AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST FOUNDATION
will be held at the
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, June 21, 2024, beginning at 2:00 p.m.

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

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

1. Call to Order and Roll Call
2. Discussion and possible action to approve minutes of May 17, 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 to approve a resolution authorizing the **Four25 San Pedro Apartments** transaction, including the authorization of the admissions of the San Antonio Housing Trust Foundation or its Affiliate as Special Limited Partner in ARDC San Pedro, LTD.; and authorizing the loan of San Antonio Housing Trust funds to ARDC San Pedro, LTD.; and other matters in connection therewith.
5. Adjournment.

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), 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*

Attendance by Other Elected or Appointed Officials: It is possible that members of 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.

Posted on: June 14, 2024 5:43 PM

San Antonio Housing Trust Foundation
Agenda Item 2

This item includes the approval of minutes from the **May 17**, **2024** meeting.

SAN ANTONIO HOUSING TRUST FOUNDATION
2024 OFFICIAL MEETING MINUTES

DATE: May 17, 2024

TIME AND PLACE: The San Antonio Housing Trust Foundation met in session at 2:05 p.m., via Zoom and in person at 114 W Commerce, San Antonio, TX 78205.

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

ABSENT: Mark Carmona and Councilmember Jalen McKee-Rodriguez.

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust; Nicole Collazo- Director of Operations San Antonio Housing Trust; Susan Snowden- Financial Director San Antonio Housing Trust; Lauren Bejaran- Senior Administrative Assistant San Antonio Housing Trust; Tom Roth- Director of Development San Antonio Housing Trust; Seema Kairam- Real Estate Development Manager of San Antonio Housing Trust; Frida Garcia- San Antonio Housing Trust; Jessica Kuehne- Director of Asset Management San Antonio Housing Trust; John Hernandez- Senior Asset Manager; Clarissa Rodriguez- Denton Navarro Rocha Bernal & Zech, P.C.; Jim Plummer- Bracewell; Summer Greathouse- Bracewell; Levi Stoneking- Bracewell; Ryan Salts- District 1; Edward Mungia- District 4; Justin Renteria- District 5; Isaac Bernal- City of San Antonio; Erika Ragsdale- City of San Antonio; Melanie Cawthon- DisABILITYsa; Kevin DeAnda- Ortiz McKnight PLLC; Daniela Paz- Ascend NBS; Adriana Guajardo- OCI Group; Olivia Travieso- OCI Group; Analco Gonzalez- OCI Group; Hayley Lucario- OCI Group; Anita Fernandez- OCI Development; Jean Latsha- Pedcor Investments; Craig H. Lintner- Pedcor Investments; Matthew Fullenkamp- Pedcor Investments; Nathan Wayne- Pedcor Investments; Dominic Marinelli- United Spinal Association; Andre Green- SAHT Sustainability & Universal Design Committee Member; Michelle Marvelli- Citizen; Ivette Velasco- SEFLA Languages Interpreter.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by Vice President Jane Paccione and the roll was called by Lauren Bejaran.

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF MARCH 22, 2024.**
MINUTES COMMISSION ACTION:

Councilmember Castillo motioned, and Jordan Ghawi seconded to approve the March 22, 2024, minutes.
AYES: 10
NAYS:
ABSTAINED:
THE MOTION PASSED.

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

NONE.

NO ACTION TAKEN.

4. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION TO APPROVE A RESOLUTION APPROVING A BUDGET AMENDMENT FOR THE SAN ANTONIO HOUSING TRUST FOUNDATION FOR FISCAL YEAR 2024 TO ADDRESS OPERATING EXPENSE AMENDMENTS AND ADJUSTMENTS.**

Executive Director Pete Alanis briefed the board on the proposed resolution approving a budget amendment for the SAHT Foundation for Fiscal Year 2024 to address operating expense amendments and adjustments.

Jordan Ghawi asked Executive Director Pete Alanis why NHSD events were not apart of the Program Expense category on the Fiscal Year 2024 budget for the SAHT Foundation.

Executive Director Pete Alanis that the expenses for NHSD events are covered by city funds that NHSD provides to the Foundation for vendors to be paid. SAHT does not use SAHT funds for these events.

Councilmember Castillo asked Pete Alanis if the decrease to $25,000 for Travel and Training was due to funds not being used.

Executive Director Pete Alanis stated SAHT Staff calculated that the proposed decrease in funds for the Travel and Training budget would be enough to cover costs for SAHT Staff and the SAHT Board of Directors.

President Rocha Garcia joins the SAHT Foundation meeting at 2:17 p.m.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Rachell Hathaway seconded to approve Item #4.
AYES: 10
NAYS:
ABSTAINED:
THE MOTION PASSED.

5. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION TO APPROVE A RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH ASCEND NBS FOR GRANT WRITING SERVICES.**

Executive Director Pete Alanis briefed the board on the proposed resolution approving a resolution for the Executive Director to negotiate and execute a professional services agreement with Ascend NBS for Grant Writing Services.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilmember Castillo seconded to approve Item #5.
AYES: 10
NAYS:
ABSTAINED:
THE MOTION PASSED.

6. **ADJOURNMENT**
President Rocha Garcia adjourned the meeting. There being no further business, the meeting was adjourned at 2:23 p.m.

San Antonio Housing Trust Foundation
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. Instructions to sign up for Public Comment via Zoom video conference.

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 polí ca 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 Foundation
Agenda Item 4

Briefing, discussion and possible action to approve a resolution to authorize the Four25 San Pedro Apartments transaction, including the authorization of the admissions of the San Antonio Housing Trust Foundation or its affiliate as special limited partner in ARDC San Pedro, LTD,; and authorizing the loan of San Antonio Housing Trust funds to ARDC San Pedro, LTD.; and other matters in connection therewith.

Background:
In February 2021, the PFC board approved a non-binding inducement resolution for the 9% LIHTC project located at 425 San Pedro Avenue which was initially proposed as an 80-unit development with permanent supportive housing. Due to low scores for the schools in the area, the development would not score well as a family development per Texas Department of Housing and Community Affairs (TDHCA) Qualified Allocation Plan (QAP). The development was reimagined as a non-family development containing 80 one-bedroom units. The Five Points Neighborhood Association opposed the redesign, and the TDHCA tax credit application was withdrawn.

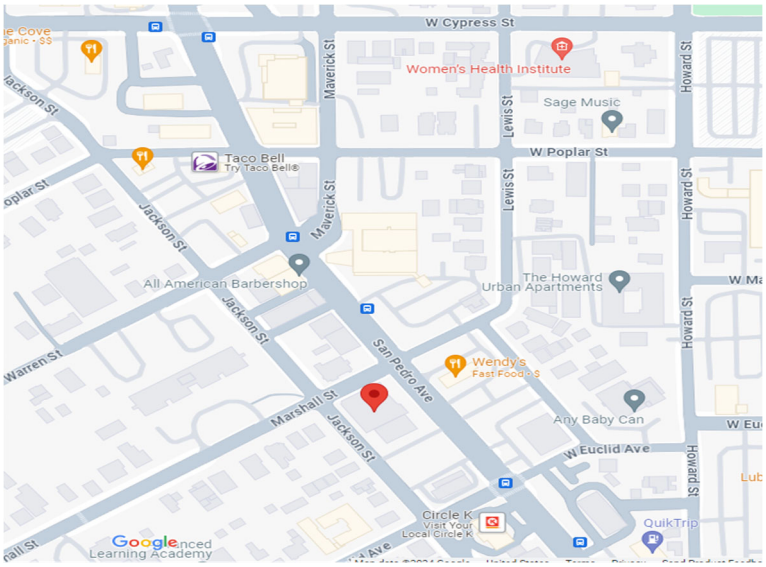
Since that time, the school rating has improved, which will allow for a new 80-unit 9% LIHTC development focused on families to be competitive in the state's Qualified Allocation Plan. The development will consist of 41 two-bedroom units and 39 three- bedroom units serving families with incomes at 30% to 60% of Area Median Income (AMI). The property will be both income and rent restricted based on family size and AMI of the occupants. The affordability restriction will remain in place for 40 years.

Unit Mix & Affordability				
Unit Type	<30% AMI	50% AMI	60% AMI	Total
2 BR	8	25	8	41
3 BR	8	23	8	39
Total	**16**	**48**	**16**	**80**

Franklin Development and City representatives met with members of the Five Points Neighborhood Association to discuss proposed family-focused supportive housing development.

On December 22, 2022, the Five Points Neighborhood Association provided a letter of support.
The *pre*-application for a competitive 9% tax credit award was submitted in January 2023. The project scored well under the QAP guidelines, and a full application was submitted in February 2023. The project received a 9% tax credit award in July 2023.

Property Information
The site is located on San Pedro Avenue which is the location in the Midtown Regional Center and the route of the future VIA Green Line advanced rapid transit route. There will be a stop within walking distance of the site.



The development will include two elevators, a children's playground, dog park, resident garden, fitness center, and community room. Units will include energy star rated appliances, washer and dryer hook-ups, and granite countertops. Units will have access to internet service.

Anticipated Services

Four25 San Pedro is classified as permanent supportive housing (PSH) development which will provide on-site family focused supportive housing services through a contract with SAMMinistries (SAMM). While it is still early in the process, the supportive services will be provided onsite and will be designed to help residents remain stably housed through multi-disciplined programs to help address physical health, mental health, trauma, and substance abuse. Services will be flexible and unique to each resident. Supportive services are not required, but offered assertively, meaning case managers will continue to show up and check on residents on an on-going basis. SAMM is anticipated to provide integrated and on the ground support with onsite case managers, food pantry to service meal needs, on site resources for continuing education, life skills workshops and financial literacy. This includes meeting spaces, and common amenity areas to facilitate all services on site. Residents have access to public transportation, grocery stores, parks, educational opportunities, and other neighborhood amenities common to all other residents.

The supportive services anticipated to be provided are client-centered, use a Trauma-Informed approach, and operate within the principles of "Housing First" and "Harm Reduction." These evidenced based practices are critical to productive work with this population, given that most of the residents have histories of trauma and victimization. No fees will be charged to any resident for any service provided.

Ownership Structure

The development will be structured as a 9% LIHTC tax credit limited partnership with an entity controlled by San Antonio Housing Trust Public Facility Corporation (SAHTPFC) serving as the general partner, and SAHTPFC owning the land and leasing it back to the partnership to preserve the real estate tax exemption. To obtain a higher score on the 9% competitive tax credit application the SAHT Foundation was included as the 501(c)(3) class B limited partner. To achieve this objective SAHT's legal counsel will form a new single purpose entity named **SAHT Four25 San Pedro, LLC** which will be 100% owned by the San Antonio Housing Trust Foundation (SAHTF). A Franklin Development related entity will provide the required guarantees and manage the asset. GRG Architecture, a local architectural firm, will serve as historically underutilized business (HUB) and will be the non-managing member of the general partnership. CREA is the investor who will serve as the limited partner and provide tax credit equity.

Financial Structure

The project is anticipated to be a $30.4 million project that will be funded by a combination of tax credit equity, permanent debt, deferred developer fee, COSA 2017 bond allocation and reprogrammed COSA

bond funds, and a loan from the San Antonio Housing Trust fund. The project will also require a 100% Sales and Property Tax Exemption through the PFC being part of the tax credit partnership. The San Antonio Housing Trust Board previously approved utilizing $1,025,000 in trust funds to fund a loan to the partnership. The City Council also approved this proposed use of trust funds. The funds will be wired by COSA to the San Antonio Housing Trust Foundation (SAHTF). The Foundation will lend the funds to ARDC San Pedro, Ltd. The $1,025,000 loan will be secured by a second lien position mortgage on the project. Additionally, COSA will transfer their $7,475,000 contribution to the San Antonio Housing Trust Public Facility Corporation (SAHTPFC)as a grant. SAHTPFC will then loan the $7,475,000 to ARDC San Pedro, Ltd. The $7,475,000 loan will be secured by a third lien mortgage on the project.

Sources	**Financing**
First Mortgage	$3,207,000
LIHTC Equity	17,536,000
COSA	7,475,000
SAHTF Soft Debt	1,025,000
Deferred Developer Fee	1,139,000
Total Sources	**$30,382,000**
Uses	**Amount**
Acquisition	$ 500,000
Construction Hard Costs	20,271,000
Project Soft Costs	2,868,000
Tax Credit Costs	290,000
Financing/Reserves	3,064,000
Developer Fee	3,389,000
Total Sources	**$30,382,000**

The project initially had a funding gap of $8,500,000, which is being funded by the following soft debt:

COSA 2017 Bond Award	= $3,692,138 (third lien position)
SAHT Trust Fund Loan	= $1,025,000 (second lien position)
COSA 2017 Bond Program Income	= $3,782,862 (third lien position)
Total	**$8,500,000**

The permanent debt on this transaction is lower than a typical 9% LIHTC deal. Many of the potential residents are expected to have section 8 housing vouchers from multiple sources. However, since the vouchers are not tied to the property, lenders will not consider this income in their underwriting analysis. The project has secured 25 section 8 housing choice vouchers from Opportunity Home that will be converted to project-based vouchers (PBV) which can be used to secure approximately $3.4 million in permanent mortgage debt on the project.

SAHT is anticipated to receive the following:

- 40% of Developer Fee and Deferred Fees (estimated at $1.3 million, fully paid by year #14)
- 50% of Cash Flow after Deferred Fees are paid (estimated at $0)
- 50% of Residual Value at Capital Event in Year 15

Staff is recommending funding a Tenant Assistance Fund at $82.5k ($1,500/unit for the 55 non PBV units) from SAHT PFC's portion of the developer fee.

Recommendation:
The Finance and Audit Committee recommends final approval of this transaction.

FOUR25 SAN PEDRO

CERTIFICATE FOR RESOLUTION

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

1. In accordance with its bylaws, the Board of Directors of SAHTF (the "Board") held a meeting on June 21, 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 FOUR25 SAN PEDRO APARTMENTS TRANSACTION, INCLUDING THE AUTHORIZATION OF THE ADMISSION OF THE SAN ANTONIO HOUSING TRUST FOUNDATION OR ITS AFFILIATE AS A SPECIAL LIMITED PARTNER IN ARDC SAN PEDRO, LTD.; AND AUTHORIZING THE LOAN OF SAN ANTONIO HOUSING TRUST FUNDS TO ARDC SAN PEDRO, LTD.; 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 SAHTF.

SIGNED June 21, 2024.

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Pedro A. Alanis, Executive Director

RESOLUTION AUTHORIZING THE FOUR25 SAN PEDRO APARTMENTS TRANSACTION, INCLUDING THE AUTHORIZATION OF THE ADMISSION OF THE SAN ANTONIO HOUSING TRUST FOUNDATION OR ITS AFFILIATE AS A SPECIAL LIMITED PARTNER IN ARDC SAN PEDRO, LTD.; AND AUTHORIZING THE LOAN OF SAN ANTONIO HOUSING TRUST FUNDS TO ARDC SAN PEDRO, LTD.; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, ARDC San Pedro, Ltd., a Texas limited partnership (the "Partnership") has been formed to acquire and construct an approximately 80-unit multifamily housing facility to be known at the Four25 San Pedro Apartments (the "Housing Facility") and to be located at approximately 425 South San Pedro Avenue, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project");

WHEREAS, at the request of the Partnership, the San Antonio Housing Trust Foundation, Inc. ("SAHTF") has agreed to (i) serve as a Class B Limited Partner in the Partnership or form a subsidiary called SAHTF Four25 San Pedro, LLC (the "SPE") to serve in such role, and (ii) make a loan to the Partnership in the approximate amount of $[1,025,000.00] (the "Foundation Loan").

WHEREAS, in connection with the Foundation Loan, SAHTF, the Partnership, SAHT San Pedro GP, LLC, and/or the San Antonio Housing Trust Public Facility Corporation will enter into certain agreements, including, but not limited to a Loan Agreement, a Promissory Note, a Leasehold Deed of Trust, Security Agreement, and Assignment of Leases and Rents, a Regulatory Agreement and Declaration of Restrictive Covenants, and such other documents, instruments, certificates and agreements as may be required by the SAHTF or the City of San Antonio in connection with the Foundation Loan (collectively, the "Foundation Loan Documents");

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; and

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

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING FOUNDATION, INC., THAT:

Section 1. The Foundation Loan and the terms of the Foundation Loan Documents are hereby authorized and approved when such documents are executed by the officers provided below.

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 any and all documentation required for the financing and construction of the Project, including, but not limited to, the Foundation Loan Documents and all other documents relating to the Foundation Loan.

Section 3. The formation of the SPE, the acquisition of a membership interest in the SPE by SAHTF, and SAHTF's or the SPE's admission as a Class B Limited Partner in the Partnership, are approved and the President, any Vice President, the Secretary, the Treasurer, the Executive Director, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTF order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTF are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTF, 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, 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 SAHTF, 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 the 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. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 8. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

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