnik- OCI Group.

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

**2. DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF JULY 28, 2023.**

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Councilman John Courage seconded to approve the minutes of July 28, 2023.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

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

**NONE.**

**NO ACTION TAKEN.**

**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.**

Pete Alanis briefed the board on the proposed final FY 2024 Annual Budget for the San Antonio Housing Trust Public Facility Corporation. The FY 2024 preliminary PFC budget was presented to the full PFC board on August 18, 2023. Staff has made the following changes since the prior meeting: the \$449,000 “*Revenue Share*” line item was reduced to zero, the \$250,000 match “*Contribution to the Trust Fund*” was reduced to zero due to the City of San Antonio electing not to contribute to the Trust in FY 2024 City Budget, 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 due to the PFC not having the 2<sup>nd</sup> property under contract, and 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 \$436,000 savings from what was proposed in the preliminary budget bringing the PFC estimate for the end of year “*Net Position*” to \$0. The PFC Finance & Audit Committee met on September 18, 2023, to consider the proposed FY 2024 PFC Budget and voted to move this item forward to the PFC Board for consideration.

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Councilman John Courage seconded to approve the San Antonio Housing Trust Public Facility Corporation FY 2024 Annual Budget and to authorize the expenditures contained therein.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**5. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF LAC BROOKS FAMILY 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.**

Pete Alanis briefed the board about the Brooks Family Apartments, a PFC partnership project with Lincoln Ave Capital. The Brooks Family Apartments will consist of a mix of one, two and three-bedroom apartment homes for families earning up to 70% AMI and will be located at the intersection of Research Plaza and Challenger Drive within the Brooks Activity Center on a 13.07-acre vacant parcel. The 340-unit project is estimated to cost \$85.8 million and will require the SAHTF PFC to apply for a \$50 million bond reservation through the Texas Bond Review Board.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

Councilman John Courage asked Pete how much the rent would be for the units once construction is completed. Tom Roth replied stating the lowest rent at 30% AMI for 1-bedrooms are set at \$494 per month and the highest rent at 70% AMI will be set at \$1,100 per month. 3-bedroom units at the lowest rent at 30% AMI are set at \$685 per month and the highest rent at 70% AMI will be set at \$1,598 per month.

**MINUTES COMMISSION ACTION:**

Jane Paccione motioned, and Councilman Jalen McKee-Rodriguez seconded to approve Item #5, for the Brooks Family Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**6. BRIEFING, DISCUSSION AND ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF LAC BROOKS SENIOR 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.**

Pete Alanis briefed the board about the Brooks Senior Apartments, a PFC partnership project with Lincoln Ave Capital. The Brooks Senior Apartments will consist of a mix of one, and two-bedroom apartment homes for senior families earning up to 60% AMI and will be located at the intersection of Research Plaza and S. New Braunfels Avenue within the Brooks Activity Center on a 6.55-acre vacant parcel. The 240-unit project is estimated to cost \$53.7 million and will require the SAHTF PFC to apply for a \$35 million bond reservation through the Texas Bond Review Board.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

President Adriana Rocha Garcia asked Pete if he spoke with Councilwoman Viagran for District 3 about the project. Pete replied stating Councilwoman Viagran approved of the project, as well as the Brooks Development Authority who also approved of the project.

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Jane Paccione seconded to approve Item #6 for the Brooks Senior Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**7. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF THE COMMONS AT ACEQUIA TRAILS LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO \$30,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A 201-UNIT PERMANENT SUPPORTIVE HOUSING DEVELOPMENT; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed the board about the Commons at Acequia Trails Apartments, a PFC partnership project with San Antonio Metropolitan Ministry Inc., dba SAMMinistries,. The Commons at Acequia Trails Apartments will consist of a mix of studio and 1-bedroom apartment homes for individuals experiencing chronic homelessness and will be located within the Brooks Regional Center on a 6.9-acre vacant parcel. The 201-unit permanent supportive housing project is estimated to cost \$53.6 million and will require the SAHTF 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 PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

Pete Alanis passed the floor over to Nikisha Baker, from SAMMinistries to elaborate on the Permanent Supportive Housing programs the Commons at Acequia Trails will provide. Nikisha stated the project will offer case management resources, clinic service center that will include therapeutic services, psychiatric services, and physical health services that will be provided by SAMMinistries' partnership with UT Health.

Councilman John Courage asked Pete Alanis how the San Antonio Housing Trust PFC can be built into the apartment units to guarantee homeless individuals will receive housing vouchers for projects like Acequia without the vouchers running out at Opportunity Home. Pete Alanis replied stated that there will need to be more discussion with our Continue of Care organizations and the local housing authority, who can convert certain vouchers into project-based vouchers.

Jordan Ghawi asked Pete Alanis if this project is the only Permanent Supportive Housing Project the PFC board has approved. Pete replied stating that Commons at Acequia Trails is the third Permanent Supportive Housing Project the PFC has approved.

**MINUTES COMMISSION ACTION:**

Jane Paccione motioned, and Councilwoman John Courage seconded to approve Item #7 for the Commons at Acequia Trails Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**8. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF ARTISAN AT ZARZAMORA APARTMENTS**

**RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A 250-UNIT FAMILY PROJECT LOCATED AT ZARZAMORA AND 410; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed the board about the Artisan at Zarzamora Apartments, a PFC partnership project with Franklin Development Properties, Ltd. The Artisan at Zarzamora will consist of a mix of two and three-bedroom apartment homes for families earning up to 60% AMI and will be located at the within the Texas A&M- San Antonio Regional Center on a 12-acre vacant parcel. The 250-unit project is estimated to cost \$60.3 million and will require the SAHTF 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.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Councilman John Courage to approve Item #8 for the Artisan at Zarzamora Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**9. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF LEGACY AT SPRINGVALE LIMITED PARTNERSHIP RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LEGACY AT SPRINGVALE APARTMENTS FAMILY APARTMENTS; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed the board about the Legacy at Springvale Apartments, a PFC partnership project with Real Tex Development Corporation. The Legacy at Springvale Apartments will consist of a mix of one-, two- and three-bedroom apartment homes for families earning up to 60% AMI and will be located at the corner of Cedarhurst Dr. and Valley Hi Drive, within the Port San Antonio Regional Center on a 14-acre vacant parcel. The 300-unit project is estimated to cost \$59.2 million and will require the SAHTF PFC 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 PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Jane Paccione seconded to approve Item #9 for the Legacy at Springvale Apartments.



**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**10. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF LEGACY AT LOOP 410, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A 201-UNIT SENIOR HOUSING DEVELOPMENT LOCATED AT ZARZAMORA AND LOOP 410.**

Pete Alanis briefed the board about the Legacy at Senior Apartments, a PFC partnership project with Cornerstone Housing Group. The Legacy at Senior Apartments will consist of a mix of one-, and two-bedroom apartment homes for adults ages 55+ who are at or below 60% AMI and will be located at IH 410 and Zarzamora on a 10-acre vacant parcel. The 201-unit project is estimated to cost \$50.4 million and will require the SAHTF PFC to apply for a \$45 million bond reservation through the Texas Bond Review Board to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

**MINUTES COMMISSION ACTION:**

Councilman Jalen McKee-Rodriguez motioned, and Jane Paccione seconded to approve Item #10 for the Legacy Senior Apartments at Loop 410.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**11. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION CONCERNING THE APPLICATION OF RESIDENCES AT 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 SENIOR APARTMENTS; AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed the board about the Residences at Pearsall Park, a PFC partnership project with Lincoln Ave Capital. The Residences at Pearsall Park Apartments will be a mix of affordable units for households whose incomes range from 30% to 60% AMI and will be in City Council District 4 on a 21-acre vacant parcel. The 240-unit project is estimated to cost \$53.6 million and will require the SAHTF PFC to apply for a \$35 million bond reservation through the Texas Bond Review Board.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

Councilman John Courage asked Pete Alanis if a couple, two adults, both have to be 55+ in order to live at the Pearsall Park Apartments at 410. Pete replied stating that only 1 adult has to be aged 55 or older to meet the requirements for residency.

Marinella Murillo asked Pete Alanis if the combined income of an older adult and a working adult would factor their AMI requirements to live at Pearsall Park. Pete replied stating that both incomes are factored into the income requirements for the project.

**MINUTES COMMISSION ACTION:**

Jane Paccione motioned, and Councilman Jalen McKee-Rodriguez seconded to approve Item #11 for the Pearsall Park Senior Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**12. BRIEFING, DISCUSSION AND POSSIBLE ACTION REGARDING A 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.**

Pete Alanis briefed the board about the Creek Bend Apartments, a PFC partnership project with Pedcor. The Creek Bend Apartments will be a mix of affordable units for households whose incomes range from 30% to 60% AMI and will be located on the most norther parcel within the City of San Antonio limits on 18 acres of a 37-acre vacant parcel of land. The 312-unit project is estimated to cost \$96.7 million and will require the SAHTF 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.

The PFC Finance & Audit Committee met on September 18, 2023, to review the application for the project and recommended moving the item to the full PFC board for consideration.

**MINUTES COMMISSION ACTION:**

Councilman John Courage motioned, and Jalen McKee-Rodriguez seconded to approve Item #12 for the Creek Bend Apartments.

**AYES: 5**

**NAYS:**

**ABSTAINED:**

**THE MOTION PASSED.**

**13. ADJOURNMENT**

President Adriana Rocha Garcia adjourned the meeting. There being no further business, the meeting adjourned at 3:08 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**

*Discussion and possible action to approve the board appointments.*

The SAHT Governance Committee is responsible for reviewing board member applications and submitting a letter of recommendation to the City’s Council Governance Committee. All six “community board members” serve 4-year staggering terms. However, due to the initial staggering, three board members term expired on May 31, 2023.

Antoinette Brumfield 05/31/2023

Eric Cooper 05/31/2023

Jane Paccione 05/31/2023

The current SAHT board members are considered active as holdover until the City Council makes or renews the appointments. As of August 11, 2023, the City Clerk’s office has received 4 applications:

1. Antoinette Brumfield
2. Eric Cooper
3. Jayeson Howell
4. Jane Paccione

On August 18, 2023, the SAHT Foundation board approved the reappointment of Antoinette Brumfield, Eric Cooper, and Jane Paccione. However, it is necessary that a resolution from each PFC and FC board is required prior to full City Council approval.

**Recommendation:**

The Governance Committee recommends the reappointment of Antoinette Brumfield, Eric Cooper, and Jane Paccione to the Public Facility Corporation Board.

**Attachment:**

Resolution

**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION**

**RESOLUTION NO PFC23-1020-04**

**A RESOLUTION RECOMMENDING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION BOARD APPOINTMENTS TO THE SAN ANTONIO CITY COUNCIL FOR A FOUR-YEAR TERM CONSISTENT WITH THE RESTATED ARTICLES OF INCORPORATION AND BYLAWS**

**WHEREAS**, the City of San Antonio Housing Trust Public Facility Corporation ("PFC") was established by Ordinance No. 2009-12-10-0038R passed on December 10, 2009 pursuant to the pursuant to Chapter 303 of the Texas Local Government Code, as amended, (the "Act") for the purpose of providing for the financing, acquisition, and construction of public facilities under the Act and approved the Corporation's Certificate of Formation and Bylaws; and

**WHEREAS**, pursuant to said bylaws and articles of incorporation and subject to City Council approval, from time to time by majority vote, the Trustees may adopt such written rules, regulations, and procedures, and any amendments thereto, not inconsistent with the PFC, for the conduct of their meetings, the carrying out of their duties and powers; and

**WHEREAS**, the initial Board of Directors caused to be filed with the Texas Secretary of State Articles of Incorporation for the organization of the San Antonio Housing Trust PFC; and

**WHEREAS**, the PFC Board of Directors determined to amend and restate the Bylaws of the PFC; and

**WHEREAS**, the Board of Trustees of the PFC approved the First Amended and Restated Certificate of Formation for the City of San Antonio Housing Public Facility Corporation outlining the new form of the Board of Directors; and

**WHEREAS**, under the new First Amended and Restated Bylaws ("Bylaws"), the term of office for Class I Board of Directors serving for an initial term of two (2) years is expiring and appointments must be made to fill such spots in accordance with the Bylaws for the positions of Community Directors; and

**WHEREAS**, the Bylaws indicate the Community Directors shall be nominated by the Governance and Policy Committee of the Finance Corporation; and

**WHEREAS**, the Bylaws indicate the Community Directors shall have specific experience; and

**WHEREAS**, the Governance and Policy Committee of the PFC met to evaluate the applicants for the Community Director positions and recommend to the full Board and to City Council the re-appointment of Eric Cooper, Jane Paccione, and Antoinette Brumfield meet the specific experience requirements and shall be re-appointed to fulfill a four (4) year term under the Bylaws; and

**WHEREAS**, the Governance and Policy Committee and the Board of Directors of the Public Facility Corporation find it is in the best interest of it and its overall goals of providing sustainable and affordable housing to recommend appointments of the recommended persons for confirmation by the City Council of the City of San Antonio.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF 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 Governance and Policy Committee and the Board of Directors for the San Antonio Housing Trust Public Facility Corporation (“PFC”) recommend the following for re-appointment to the Board of Directors for a four-year term consistent with the Restated Bylaws of the Trust: Eric Cooper, Jane Paccione, and Antoinette Brumfield.

**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.** 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 5.** 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 October 2023.

SIGNED:

\_\_\_\_\_  
Councilwoman Adriana Rocha Garica  
President

## San Antonio Housing Trust Public Facility Corporation

### Agenda Item 5

#### *Discussion and possible action for the Election of Officers.*

##### **Summary:**

The officers of the Public Facility Corporation consist of the President, a Vice President, a Secretary, a Treasurer, and any other officers that the Board may establish by most Directors. Any person may hold any two or more offices of the Public Facility Corporation except the offices of President and Secretary.

- Elections are to be held as determined by the Board of Directors.
- Slate is presented at the board meeting.
- Nominations are accepted from the floor.
- Election by majority of Directors present is required.
- Any community members elected to officer positions (Directors) of the Public Facility Corporation will require City Council Action.

The President will preside at all meetings of the Board. The President will have other powers and duties not inconsistent with these Bylaws as may be assigned by the Board.

The Vice President will have the powers and duties of the President in its absence. A Vice President will act under the direction of the President and in his/her absence have the duties and powers of the President. A Vice President will have other duties and powers as the President, or the Board of Directors may assign.

The Secretary will have the general powers and duties usually vested in such office of a Public Facility Corporation, including keeping all records, documents, and the corporation seal at the principal office of the Public Facility Corporation; affixing the corporate seal to any instrument requiring it and to attest the same by his or her signature when authorized by the Board of Directors of after the instrument has been signed by the President, a Vice President or other authorized officer or agent' keeping the minutes of the meetings.

The Treasurer will be responsible for all funds and securities of the Public Facility Corporation and will have the general powers and duties usually vested in such office of the Public Facility Corporation, including receiving and documenting all monies due and payable to the Public Facility Corporation; depositing all monies received in the name of the Public Facility Corporation in a depository designated by the Board; disbursing monies of the Public Facility Corporation under the direction or orders of the Board; entering regularly in the books kept by the Treasurer a complete and accurate account of all monies received and disbursed by the Foundation; rendering a statement of the financial accounts of the Public Facility Corporation to the Board as requested; exhibiting the books of account in his/her custody to any Director upon request; and submitting a full financial report to the Board of Directors at a meeting during the next fiscal year.

The Executive Director of the San Antonio Housing Trust Public Facility Corporation shall serve as an Assistant Secretary and Assistant Treasurer of the Corporation.

##### **Recommendation:**

Staff recommends electing a President, Vice President, Treasurer, and Secretary.

**San Antonio Housing Trust Public Facility Corporation**  
**Agenda Item 6**

*Mission Trail Community Association relating to a proposed \$750,000 forgivable loan from SAHTPFC to provide financing for capital repairs to the Riverside Terrace manufactured home community; and other matters in connection therewith.*

**Background:**

ROC USA (Resident Owned Communities) is a non-profit founded in 2008. Their mission is to enable residents of manufactured home communities to acquire ownership of the manufactured home park from for profit owners. ROC USA has successfully converted 309 manufactured home communities throughout the US to cooperative ownership. ROC USA provides initial and ongoing technical services to assist residents in the transition from being tenants to cooperative owners. This includes retaining legal counsel to advise on formation, governance, and organizational documents, hiring property management, financing the acquisition, hiring professionals to oversee capital repairs, and guidance on financial budgets and organizational operations.

The residents, with the assistance of their legal counsel and ROC USA have formed Mission Trail Community Association, a Texas non-profit corporation. This entity will hold title to the land, while residents will retain ownership of their respective manufactured homes. Current renters are eligible to become members of the cooperative by paying \$100. The members then elect officers to serve as President, vice President, Secretary, Treasury, an Operations Officer. All board members must be members of the cooperative corporation and live at the site. There are annual board meetings where the members vote on the annual operating budget and election of officers.

**Property Information**

The Riverside Terrace manufactured home park consists of one single-family home and 54 pad sites (53 single wide pads and 1 double wide pad). Currently there are 7 vacant pads. Occupied pads contain 40 manufactured homes of various ages /condition, and 7 travel trailers.

ROC USA is working with the residents to complete a thorough evaluation of the demographics of the current residents to determine AMI stratification, family make-up and ages of family members. This information is required by COSA for the use of affordable housing bond proceeds and to record a regulatory agreement which will restrict occupancy with 90% of current and future pads restricted to families at 60% AMI or lower, and 10% of current and future pads restricted to families at 80% AMI or lower. The restrictions will remain in effect for 40 years.

**Development Team**

ROC USA has been providing technical advisory services to the residents. ROC USA has been working with COSA's Neighborhood Housing Services Department (NHSD) and SAHTPFC to obtain acquisition funds and funds to cover a portion of the required capital repairs. Conventional mortgage financing will be secured from ROC USA Capital.

ROC USA in its advisory position has completed the following tasks:

- Helped Cooperative obtain independent legal counsel to advise on the sale and create organizational documents (including bylaws and membership occupancy agreement)
- Secured a \$1,549,079 commitment from ROC USA Capital (10-yr term at 6.50%)
- Retained 3<sup>rd</sup> party capital needs assessment to identify & prioritize capital projects



- Provide a 10-year technical advisory contract with the cooperative.
- Met with all residents to explain the process, obtain commitments, and discuss risks & benefits.
- Evaluated interest and abilities of residents seeking to serve on the board.
- Submitted applications with COSA and SAHT to obtain soft financing.

**Site Information**

The property is located at 2315 Mission Road in the Mission San Jose neighborhood. There are four access drives on Mission Road and here on Quintard Street. The area is serviced by the 515 Via transit route with stops within walking distance of the site.

**Financial Considerations:**

The acquisition and rehabilitation of the Riverside Terrace Manufactured Park has a budget of \$5,900,700. The project will be financed using a combination of conventional mortgage debt from ROC USA Capital (\$1,549,079), COSA Affordable Housing Bonds (\$2,851,021), COSA soft debt (\$750,000), and SAHTPFC soft debt (\$750,000). To ensure the financial viability of the project, ROC USA Capital (mortgage lender) will establish the following escrows at closing:

- Tax & insurance escrow: \$29,850 (1 year ins. premium & 3 mos. taxes)
- Debt Service Reserve: \$29,374 (3 mos. of DS)
- Working Capital Res.: \$61,049 (3 mos. of op. ex.)
- Replacement Reserve: \$54,000 (additional \$10k collected each year)

Additionally, \$1,962,721 in mortgage proceeds are slated to fund approximately \$2,408,000 for the capital repairs required at the site per the physical needs assessment that was commissioned by ROC USA. Approximately \$98,000 has been set aside to hire an experienced project manager to assist the cooperative in selecting vendors, preparing scopes of work and monitoring capital projects through completion. Major Capital Projects slated for completion are:

Replacement of water lines and meters:	\$894,000
Replacement of sewer lines:	428,000
Road resurfacing:	337,000
Electric (individual meters & bury lines)	501,000
Tree trimming/landscaping	50,000
Perimeter fencing/site lighting	146,000
Miscellaneous/contingency	<u>52,000</u>
<b>Total</b>	<b>\$2,408,000</b>

It recommended that SAHTPFC fund the \$750,000 contribution after the land’s sale closes and the mortgage funds slated for capital repairs have been fully expended.

Sources	Amount
First Mortgage	\$1,549,000
COSA Bond Funds	2,851,000
<i>SAHTPFC Soft Debt</i>	<i>750,000</i>
COSA Soft Debt	750,000
<b>Total Sources</b>	<b>\$5,900,000</b>

Uses	Amount
Acquisition	\$3,100,000
Construction Hard Costs	2,408,000
Project Soft Costs	267,000
Reserves/Escrows	125,000
<b>Total Sources</b>	<b>\$5,900,000</b>

**Recommendation:**

This project is a collaborative effort between a non-profit housing advocate, COSA, and SAHTPFC to protect an at-risk population from possible displacement if the property is purchased by a private developer. This will provide current and future families living at the park a sense of security from unregulated rent increases and the ability for self-determination. Finance Committee recommends approval.

**Attachment:**

Resolution

**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION**

**RESOLUTION NO PFC23-1020-06**

**A RESOLUTION BY THE BOARD OF DIRECTORS AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO FUND A FORGIVEABLE LOAN IN THE AMOUNT OF \$750,000.00 TO THE MISSION TRAIL COMMUNITY ASSOCIATION FOR THE FINANCING OF CAPITAL REPAIRS TO THE RIVERSIDE TERRACE MANUFACTURED HOME COMMUNITY; AUTHORIZING THE ASSISTANT SECRETARY TO NEGOTIATE AND EXECUTE ALL DOCUMENTATION NECESSARY TO FINALIZE THE LOAN; AND ADDRESSING RELATED MATTERS.**

**RECITALS**

**WHEREAS**, the San Antonio Housing Trust Public Facility Corporation (sometimes “PFC”) was created pursuant to Chapter 303 of the Texas Local Government Code, and as such has broad powers to finance or to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities in an orderly, planned manner and at the lowest possible borrowing costs; and

**WHEREAS**, residents of the Riverside Terrace Manufactured Home Park, along with the non-profit organization Resident Owned Communities USA (ROC USA), has formed the Mission Trail Community Association in order to promote home ownership among the residents while also providing community governance, capital repair and maintenance financing and management, and other community interests; and

**WHEREAS**, pursuant to a capital needs assessment commissioned by ROC USA, the Riverside Terrace Manufactured Home Park requires a variety of major capital repairs, including but not limited to the replacement of water lines and meters, sewer lines, and the resurfacing of roads within the development, in order to secure and continue its provision of affordable housing for its residents, and therefore the Mission Trail Community Association is seeking funding contributions from the PFC as well as from other sources sufficient to obtain these objectives; and

**WHEREAS**, the PFC has considered the needs presented by the Mission Trails Community Association, and finds that the provision of a forgivable loan in the amount of \$750,000.00 as requested is consistent with PFC objectives of creating and preserving affordable housing in San Antonio; and

**WHEREAS**, the PFC Board of Directors hereby finds that it is beneficial to the PFC, and by extension the community, to issue the loan as described herein to the Mission Trails Community Association, and that it is in the best interests of the community to authorize the negotiation and execution of all required loan documents and agreements necessary to realize the same;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF 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 of the San Antonio Housing Trust Public Facility Corporation hereby authorizes the Assistant Secretary to negotiate and execute a forgivable loan agreement with the Mission Trails Community Association in the amount of \$750,000.00, the loan of which will include parameters detailing the requirements for forgiveness and the inset of the financial loan obligation to commence after all required land sales pertaining to the improvements have closed and after the senior mortgage funds slated for capital repairs have been fully expended.

**Section 3.** 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 4.** This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**Section 5.** 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 of Directors hereby declares that this Resolution would have been enacted without such invalid provision.

**Section 6.** 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, Texas Government Code, as amended.

**Section 7.** This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

SIGNED:

\_\_\_\_\_  
Councilwoman Adriana Rocha Garcia  
President

ATTEST:

\_\_\_\_\_  
Jordan Ghawi, Secretary

**San Antonio Housing Trust Public Facility Corporation  
Agenda Item 7**

*Briefing, discussion, and possible action regarding a resolution inducing the S Hausman Apartments in Partnership with Athena Doman, Inc., to be located on a tract of land located at the intersection of Champions Gate and S Hausman Road on the southeast side of N Loop 1604; and authorizing the negotiation and execution of a term sheet and other matters in connection therewith.*

**Background**

Staff have been approached by representatives from Athena Domain Development Group to discuss a potential PFC development in city council district 7. The initial structure was rejected by SAHT staff and more favorable terms were agreed upon. The developer has owned the site for several years and previously obtained a rezoning of the site to MF 25. Development plans have been submitted and approved by COSA’s Development Services. The developer has applied for a HUDD 221(d)(4) construction/permanent mortgage which is currently under review. To obtain a 100% real estate tax exemption, the structure would involve transferring the property to SAHTPFC and then SAHTPFC entering a ground lease with the developer.

**Property Information**

As currently proposed, the 169 development will include a mix of one, two, and three-bedroom apartment units, and several townhome units. Of the 169 total units, 9 units (5%) will be restricted for those households earning up to 50% AMI; 17 units (10%) will be restricted for those households earning up to 60% AMI; and 59 (35%) of the units will be restricted for those households earning up to 80% AMI. The remaining 84 units (50%) will be market rate. See the below targeted unit mix and bedroom sizes.

<b>UNIT MIX</b>					
<b>TYPE</b>	<b>50% AMI</b>	<b>60% AMI</b>	<b>80% AMI</b>	<b>MARKET RATE</b>	<b>TOTAL</b>
1 bedroom	4	8	29	39	80
2 bedroom	2	4	14	19	39
3 bedroom	3	5	16	26	50
Townhome					
	<b>9</b>	<b>17</b>	<b>59</b>	<b>84</b>	<b>169</b>

The 50%, 60% and 80% AMI units would be both income and rent restricted based on the annual rent and income limits published by HUD. The development is located on vacant land at the corner of Champion Gate and Hausman Road and will consist of seven 3 and 4 story walk-up buildings. Amenities will include a resort style swimming pool, community center with state-of-the-art fitness center, business center with private meeting room, dog park, picnic, and BBQ area. The property will be fenced with controlled access gates. Two driveways on Champions Gate will

provide access to the site. There will be 254 parking spaces including 32 attached garages, 1 detached handicap accessible garage, 49 carports and 172 open spaces.

The development will be constructed to achieve the NGBS Bronze energy certification and will include the following energy efficient components:

1. Energy Star appliances
2. Water Saving fixtures
3. Resource Efficiency
4. Lot Development
5. Operation & Maintenance
6. Indoor Environmental Quality

As A PFC transaction, there is no requirement to provide supportive services at the site. The developer has agreed to contribute \$127,500 (\$1,500 X 85) at closing towards SAHT's Tenant Emergency Assistance Matters (TEAM), which will cover the 50%, 60% and 80% AMI units. Additionally, the developer has committed to participate in the SA Ready to Work Program and register the affordable units with the city.

### **Development Team**

Athena Domain Development Group is an experienced developer. The team is led by Rajeev Puri. SAHTPFC has completed two prior PFC transactions with Athena Domain, Brio at Lookout and Art House. Both projects have been completed and are operating profitably.

They have also identified the following professionals for this project:

Architect: Investwell Architects

Civil Engineer: MBC

Legal: Hornberger, Fuller, Garza & Cohen

General contractor: TBD

Property Manager: TBD

### **Site Information**

The property is located on 7.5 acres of vacant land at the intersection of Champions Gate and Hausman Road directly across the street from the Northside ISD athletic complex. The project is currently zoned MF 25.

The project is well located and is one block west of 1604. Major job centers and retail centers are all near the site.

The site is serviced by VIA bus service with a stop at the Northside ISD sports complex approximately 1,600 feet from the site.

The development will be located within the Northside ISD. The elementary school (Steubing), middle school (Stinson), and high school (Brandeis) are all within walking distance.

### **Financial Considerations:**

Total development cost of \$43,965,083 (\$260,148 per unit) will be funded with \$34,146,189 HUD 221(d)(4) construction loan and \$9,818,264 in equity provided by Athena Domain.

After extensive negotiations, the developer has presented their best and final offer to partner with SAHPFC on the following terms:

- Application fee of \$250,000
- \$264,600 (25% of the real estate tax savings during construction)
- Payment of \$200,000 legal fee
- Annual payment equal to 12% of the real estate taxes based upon 80% of development cost at the milage rate of 2.2.3560% per \$100 of value with an annual escalator of 2%. At the earlier of the first sale or 7 years from completion, and all subsequent sales the annual payment will be 20% of the real estate taxes calculated at 80% of the sales price at the milage rate of 2.23560% per \$100 of value with an annual escalator of 2%.
- At the time of the first sale, SAHTPFC will receive a payment of 1.5% of the sales price plus 15% of the net sale proceeds after payment of the mortgage, repayment of equity, and a 16% limited partner internal rate of return (IRR).
- 2% of the sales price on all sales after the first sale

SAHT is anticipated to receive the following:

- \$ 250,000 origination fee at closing
- \$ 264,604 payment equal to 25% of the sales tax savings
- \$ 1,449,000 portion of annual real estate tax savings payments year 3-10
- \$ 892,548 transaction fee of 1.5% of sales price at year #5
- \$1,018,103 15% of net sale proceeds  
**\$3,874,316**
- The land and the improvements at the end of the ground lease

Additionally, the community will receive the following benefits over a 10-year period:

TEAM Escrow:	\$ 127,500
Reduced Rents (1):	<u>\$ 4,015,233</u>
	<b>\$4,142,733</b>

The total benefit to the developer over 10 years is \$10,044,866 (real estate tax exemption of \$8,986,470 + \$1,058,416 sales tax exemption). However, the combined financial return to SAHTPFC and the community is \$8,017,049 (\$3,874,316 + \$4,142,733).

Therefore, over the 10-year period we will recoup 79.8% of the tax exemptions provided to the developer.

**Recommendation:**

The transaction is providing both 30% and 60% AMI units which will support SAHT's 5-year plan and COSA's Strategic Housing Implementation Program (SHIP). It will also afford 85 low-income families (50%-80% AMI) with an opportunity to secure affordable quality housing in a high opportunity area. It is recommended that the board approve inducement resolution for S Hausman Apartments.

**Attachment:**

Resolution

**S HAUSMAN APARTMENTS  
Inducement**

**CERTIFICATE FOR RESOLUTION**

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a nonprofit public facility corporation created pursuant to the laws of the State of Texas (the “PFC”) hereby certifies as follows:

1. In accordance with the bylaws of the PFC, the Board of Directors of the PFC (the “Board”) held a meeting on October 20, 2023 (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

**RESOLUTION INDUCING THE S HAUSMAN APARTMENTS IN PARTNERSHIP WITH ATHENA DOMAIN, INC., TO BE LOCATED ON A TRACT OF LAND LOCATED AT THE INTERSECTION OF CHAMPIONS GATE AND S HAUSMAN ROAD ON THE SOUTHEAST SIDE OF N LOOP 1604; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET 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 PFC.

SIGNED AND SEALED October 20, 2023.

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Pedro A. Alanis, Assistant Secretary



**RESOLUTION INDUCING THE S HAUSMAN APARTMENTS IN PARTNERSHIP WITH ATHENA DOMAIN, INC., TO BE LOCATED ON A TRACT OF LAND LOCATED AT THE INTERSECTION OF CHAMPIONS GATE AND S HAUSMAN ROAD ON THE SOUTHEAST SIDE OF N LOOP 1604; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET AND OTHER MATTERS IN CONNECTION THEREWITH**

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

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

WHEREAS, Athena Domain, Inc. (the “User”), have requested that (i) the PFC finance the acquisition, construction, and equipping of a proposed 169-unit multifamily housing facility to be located on a tract of land located at the intersection of Champions Gate and S Hausman Road on the southeast side of N Loop 1604, and to be known as the S Hausman Apartments (the “Project”);

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

WHEREAS, SAHTPFC and the User or an affiliate or affiliates thereof will define their mutual relationship in a Term Sheet (the “Term Sheet”);

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain equity and debt financing for 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 PFC agrees that it will

(a) cooperate with the User with respect to the Project, and, if arrangements therefor satisfactory to the User and the PFC 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 PFC in connection with the Project (collectively, the “Contracts”), providing among other things for financing, acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project, all as shall be authorized, required, or permitted by law and as shall be satisfactory to the PFC and the User;

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

Neither the State of Texas (the “State”), the City, nor any political PFC, subdivision, or agency of the State shall be obligated to pay any debt or other obligation of the user or the Project and that

neither the faith and credit nor the taxing power of the State, the City, or any political, subdivision, or agency thereof is pledged to any obligation relating to the Project.

Section 2. It is understood by the PFC, and the User has represented to the PFC, that in consideration of the PFC's adoption of this Resolution, and subject to the terms and conditions hereof, the User has agreed that

(a) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless the PFC 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 Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the PFC or the City); and

Section 3. 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. Provider that neither the User nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and the PFC reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event the PFC 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 shall have any claim against the PFC whatsoever as a result of any decision by the PFC not to enter into the proposed transaction.

Section 4. The Board authorizes the negotiation and execution by the President, Vice President, Secretary, Treasurer, Executive Director, or Assistant Secretary of the Board of a Term Sheet setting forth the details of the Project.

Section 5. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to SAHTPFC for this transaction.

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

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

\* \* \*