

SAN ANTONIO HOUSING TRUST FOUNDATION
2023 OFFICIAL MEETING MINUTES

DATE: August 18, 2023

TIME AND PLACE: The San Antonio Housing Trust Foundation met in session at 2:10 p.m., via Zoom and in person at 114 W Commerce St, San Antonio, TX 78205.

PRESENT: Mark Carmona, Councilwoman Teri Castillo, Eric Cooper, Councilman John Courage, Jordan Ghawi, Councilman Jalen McKee-Rodriguez, Marinella Murillo, Jane Paccione, Councilwoman Adriana Rocha Garcia, and Councilwoman Phyllis Viagran.

ABSENT: Antoinette Brumfield and Rachell Hathaway

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; Rosario Yanez- SEFLA Languages Interpreter; Ulysses Grajeda- Texas RioGrande Legal Aid (TRLA).

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by President Adriana Rocha Garcia and the roll was called by Lauren Bejaran.
2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF JULY 28, 2023.**

MINUTES COMMISSION ACTION:

Jordan Ghawi motioned, and Jane Paccione seconded to approve the July 28, 2023, minutes.

AYES: 9

NAYS:

ABSTAINED:

THE MOTION PASSED.

3. **PUBLIC COMMENT – INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS.**

Susan Richardson, San Antonio resident, submitted written comment read by Director of Operations Nicole Collazo:

"After reconciling the 2023 Annual Plan to the 2024 Annual Plan, I would like to comment on Objective #3 which is to Facilitate the preservation of affordable rental housing and Objective #4 which is to Contribute to the construction of new affordable rental housing.

Regarding Objective #3, it appears that four of the five 2023 priorities are being carried over to 2024, however it is stated that priority #5 which was to establish a dedicated revenue source for gap financing to strengthen affordable housing preservation efforts is deferred to 2025. Truly gap financing is needed now to successfully accomplish all three priorities here for 2024 as well as priority #3 from 2023 to

preserve affordability through development of a partnership or financial support for 3 properties (now under Objective #4 priority #2). I would also like to know how Objective #3's 2024 plan priority #2 of Transit Owned Development land acquisition will actually facilitate the preservation of affordability and specifically which types of TOD that SAHTF is looking into- Core, Center, Village or Destination.

Gap financing would also help address Objective #4's two 2023 remaining priorities (carried over to 2024 as priorities #1 and #3); to participate in and support five LIHTC projects and to identify a PSH development partner and initiate pre-development activities on one PSH development. With a waiting list of over 90K San Antonio residents looking for some form of public housing assistance, I think establishing gap financing needs to be the number one priority for 2024 and not deferred to 2025. Hopefully, I am misinterpreting what is stated on the 2023 Annual Plan and it is actually meant to happen in 2024 in order to be achieved by 2025.

Thanks for the opportunity to comment."

4. DISCUSSION AND POSSIBLE ACTION TO APPROVE A RESOLUTION RECOMMENDING BOARD OF DIRECTOR APPOINTMENTS FOR THE SAN ANTONIO HOUSING TRUST FOUNDATION, INC TO THE CITY COUNCIL OF THE CITY OF SAN ANTONIO CONSISTENT WITH THE RESTATED BYLAWS.

Pete Alanis briefed the board on the Board of Directors applications received for the San Antonio Housing Trust Foundation Inc. As of August 11, 2023, the City Clerk's office has received four applications: Antoinette Brumfield, Eric Cooper, Jayeson Howell, and Jane Paccione. Applications will still be accepted until final appointments by the City Council have been made.

The SAHT Governance & Policy Committee met on August 9, 2023, to review the applications received and approved to move all applications to the full SAHT board for consideration. The SAHT Governance Committee recommends re-appointing the same board members for a 4-year term.

MINUTES COMMISSION ACTION:

Councilman John Courage motioned, and Councilwoman Teri Castillo seconded, to approve a resolution recommending San Antonio Housing Foundation Board appointments to the San Antonio City Council for a four-year term consistent with the restated bylaws.

AYES: 7

NAYS:

ABSTAINED: 2 – Eric Cooper and Jane Paccione

THE MOTION PASSED.

5. BRIEFING AND DISCUSSION ON THE FISCAL YEAR 2024 ANNUAL PLAN AND PRELIMINARY BUDGET.

Pete Alanis briefed the board on the Fiscal Year 2024 Annual Plan. On October 21, 2023, the SAHT Board approved the Five-Year Strategic Plan and FY 2023 Annual Plan. The Strategic Plan outlined six strategic objectives, establishing SAHT beliefs and core values, statement of purpose, mission, and vitals.

The proposed FY 2024 Annual Plan Priorities include, clarifying the role of SAHT in our local housing system, investing in SAHT's capacity to grow, facilitating the preservation of affordable rental housing, contributing to the construction of new affordable rental housing, supporting neighborhood preservation efforts, and engaging in advocacy at local, state, and federal levels. The proposed FY 2024 Vital Goals include the total number of multifamily units preserved, created, placed in service, and under construction; the number of Permanent Supportive Housing, number of parcels acquired, \$0 for Community Land Trust(s), \$3.15 million awarded to non-profits, and \$233.0 million for tax-exempt

bonds issued.

President Adriana Rocha Garcia asked Pete Alanis if the Special Needs Community could be included in the target populations for Objective 1.

Councilwoman Phyllis Viagran left the SAHT Foundation meeting at 2:44 PM.

Jordan Ghawi asked Pete Alanis if the number of 30% AMI units could be increased, and why the number of Permanent Supportive Housing is set at 0 for the FY 2024. Pete responded stating that the PSH number is set at zero due to the PSH units currently not being online and operational. Jordan asked if there was a way to redefine the PSH wording, and President Rocha Garcia asked if “in progress” could be added to the PSH Vitals.

Pete Alanis briefed the board on the Fiscal Year 2024 Preliminary Budget for the Foundation. The FY 2024 Operating Revenue is projected to have a 33% reduction in revenues from the PFC and FC from \$1.57 million to \$1.05 million. The FY 2024 operating expenses are projected to have a 12.6% increase from \$1.56 million to \$1.76 million.

The operating budget increase reflects the priorities set out by the board including: one new staff position, 4% COLA increase for current staff, \$100 increase a month for Health and Dental Stipend, increases to insurance, payroll taxes, audit/accounting services, one time moving and furniture expenses for new office relocation, increase in rent due to the new office space, and passthrough of PFC/FC costs reflected. The Operating Reserve level increased from \$782k to \$881k for FY 2024.

The FY 2024 Annual Cash Projection shows the FY 2023 cash balance ending with \$3.37 million with a FY 2024 ending cash balance of \$2.73 million.

Pete Alanis briefed the board on the Fiscal Year 2024 Preliminary Budget for the PFC. The FY 2024 Operating Revenue is projected to have a 64% reduction in revenues from \$6.1 million to \$3.9 million, providing a \$60k decrease in interest revenues due to reductions in projected earned interest from cash outlays. The conservative budget does not include any new projects or PFC closings.

The PFC operating expenses are projected to have an 82% increase from \$3.22 million to \$5.87 million, primarily due to the \$3.74 million in Site Acquisition expenses. The operating budget increase also reflects the \$984k owed to the Foundation, \$250k as Trust Fund Match, \$449k in revenue share with the City for Greenline and Park @ 38Thirty, \$449k for professional services, and \$53k for Income Taxes.

The PFC Net Position anticipates a \$1.5 million dollar year over year decrease. The PFC FY 2024 beginning cash balance will be at \$13.5 million with an ending cash balance of \$11.9 million.

Pete Alanis briefed the board on the Fiscal Year 2024 Preliminary Budget for the FC. The FY 2024 Operating Revenue is projected to earn \$200k in both annual fees and interest income. The FC operating expenses are projected to have an \$11k increase from \$74k to \$86k, due to cost allocation of accounting, asset management, audit, and compliance services.

The FC Net Position anticipates an increase in net position of \$113k, and the FC FY 2024 cash balance will be at \$2.01 million.

Jordan Ghawi asked Pete Alanis if the asset management and compliance services can be done in house at SAHT to decrease spending costs. Pete responded saying that SAHT’s external audit and compliance services are essential to the amount of the workload for our properties that cannot be undertaken by our

in-house Asset Management team.

Councilman Courage asked Pete Alanis what instruments would be invested in using Cash Investments from the PFC would be. Pete Alanis responded stated the instruments would be clarified during the September 2023 Finance & Audit Committee meeting before being presented to the full board during the September 2023 Stated Board Meetings. Councilman Courage also asked why the net position for the PFC has a \$1 million decrease. Pete responded stating that it is primarily due to the increase of expenses for the PFC in FY 2024.

NONE.

NO ACTION NEEDED.

5. BRIEFING, DISCUSSION, AND POSSIBLE ACTION TO APPROVE A RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LOBBY CRE FOR DATA MANAGEMENT SERVICES.

Pete Alanis briefed the board on the proposed professional services agreement with Lobby CRE for data management services. Lobby CRE's comprehensive portfolio management solution will increase monitoring over 12,000 units, transition projects from initial development through asset management, automatically import operational indicators and financial performance data, enable intelligent performance analysis and reporting, track historic, current, and future modeling scenarios, assess and report on property financial performance, and increase tracking capabilities for various tax, budgeting, reporting, compliance, and other critical functions.

The Lobby CRE agreement will be an annual agreement structured, with a 30-day notice, prior to renewal. Services are approximately \$200 per month per project with an initial one-time implementation fee of \$9,360. Costs will be allocated to the PFC and Finance Corporations, as applicable. Staff recommend authorizing a service agreement with Lobby CRE to begin integrating the platform for October 1, 2023, start date to coincide with the beginning of our fiscal year.

MINUTES COMMISSION ACTION:

Jordan Ghawi motioned, and Jane Paccione seconded to approve a resolution authorizing the Executive Director to negotiate and execute a professional services agreement with Lobby CRE for Data Management Services.

AYES: 8

NAYS:

ABSTAINED:

THE MOTION PASSED.

6. EXECUTIVE SESSION: THE SAN ANTONIO HOUSING TRUST FOUNDATION WILL CONVENE IN EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTION 551.071 CONSULTATION WITH ATTORNEY AND 551.074, PERSONNEL TO RECEIVE ADVICE REGARDING THE STATUS AND DATES RELATED TO THE EMPLOYMENT AGREEMENT WITH EXECUTIVE DIRECTOR PEDRO ALANIS.

President Adriana Rocha Garcia convened the SAHT Foundation meeting into Executive Session at 3:37 p.m.

Councilwoman Phyllis Viagran rejoins the Foundation meeting at 3:45 p.m.

Executive Session. The San Antonio Housing Trust reserves the right to adjourn into Executive Session

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

President Adriana Rocha Garcia reconvened the SAHT Foundation meeting into Open Session at 4:01 PM. No action was taken place during the Executive Session.

MINUTES COMMISSION ACTION:

Eric Cooper motioned, and Councilman Jalen McKee-Rodriguez seconded approving a 90-day extension for Executive Director Pete Alanis' contract.

AYES: 9

NAYS:

ABSTAINED:

THE MOTION PASSED.

7. ADJOURNMENT

President Rocha Garcia adjourned the meeting. There being no further business, the meeting was adjourned at 4:02 p.m.