AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
will be held at Municipal Plaza B Room
114 W Commerce St., San Antonio, TX 78205
and virtually via ZOOM:
https://us02web.zoom.us/j/88070033634?pwd=SnRLdUR6MVhpNFp1TzlUUnhaZzhvQT09
DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 880 7003 3634 PASSWORD: 396957
On Friday, February 16, 2024, 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 January 26, 2024.
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Briefing, discussion and possible action regarding a resolution authorizing the **South Hausman Apartments** transaction, including the execution of all documentation necessary to carry out the transaction; and authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT S Hausman PFC, LLC and authorizing the financing for such transaction; and authorizing 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.
5. Briefing, discussion and possible action regarding resolutions concerning the application of **Creek Bend Apartments II** relating to:
    a. A resolution concerning the application of Pedcor Investments-2023-CXCIV, L.P. relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction and equipping of the Creek Bend II Apartment Homes and other matters in connection therewith.
    b. A resolution inducing the Creek Bend Phase II Apartment Homes transaction; and authorizing all filings and agreements with Texas Department of Housing and

Community Affairs in connection with applications for low-income housing tax credits; and approving and authorizing the negotiations and execution of a Memorandum of Understanding; and other matters in connection therewith.

6. Briefing, discussion and action regarding a resolution inducing the **Sageland Flats** (*formerly Brooks Family Apartments)* transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.
7. Briefing, discussion and action regarding a resolution inducing the **Cedar Ridge Terrace** *(formerly Brooks Senior Apartments)* transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.
8. Briefing, discussion and action regarding a resolution inducing the **Residences at Pearsall Park Senior Apartments** transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.
9. Briefing, discussion and possible action regarding a resolution authorizing the Assistant Secretary to negotiate and execute a purchase and sale agreement for the purchase of approximately **8.6 acres of real property located at Southeast of the intersection of Eisenhauer Road and Midcrown Drive** , in San Antonio, Texas, from Zachry Realty Inc; authorizing the creation of an LLC to hold the property; authorizing signatories; and addressing related matters.
10. Executive Session
    a. The SAHT PFC Board of Directors will meet in Executive Session pursuant to Section 551.072, Real Estate matters, to deliberate the purchase and value of real property located in west San Antonio for the purposes of affordable housing and community development; and Texas Government Code Section 551.071, Attorney Client Communication, to receive legal advice regarding contracting, land banking, and other matters relating to said acquisition.
11. 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 Sukh Kaur (District 1), 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), 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: February 12, 2024 5:10 PM

San Antonio Housing Trust Public Facility Corporation
Agenda Item 2

This item includes the approval of minutes from the **January 26, 2024**, meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
2024 OFFICIAL MEETING MINUTES

DATE: January 26, 2024

TIME AND PLACE: The Public Facility Corporation met in session at 2:09 p.m., via Zoom and in person at 8200 W Interstate 10, Suite 501, San Antonio, TX 78230.

PRESENT: Antoinette Brumfield, Councilmember Teri Castillo, Eric Cooper, Jordan Ghawi, Councilmember Sukh Kaur, Marinella Murillo, Jane Paccione, Councilmember Adriana Rocha Garcia, and Councilmember Phyllis Viagran.

ABSENT: Rachell Hathaway, Councilmember Jalen McKee-Rodriguez, and Mark Carmona.

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; Seema Kairam- Real Estate Development Manager; 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; Ryan Salts- D1; Edward Mungia- D4; Justin Renteria- D5; Liliana Sublette; Melanie Cawthon- DisABILITYsa; John R. Heard- DisABILITYsa; Lori Day- DisABILITYsa; Timothy Hope- DisABILITYsa; Sandy Leway- DisABILITYsa; Janice Perez- DisABILITYsa; Ryan Marrman- DisABILITYsa; Robert Garza- City of San Antonio; Jean Latsha- Pedcor; Mirla Lopez- SEFLA Languages Interpreter; Clarissa Rodriguez- Denton Navarro Rocha Bernal & Zech, P.C.; James Plummer- Bracewell; Summer Greathouse- Bracewell.

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 NOVEMBER 27, 2023.**

MINUTES COMMISSION ACTION:
Jane Paccione motioned, and Councilmember Sukh Kaur seconded to approve the minutes of November 27, 2023.
AYES: 6
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. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING THE SINGLE ASSET ENTITY PHASE OF THE VIDA DEVELOPMENT IN COUNCIL DISTRICT 4.**

Pete Alanis briefed the board on the proposed resolution authorizing the Assistant Secretary of The San Antonio Housing Trust Public Facility Corporation, to take any necessary actions to close financing on the acquisition of 19.68 acres of vacant land located along the west side of S. Zarzamora, south of 410 in Phase II of The Vida Development.

MINUTES COMMISSION ACTION:

Jordan Ghawi motioned, and Councilmember Sukh Kaur seconded to approve Item #4 for the VIDA Development in Council District 4.

AYES:6
NAYS:
ABSTAINED:
THE MOTION PASSED.

5. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING THE STONES CROSSING APARTMENT HOMES AS FOLLOWS:**

A. RESOLUTION CONCERNING THE APPLICATION OF THE PEDCOR INVESTMENTS-2023-CXCV, L.P., RELATING TO THE PROPOSED FINANCING OF THE GREATER OF $50,000,000 OR 1.7% OF THE STATE CEILING, BUT NOT TO EXCEED $60,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE STONES CROSSING APARTMENT HOMES AND OTHER MATTERS IN CONNECTION THEREWITH.

B. RESOLUTION INDUCING THE STONES CROSSING APARTMENT HOMES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW-INCOME HOUSING TAX CREDITS; AND APPROVING AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH.

Pete Alanis briefed the board on the proposed resolution inducing the PFC and Pedcor partnership, Creek Bend Apartment Homes Transaction, and subsequent matters therewith. Councilman John Courage of City Council District 9 did approve of the project.

Marinella Murillo joins the San Antonio Housing Trust Public Facility Corporation meeting at 2:20 p.m.

MINUTES COMMISSION ACTION:

Councilmember Sukh Kaur motioned, and Jane Paccione seconded, to approve a resolution for Item #5 for the Stones Crossing Apartment Homes.

AYES: 6
NAYS:

ABSTAINED:
THE MOTION PASSED.

6. **RESOLUTION AUTHORIZING AND RATIFYING AMENDMENTS FOR THE PRESERVE AT THE PORT APARTMENTS, INCLUDING AUTHORIZING AND RATIFYING ADDITIONAL DEBT, AUTHORIZING AMENDMENTS TO VARIOUS EQUITY DOCUMENTS AND AUTHORIZING AND RATIFYING THE EXECUTION OF A SIDE LETTER AGREEMENT RELATED THERE TO AND OTHER MATTERS IN CONNECTION THEREWITH.**

Pete Alanis briefed the board about the proposed resolution inducing the Orion I Apartments.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilmember Sukh Kaur seconded to approve Item #6 for the Preserve at the Port Apartments.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.

7. **EXECUTIVE SESSION:**
I. THE SAHT PFC BOARD OF DIRECTORS WILL MEET IN EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071, ATTORNEY CLIENT COMMUNICATION TO RECEIVE ADVICE ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER RELATED TO DISCUSSION OF CONTRACTS RELATED TO TAX CREDIT DEVELOPMENTS AND SECTION 551.072, REAL ESTATE MATTERS TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY WHICH WILL HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE SAHT PFC RELATED TO NEGOTIATIONS OF REAL ESTATE PURCHASES RELATING TO TAX CREDIT PROJECTS.

II. THE SAHT PFC BOARD OF DIRECTORS WILL MEET IN EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.072, REAL ESTATE MATTERS TO DISCUSS AND DELIBERATE THE ACQUISITION OF LAND PARCELS FOR THE PURPOSE OF LAND BANKING AND POSSIBLE DEVELOPMENT.

President Rocha Garcia called to recess the San Antonio Public Facility Corporation meeting at 2:32 p.m.

President Rocha Garcia reconvened the San Antonio Housing Trust Public Facility Corporation meeting at 2:48 p.m., and convened the San Antonio Housing Trust Public Facility Corporation into Executive Session at 2:48 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 Rocha Garcia reconvened the San Antonio Housing Trust Public Facility Corporation meeting at 3:09 p.m. No action was taken during Executive Session.

8. ADJOURNMENT

President Rocha Garcia adjourned the meeting. There being no further business, the meeting adjourned at 3:09 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

Briefing, discussion and possible action regarding a resolution authorizing the South Hausman Apartments transaction, including the execution of all documentation necessary to carry out the transaction; and authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT S Hausman PFC, LLC and authorizing the financing for such transaction; and authorizing 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.

Background

Athena Domain Development Group is partnering with SAHT PFC through a ground lease on the development of a 169-unit mixed income HUD 221(d)(4) development 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 in Council District 7.

In November 2023, the PFC board approved an initial partnership inducement on the 169-unit development which will include a mix of one, two, and three-bedroom apartment and 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.

Unit Mix & Affordability					
Size	50% AMI	60% AMI	80% AMI	Mkt Rate	Total
1 BR	4	8	29	39	80
2BR	2	4	14	19	39
3 BR	3	5	16	26	50
TOTAL	**9**	**17**	**59**	**84**	**169**

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 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:

- Energy Star appliances
- Water Saving fixtures
- Resource Efficiency
- Lot Development
- Operation & Maintenance
- Indoor Environmental Quality

The developer has agreed to contribute $127,500 ($1,500 X 85 units) at closing towards SAHT's Tenant Emergency Assistance Matters (TEAM) program. Additionally, the developer has committed to participate in the SA Ready to Work Program and register the affordable units with the city's Home Base initiative.

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: Blazer
- 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 estimated 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.

The SAHT PFC terms are as follows:

- Origination fee of $250,000
- $264,600 (25% of the real estate tax savings during construction)
- Annual payment equal to 12% of the real estate taxes based upon 80% of development cost at the milage rate of 2.23560% 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
- The land and the improvements at the end of the ground lease

SAHT is anticipated to receive the following over a 10-year period:

$ 250,000	Origination fee at closing
264,604	25% of the sales tax savings
1,449,000	Annual real estate tax savings payments year 3-10
892,548	Transaction fees of 1.5% of sales price (estimated at year #5)
1,018,103	15% of net sale proceeds
$3,874,316	

The Tenants will receive the following benefits over a 10-year period:

$ 127,500	TEAM Program Contribution
4,015,233	Est. 10-year rent reduction on 85 units (from Market to 80/60/50% AMI)
$4,142,733	

The total estimated real estate and sales tax exemptions over 10 years is estimated at $10,044,866. The financial return to SAHT PFC and Tenants is $8,017,049. Therefore, over the 10-year period we estimate recouping nearly 80% of tax exemptions provided to the project. The remaining 20% allows the project to be financially feasible.

Recommendation:

Staff recommends final authorization to close financing on the project.

Attachment:

Resolution

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on February 16, 2024 (the "Meeting") of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

> RESOLUTION AUTHORIZING THE SOUTH HAUSMAN 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 FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN SAHT S HAUSMAN PFC, LLC AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING 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

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHTPFC.

SIGNED February 16, 2024.

_____

Pedro A. Alanis, Assistant Secretary

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE SOUTH HAUSMAN 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 FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN SAHT S HAUSMAN PFC, LLC AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING 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

WHEREAS, SH CG MF, LP, a Texas limited partnership (the "Partnership") and SAHT S HAUSMAN PFC, LLC, a Texas limited liability company and a limited partner of Partnership (the "SAHT Partner"), have been formed to acquire and construct a 169-unit multifamily housing facility (the "Housing Facility") to be located at the intersection of Champions Gate and S Hausman Road on the southeast side of N Loop 1604, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, the San Antonio Housing Trust Public Facility Corporation ("SAHTPFC") has agreed to (i) serve as the sole member of a SAHT Partner in connection with the financing of the Project, (ii) acquire the Land and own the Project and lease it to the Partnership pursuant to a Lease Agreement (the "Lease"), (iii) enter into a joint venture agreement to serve as the general contractor for the Project, and (iv) enter into a Regulatory Agreement and Declaration of Restrictive Covenants ensuring that 5% of the units are reserved for tenants earning 50% of the San Antonio area median income, 10% of the units are reserved for tenants earning 60% of the San Antonio area median income, and 35% of the units are reserved for tenants earning 80% of the San Antonio area median income (the "Regulatory Agreement");

WHEREAS, in connection with the financing of the Project, the Partnership will enter into a loan transaction with Mason Joseph Company for a loan in the amount of approximately $35,000,000 (the "Loan");

WHEREAS, in connection with the execution of the Loan, the Partnership and/or SAHTPFC will be required to enter into certain agreements, including, but not limited to, a Promissory Note, a Construction Loan Agreement, a Deed of Trust, together with a Joinder of Deed of Trust or a Deed of Trust on the fee and various assignments and certificates (collectively, the "Loan Documents");

WHEREAS, the Partnership will raise and contribute approximately $10,000,000 of equity to construct the Project (the "Equity Financing");

WHEREAS, in connection with the Equity Financing, the Partnership, the SAHT Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to a Limited Partnership Agreement and closing certificates (collectively, the "Equity Documents");

WHEREAS, to reduce the cost of the Project by eliminating sales tax on the construction of the Project, SAHTPFC will enter into a joint venture agreement to serve as the general contractor and enter into any required construction contracts and ancillary documents (the "Construction Documents");

WHEREAS, the Corporation has (i) obtained the requisite underwriting assessment from a professional entity without a financial interest in the development, developer or public facility user, which also has experience underwriting affordable multifamily residential development, indicating that the Project would not be feasible without the participation by the Corporation and (ii) published the underwriting assessment on its website and provided notice of the Project to the presiding officer of the governing body of each taxing unit in which the Project is located at least 30 days before this approving resolution;

WHEREAS, The Board has determined that (i) the development of the Project would not be feasible but for the Corporation's participation, and (ii) the development of the Project is in furtherance of the City of San Antonio's housing programs, policies and initiatives, and (iii) is carried out pursuant to the provisions of the Corporation's Articles of Incorporation, Bylaws and the Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended;

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 Partnership may construct the Project;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the Equity Financing, the Loan, and the terms of the Equity Documents, the Construction Documents, and the Loan Documents, are hereby authorized and approved when such documents are approved by the officers signing them.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Equity Documents, the Construction Documents, the Loan Documents, indemnity agreements and guaranties covering the Land or the Project, and all other documents relating to the Equity Financing, and the Loan to which the Partnership, the SAHT Partner, and/or SAHTPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, the acquisition of membership interest in the SAHT Partner by SAHTPFC, and the role of SAHTPFC as a joint venturer in the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the SAHT Partner and SAHTPFC for this transaction.

Section 7. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. 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. The Board hereby finds in good faith that the Project would not be feasible without the participation of the Corporation and that all required notices, publications and approvals have been obtained.

Section 9. 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 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility Corporation
Agenda Item 5 a & b

Briefing, discussion and possible action regarding resolutions concerning the application of Creek Bend Apartments II relating to:

a. A resolution concerning the application of Pedcor Investments-2023-CXCIV, L.P. relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction and equipping of the Creek Bend II Apartment Homes and other matters in connection therewith.

b. A resolution inducing the Creek Bend Phase II Apartment Homes transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and approving and authorizing the negotiations and execution of a Memorandum of Understanding; and other matters in connection therewith.

Pedcor, is a highly qualified national firm seeking to partner with the SAHT PFC to develop a proposed 240-unit new construction 4% bond development targeted for low to moderate income families. The *Creek Bend Apartments* II will be a mix of affordable units for households whose incomes average 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 low to moderate income families. Of the 240 total apartment homes, 12 units (5%) will be restricted for those households earning up to 30% AMI; 228 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	4	68	72
2 BR	6	126	132
3 BR	2	34	36
Total	**12**	**228**	**240**

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

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, two playgrounds, and a dog park. In addition, 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 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 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. CDS Muery is a local Engineering firm and Dauby O'Connor and Zaleski, LLC, an Austin-based Accounting Firm have also been identified. Arkose Environmental, Inc. as Environmental Firm, and Pedcor Construction is the General Contractor. The attorney team will be identified later.

Site Information
The property is located at the most norther parcel within the City of San Antonio Limits on 13.61 acres of a 37-acre tract of vacant land *(adjacent to 18 acres of Creekbend I, approved in November 2023)*. The site is zoned MF-18GC-3, MLOD-1 MLR-2 and MF-18 MLOD-1 MLR-2, which allows for the proposed use.

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 II 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. The Stone Oak Transit Park and Ride is approximately 4 miles away. Currently no transit stops or Via Link services this area.

Financial Considerations:
The project is anticipated to be a $70.7 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.

Est. Sources	Amount
Bond Debt	$31,483,150
LIHTC Equity	27,140,000
Deferred Developer Fee	7,892,000
Lease Up Rental Income	3,398,000
Accrued Interest	742,312
Total Sources	**$70,655,462**

Uses	Amount
Acquisition	$ 2,640,827
Construction Hard Costs	44,252,500
Construction Period Costs	8,032,741
Permanent Financing Costs	999,617
Soft Costs	5,164,251
Reserves	926,000
Syndication Costs	188,233
Developer Fee	8,451,293
Total Sources	**$70,655,462**

The project has no anticipated gap. However, **93%** of the developer fee is being deferred and will take 15 years to repay.

SAHT is anticipated to receive the following:

- Bond Issuance Fee of 1% of the Final Bond Issuance Amount (est. at $350k)
- Annual Bond Fee of $30/unit for each year Bonds are outstanding (est. at $7.2k per year)
- 40% of Developer Fee and Deferred Fees (est. at $3.3 million)
- 50% of Cash Flow after Deferred Fees are paid, if any
- 50% of Residual Value at Capital Event in Year 15
- 25% of Sales Tax Savings from Construction

Staff is recommending funding a Tenant Assistance Fund at $360k ($1,500/unit) from SAHT owed Sales Tax Savings and Developer Fee earned prior to lease up. The developer has also agreed to the following requirements:

- Tenant Protection Policy
- SAHT inclusive design standards, if approved by SAHT early in design process
- Increasing accessible and visual/hearing impaired units to 10% and 4% respectively
- Participation in the SA Ready to work program and securing a best-efforts pledge from the GC to hire SA Ready to work participants.
- Registering affordable units with COSA's Housing base system

Recommendation:

The SAHT PFC board approved Creek Bend Phase I on November 27, 2023. Staff recommends approving resolutions inducing the Creek Bend II Apartment Homes transaction and subsequent matters herein.

CREEK BEND PHASE II APARTMENT HOMES

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 February 16, 2024 (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-2023-CXCIV, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND PHASE II 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.

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 February 16, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF PEDCOR INVESTMENTS-2023-CXCIV, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND PHASE II 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-2023-CXCIV, 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 240-unit multifamily housing facility to be located in the northwest quadrant of Highway 281 and Borgfeld Road and to be known as the Creek Bend Phase II 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 $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.

* * *

CREEK BEND PHASE II APARTMENT HOMES

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on February 16, 2024 (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 CREEK BEND PHASE II APARTMENT HOMES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND APPROVING AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH**

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHTPFC.

SIGNED February 16, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE CREEK BEND PHASE II APARTMENT HOMES TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND APPROVING AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

WHEREAS, Pedcor Investments-2023-CXCIV, L.P. a Texas limited partnership (the "Partnership"), and SAHT Creek Bend Phase II GP, LLC, a to-be-formed Texas limited liability company and its general partner (the "General Partner"), will acquire and construct a proposed approximately 240-unit multifamily housing facility to be known as the Creek Bend Phase II Apartment Homes (the "Housing Facility") to be located in the northwest quadrant of Highway 281 and Borgfeld Road, San Antonio, Texas 78260 (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, SAHTPFC has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease, and (iii) serve as the general contractor for the Project;

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

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

WHEREAS, the Partnership has also requested that SAHTPFC issue its Multifamily Housing Revenue Bonds (Creek Bend Phase II Apartment Homes) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

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

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

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

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

WHEREAS, the Board of Directors of SAHTPFC (the "Board") has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

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

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

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

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute the Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of

the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

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

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

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

Section 7. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

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

Section 9. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 11. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

San Antonio Housing Trust Public Facility Corporation
Agenda Item 6

Briefing, discussion and action regarding a resolution inducing the Sageland Flats (formerly Brooks Family Apartments) transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.

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 estimated 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.

All units will be affordable with 1-bedroom unit rent ranging from $494 to $1,153, and 2-bedroom unit rent ranging from $593 to $1,384-, and three-bedroom units ranging from $685 to $1,598. 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 Brooks Redevelopment area is currently serviced by four market-rate rental properties and 4 more in development. This will be the first 100% affordable family housing development within the Brooks Redevelopment area.

Financial Considerations:
The project is anticipated to cost $85.8 million ($252k per unit) and will require the SAHTPFC 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 receive a 100% Sales and Property Tax Exemption through the SAHTPFC being part of the Tax Credit Partnership.

Sources	Perm Financing
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 currently does not have a projected funding gap.

SAHT is anticipated to receive the following:

- Bond Issuance Fee of 1% of the Final Bond Issuance Amount (est. at $500K)
- Annual Bond Fee of $50/unit for each year Bonds are outstanding (est. at $17k per year).
- 40% of Developer Fee and Deferred Fees (est. at $3.8 million, fully paid by year #11)
- 50% of Cash Flow after Deferred Fees are paid (est. at $2.5 million)
- 50% of Residual Value at Capital Event in Year 15
- 25% of Sales Tax Savings from Construction

Staff is recommending funding a Tenant Assistance Fund at $510k ($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.

The developer has also agreed to the following requirements:

- Tenant Protection Policy
- SAHT inclusive design standards, if approved early in design process
- Increasing accessible and visual/hearing impaired units to 10% and 4% respectively
- Participation in the SA Ready to work program and securing a best-efforts pledge from the GC to hire SA Ready to work participants.
- Registering affordable units with COSA's Housing base system

Recommendation:
The SAHT PFC board approved Brooks Family Apartments for $50 million bond inducement in September 2023. Staff recommends authorizing a resolution inducing Sageland Flats (formerly Brooks Family Apartments) transaction and subsequent matters herein.

SAGELAND FLATS F/K/A BROOKS FAMILY APARTMENTS

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on February 16, 2024 (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 SAGELAND FLATS F/K/A BROOKS FAMILY APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH**

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHTPFC.

SIGNED February 16, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE SAGELAND FLATS F/K/A BROOKS FAMILY APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

WHEREAS, Brooks Family Apartments Limited Partnership, a Texas limited partnership (the "Partnership"), and SAHT Brooks Family GP, LLC, a Texas limited liability company and its general partner (the "General Partner"), have been formed to acquire and construct an approximately 338-unit multifamily housing facility (the "Housing Facility") to be located at approximately the intersection of Research Plaza and Challenger Drive, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, SAHTPFC has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease, and (iii) serve as the general contractor for the Project;

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

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

WHEREAS, the Partnership has also requested that SAHTPFC issue its Multifamily Housing Revenue Bonds (Sageland Flats) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

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

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

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

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

WHEREAS, the Board of Directors of SAHTPFC (the "Board") has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

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

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

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

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute the Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of

the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

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

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

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

Section 7. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

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

Section 9. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 11. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

San Antonio Housing Trust Public Facility Corporation
Agenda Item 7

Briefing, discussion and action regarding a resolution inducing the Cedar Ridge Terrace (formerly Brooks Senior Apartments) transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.

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 families 55 years of age and older. Sageland Flats 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 from 30% - 70% of AMI. Of the estimated 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.

All units will be affordable with 1-bedroom unit rent ranging from $494 to $1,153, and 2-bedroom unit rent ranging from $593 to $1,384. 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. The project 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 northwest corner 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 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	Perm Financing
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 currently does not have a projected funding gap.

SAHT is anticipated to receive the following:

- Bond Issuance Fee of 1% of the Final Bond Issuance Amount (est. at $350K)
- Annual Bond Fee of $50/unit for each year Bonds are outstanding (est. at $12k per year).
- 40% of Developer Fee and Deferred Fees (est. at $2.5 million, fully paid by year #11)
- 50% of Cash Flow after Deferred Fees are paid (est. at $1.3 million)
- 50% of Residual Value at Capital Event in Year 15
- 25% of Sales Tax Savings from Construction

Staff is recommending funding a Tenant Assistance Fund at $360k ($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.

The developer has also agreed to the following requirements:

- Tenant Protection Policy
- SAHT inclusive design standards, if approved early in design process
- Increasing accessible and visual/hearing impaired units to 10% and 4% respectively
- Participation in the SA Ready to work program and securing a best-efforts pledge from the GC to hire SA Ready to work participants.
- Registering affordable units with COSA's Housing base system

Recommendation:
Staff recommends authorizing a resolution inducing the Cedar Ridge Terrace (*formerly Brooks Senior Apartments)* transaction and subsequent matters herein.

CEDAR RIDGE TERRACE F/K/A BROOKS SENIOR APARTMENTS

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on February 16, 2024 (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 CEDAR RIDGE TERRACE F/K/A BROOKS SENIOR APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH**

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHTPFC.

SIGNED February 16, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE CEDAR RIDGE TERRACE F/K/A BROOKS SENIOR APARTMENTS TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

WHEREAS, Brooks Senior Apartments Limited Partnership, a Texas limited partnership (the "Partnership"), and SAHT Brooks Senior GP, LLC, a Texas limited liability company and its general partner (the "General Partner"), have been formed to acquire and construct an approximately 239-unit multifamily senior housing facility (the "Housing Facility") to be located at approximately the intersection of Challenger Drive and Research Plaza, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, SAHTPFC has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease, and (iii) serve as the general contractor for the Project;

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

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

WHEREAS, the Partnership has also requested that SAHTPFC issue its Multifamily Housing Revenue Bonds (Cedar Ridge Terrace) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

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

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

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

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

WHEREAS, the Board of Directors of SAHTPFC (the "Board") has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

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

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

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

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute the Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of

the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

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

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

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

Section 7. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

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

Section 9. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 11. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

San Antonio Housing Trust Public Facility Corporation
Agenda Item 8

Briefing, discussion and action regarding a resolution inducing the Residences at Pearsall Park Senior Apartments transaction; and authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low-income housing tax credits; and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.

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 families 55 years of age and older. Residents 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 240 total apartment homes, 24 units (10%) 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.

All units will be affordable with 1-bedroom unit rent ranging from $494 to $988, and 2-bedroom unit rent ranging from $593 to $1,186. 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. The project 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 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 but will not need to go through a land use change.

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 Port San Antonio Area Regional Center is forecast to grow by 23,800 to 27,000 new jobs from 2010 to 2040.

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 cost $53.6 million ($223.5k 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	Perm 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.

SAHT is anticipated to receive the following:

- Bond Issuance Fee of 1% of the Final Bond Issuance Amount (est. at $350K)
- Annual Bond Fee of $50/unit for each year Bonds are outstanding (est. at $12k per year).
- 40% of Developer Fee and Deferred Fees (est. at $2.5 million, fully paid by year #11)
- 50% of Cash Flow after Deferred Fees are paid (est. at $1.5 million)
- 50% of Residual Value at Capital Event in Year 15
- 25% of Sales Tax Savings from Construction

Staff is recommending funding a Tenant Assistance Fund at $360k ($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.

The developer has also agreed to the following requirements:

- Tenant Protection Policy
- SAHT inclusive design standards, if approved early in design process
- Increasing accessible and visual/hearing impaired units to 10% and 4% respectively
- Participation in the SA Ready to work program and securing a best-efforts pledge from the GC to hire SA Ready to work participants.
- Registering affordable units with COSA's Housing base system

Recommendation:
Staff recommends authorizing a resolution inducing the Residences at Pearsall Park transaction and subsequent matters herein.

RESIDENCES AT PEARSALL PARK

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on February 16, 2024 (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 RESIDENCES AT PEARSALL PARK TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING; AND OTHER MATTERS IN CONNECTION THEREWITH**

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHTPFC.

SIGNED February 16, 2024.

_____

Pedro A. Alanis, Assistant Secretary

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

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

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

WHEREAS, Pearsall Park Limited Partnership, a Texas limited partnership (the "Partnership"), and SAHT Pearsall Park GP, LLC, a Texas limited liability company and its general partner (the "General Partner"), have been formed to acquire and construct an approximately 240-unit multifamily senior housing facility (the "Housing Facility") to be located at approximately the northwest corner of Ray Ellison Boulevard and Old Pearsall Road, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, SAHTPFC has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease, and (iii) serve as the general contractor for the Project;

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

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

WHEREAS, the Partnership has also requested that SAHTPFC issue its Multifamily Housing Revenue Bonds (Residences at Pearsall Park) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

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

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

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

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

WHEREAS, the Board of Directors of SAHTPFC (the "Board") has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

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

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

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

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

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute the Contracts including, but not limited to, any and all applications, term sheets and other agreements required for the financing and construction of the Project and documents related to the Bond Financing, LIHTCs, Equity Financing and Subordinate Loans to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of

the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHTPFC and the Partnership and Developer have represented to SAHTPFC, that in consideration of SAHTPFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

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

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

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

Section 7. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

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

Section 9. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 10. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 11. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

San Antonio Housing Trust Public Facility Corporation
Agenda Item 9

Briefing, discussion and possible action regarding a resolution authorizing the Assistant Secretary to negotiate and execute a purchase and sale agreement for the purchase of approximately 8.6 acres of real property located at Southeast of the intersection of Eisenhauer Road and Midcrown Drive , in San Antonio, Texas, from Zachry Realty Inc; authorizing the creation of an LLC to hold the property; authorizing signatories; and addressing related matters.

Background
As part of the Five-Year Strategic Plan, SAHT seeks creative options to contribute to N*ew Affordable Rental Housing units.* One of the key strategies includes the acquisition of land for future affordable housing development.

Staff proposes purchasing approximately 8.6 acres of vacant land at Eisenhauer Road and Midcrown Drive located in Council District 2. Zachry Realty Inc. has accepted SAHT PFC's negotiated purchase price of $7.49 per SF which equates to $2,800,000. A non-binding letter of intent has been executed by the parties.

Upon execution of the purchase and sale agreement, SAHT PFC will have 120 days to complete its due diligence analysis, with an option to extend the due diligence period for an additional 60 days upon payment of a $50,000 additional earnest money deposit. Upon execution of the purchase and sale agreement, SAHTPFC will commission CBRE to secure parties to complete due diligence analysis including environmental site assessment, geotech soils studies, civil engineering evaluation, and updated survey if required.

Site Properties
The 8.6-acre vacant property is currently zoned C-2 for office/retail and is currently un-platted. Utilities are available at the site. A portion of the eastern section of the site is in a 100-year floodplain. The property is along both the 629/630 VIA bus routes.

Fiscal Impact
Upon execution of the PSA, SAHT PFC shall deposit as Earnest Money the sum of $28,000 with Chicago Title.

The estimated initial preclosing due diligence budget is $60,000. This includes an appraisal, survey, phase I ESA, geotechnical report, preliminary civil site analysis, and zoning costs. Additionally, we estimate approximately $56,000 or 2% of the sales price for reasonable closing costs. With a sales price of $2,800,000 this brings the total estimated cost to close at $2,916,000.

SAHT PFC will apply for Inner City TIRZ funds for the purchase price, reasonable closing costs, and reimbursement of due diligence/earnest money for approximately $2,916,000. Award of Inner City TIRZ funds will require approval by the Inner City TIRZ Board and San Antonio City Council. If funding through the TIRZ is successful, SAHT PFC will seek to establish an Agreement to have TIRZ funds deposited at closing. If not, the City may require PFC to close by advancing all the funds then seeking reimbursement post-closing. Either way, after due diligence, a closing date will be set, and the board will need to take action to close on the acquisition.

Alternatives

If SAHT PFC is not successful at receiving an award for Inner City TIRZ funds, SAHT shall release the contract prior to the 120-day deadline and shall receive back the $28,000 in earnest money. However, the funding spent on due diligence for acquisition will not be recovered.

Recommendation

Staff recommends authorizing resolution to negotiate and execute purchase and sale agreement and other related matters.

Attachment

Resolution

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION NO. _____

A RESOLUTION BY THE BOARD OF DIRECTORS AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF APPROXIMATELY 8.6 ACRES OF REAL PROPERTY LOCATED SOUTHEAST OF THE INTERSECTION OF EISENHAUER ROAD AND MIDCROWN DRIVE, IN SAN ANTONIO, TEXAS, FROM ZACHRY REALTY INC; AUTHORIZING RELATED FINANCING AND BUDGET MATTERS; AUTHORIZING THE CREATION OF AN LLC TO HOLD THE PROPERTY; AUTHORIZING SIGNATORIES; AND ADDRESSING RELATED MATTERS.

RECITALS

WHEREAS, the San Antonio Housing Trust Public Facility Corporation (sometimes "PFC") finds that the purchase of real property is among the means necessary for the successful realization of the San Antonio Housing Trust in providing low- and moderate-income housing and revitalizing neighborhoods in the community; and

WHEREAS, the PFC finds that the acquisition of certain real property, located to the southeast of the intersection of Eisenhauer Road and Midcrown Drive in San Antonio, Texas and having the Property ID of 591424 (the "Property"), will provide the PFC with additional resources and opportunity to carry out its purposes relating to affordable housing; and

WHEREAS, the PFC also finds that the creation of an LLC for transfer and holding of the Property title will serve to help the PFC allocate and manage its public assets in a more efficient manner; and

WHEREAS, the Board of Directors hereby finds that it is in the best interests of the San Antonio Housing Trust Foundation, Inc. to acquire the Property as provided herein, and authorize the Executive Director to execute the Agreement with Seller in order to acquire the Property;

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 approves the purchase of the Property for a maximum purchase price of $2,800,000.00, from Zachry Realty Inc. exclusive of closing costs, and in accordance with the letter of intent attached to this Resolution as Exhibit "A."

Section 3. The Board of Directors of the PFC further authorizes the Assistant Secretary to negotiate and execute the Agreement in accordance with the terms of Exhibit A, and all other necessary and required closing and other documents in order to effectuate the conveyance of the Property.

Section 4. The PFC further authorizes a budget amendment in the amount of $116,000.00 for application to this and possibly other real property acquisition activities to come before the PFC for final approval, as well as due diligence expenses and closing costs for this acquisition, and authorizes the Assistant Secretary of the PFC to seek funding for due diligence and other costs from any applicable TIRZ funding which may apply to the Property.

Section 5. The PFC further authorizes the creation of an LLC, to be known as _____, LLC, with the PFC as the sole and managing member, for the subsequent acquisition of the Property, whether through assignment of contract, deed, or otherwise.

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

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

Section 9. 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 10. 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_____, 2024.

SIGNED:

_____
Adriana Rocha Garcia, President

ATTEST:

_____
Jordan Ghawi, Secretary