AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
will be held at the
City Tower Concourse Conference Room A 00.405
100 W Houston 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, August 30, 2024, beginning at 3:00 p.m. or immediately after the adjournment of the San Antonio Housing Trust Foundation board meeting.

NOTICE: *A quorum of the board of directors will be physically located at 100 W Houston St., San Antonio, TX 78205 at 3:00 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 July 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 action regarding a resolution authorizing the **Good Homes San Antonio Apartments** Transaction, including the execution of all documentation necessary to carry out the transaction; and the lease of such land for the transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.
5. Briefing, discussion and possible action regarding a resolution to approve an award of a recoverable grant from the San Antonio Housing Trust Public Facility Corporation to Merced Housing Texas in the amount of $500,000, to be used for rehabilitation at the **Oscar Eason Senior Apartments;** authorizing the Assistant Secretary to negotiate and execute all documents and addressing related matters.
6. Briefing, discussion, and possible action regarding the acquisition of approximately 8.6 acres of land at **Eisenhauer Rd** and **Midcrown Dr**.
7. Briefing, discussion and possible action regarding resolution authorizing acceptance of City of San Antonio funds and amending agreements to reflect the revised unit mix for the **Preserve at the Port** project.

8. 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: August 23, 2024 4:58 PM

San Antonio Housing Trust Public Facility Corporation
Agenda Item 2

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

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
2024 OFFICIAL MEETING MINUTES

DATE: July 26, 2024

TIME AND PLACE: The Public Facility Corporation met in session at 2:02 p.m., via Zoom and in person at 100 W Houston St. San Antonio, TX 78205.

PRESENT: Mark Carmona, Eric Cooper, Jordan Ghawi, Rachell Hathaway, Councilmember Dr. Sukh Kaur, Marinella Murillo, Councilmember Dr. Adriana Rocha Garcia, and Councilmember Phyllis Viagran.

ABSENT: Antoinette Brumfield, Councilmember Teri Castillo, Councilmember Jalen McKee-Rodriguez, and Jane Paccione.

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust; Nicole Collazo- Director of Operations 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; Clarissa Rodriguez- Denton Navarro Rocha Bernal & Zech, P.C; Summer Greathouse-Bracewell; Edward Mungia- District 4; Justin Renteria- District 5; Sabine Miramontes - SEFLA Languages Interpreter; Daniel Matian- GoodHomes San Antonio; Layla Feldman- GoodHomes San Antonio; Lamar Elliott- Veteran Affairs; Olivia Tavieso- OCI Group; Jen Negrete- ; Denise P- InfuseSA.org; Aaron- Endeavors.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by President Rocha Garcia and the roll was called by John Hernandez.

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF MAY 17, 2024.**

   MINUTES COMMISSION ACTION:
   Councilmember Kaur motioned, and Councilmember Viagran seconded to approve the minutes of June 21, 2024.
   AYES: 4
   NAYS:
   ABSTAINED:
   THE MOTION PASSED.

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

   NONE.
   NO ACTION TAKEN.

4. **BRIEFING, DISCUSSION, AND ACTION REGARDING A RESOLUTION AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION MULTIFAMILY TAX-EXEMPT BONDS (FANNIE MAE MBS SECURED) (RESIDENCES AT PEARSALL PARK), SERIES 2024A; AND SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (RESIDENCES AT PEARSALL PARK), SERIES 2024B; AND OTHER MATTERS.**

   Executive Director Pete Alanis briefed the board on the proposed resolution authorizing the Residences at Pearsall Park transaction.

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

5. **BRIEFING, DISCUSSION, AND ACTION REGARDING A RESOLUTION AUTHORIZING THE RESIDENCES AT PEARSALL PARK 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 ALL OF THE MEMBERSHIP INTEREST OF SAHT PEARSALL PARK GP, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF PEARSALL PARK LIMITED PARTNERSHIP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH.**

   Executive Director Pete Alanis briefed the board on Item #5 for Residences at Pearsall Park.

   MINUTES COMMISSION ACTION:
   Jordan Ghawi motioned, and Councilmember Kaur seconded to approve Item #5.
   AYES: 4
   NAYS:
   ABSTAINED:
   THE MOTION PASSED.

6. **BRIEFING, DISCUSSION, AND ACTION REGARDING A RESOLUTION INDUCING THE GOODHOMES SAN ANTONIO APARTMENTS IN PARTNERSHIP WITH GOODHOMES, LLC, TO BE LOCATED AT 9203 CINNAMON HILL DRIVE; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET AND OTHER MATTERS IN CONNECTION THEREWITH.**

   Executive Director Pete Alanis briefed the board regarding the proposed resolution inducing the GoodHomes San Antonio Apartments.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilmember Kaur seconded to approve Item #6.
AYES: 4
NAYS:
ABSTAINED:
THE MOTION PASSED.

7. EXECUTIVE DIRECTOR'S AND TREASURER'S REPORT

Executive Director Pete Alanis briefed the board on the Executive Director's and Treasurer's Report.

NONE.
NO ACTION NEEDED.

8. EXECUTIVE SESSION: THE SAN ANTONIO HOUSING TRUST PFC WILL CONVENE INTO EXECUTIVE SESSION PURSUANT TO THE TEXAS GOVERNMENT CODE, SECTIONS 551.071 (CONSULTATION WITH ATTORNEY) TO OBTAIN LEGAL ADVICE AND COUNSEL RELATING TO THE PFC'S LEGAL RIGHTS, DUTIES, OBLIGATIONS, AND OPTIONS.

a) RECONVENE INTO OPEN SESSION AND TAKE ACTION ON ANY ISSUES AS DISCUSSED IN EXECUTIVE SESSION AS NEEDED.

President Rocha Garcia convened the San Antonio Housing Trust Public Facility Corporation into Executive Session at 3:00 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 3:03 p.m. No action was taken during the Executive Session.

9. ADJOURNMENT

President Rocha Garcia adjourned the meeting. There being no further business, the meeting was adjourned at 3:03 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. 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 Public Facility Corporation

Agenda Item 4

Briefing, discussion, and action regarding a resolution authorizing final approval of the Good Homes SA transaction

Background

GoodHomes is a nationwide developer seeking to partner with the SAHT PFC to acquire an existing 112-unit vacant assisted living/memory care campus. The developer will complete an 8-month $4,976,000 renovation of the property which will transform the site into a 118- unit multifamily permanent housing development. Major renovations will include:

- Unit interiors including flooring, paint and new kitchen counters, cabinets, and appliances
- Common area paint and flooring replacement
- Elevator overhaul
- Addition of 61 parking spaces
- Creation of 6 new units
- Replacement of select common area and unit HVAC units

Property Information

As currently proposed, the development will include a mix of studio, one- and two-bedroom apartment homes for individuals earning up to 80% of AMI. Of the 118 total apartment homes, 30 units (25%) will be restricted for households earning up to 50% AMI, and 58 units (50%) will be restricted for households earning up to 80% AMI.

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability target and aligns with the SAHT 5-year strategic plan preservation goal. The developer has agreed to respond to the upcoming RFP for COSA soft funding. If the project receives an award the developer has agreed to increase the affordability by adding 14 units (12%) for households at 30% AMI.

See the below targeted unit mix and bedroom sizes with AMI allocations with and without COSA soft debt in the project, estimated at $1.6 million to $2.0 million.

Unit Mix and Affordability					
	30%	50%	80%	MKT	**Total**
PFC Unit Mix	**0**	30	58	30	**118**
w/ COSA Funds	**14**	30	59	15	**118**

The development consists of a main two-story building and three one-story cottages. The main building includes an elevator, double height community dining room, activity rooms, laundry rooms, fitness center, a library/billiards room. All units feature kitchens and private bathrooms.

Development Team
Good Homes Communities, LLC is a vertically integrated company focused on acquiring under-performing hospitality and senior housing assets and converting them into workforce housing through adaptive reuse. Good Homes was formed in 2021 and successfully completed nine conversion projects to date representing more than 1,600 units across the country. The project development team has selected Innovative Technology Development Group as the general contractor.

The principals of Good Homes are Jason Feltman, Adam Feltman, and Leila Feltman. They have extensive experience in real estate financing, development, and operations. Their supportive team includes experienced individuals with construction manager/civil engineer and acquisition/rehab experience. Acquisitions are funded by a combination of private equity and acquisition/rehabilitation debt. Upon completion of the rehabilitation and stabilization of the property the project will secure long term agency debt to retire the construction loan.

Site Information
The property is in City Council district 8 and within the *Medical Center Area (*on 7.5 acres of land). GoodHomes successfully rezoned the existing property to MF-25 for multifamily in June 2024.

The site is supported by frequent Via Transit along the #603 Route. The property is located adjacent to the VA Polytrauma Rehabilitation Center and near the South Texas Medical Center and Audie Murphy VA Hospital.

Disability and Veteran Focus
GoodHomes has executed an MOU with Endeavors to provide supportive services at the site. The MOU will allow Endeavors to refer veteran clients and assists veterans and their families with access to community programs and services to meet the goal exiting and remaining out of homelessness. GooddHomes and Endeavors will collectively work to help veterans have access to other community resources to meet their unique and sometimes complex needs.

SAHT and GoodHomes have also been working with the Department of Veterans Affairs (VA) to make them aware of this unique housing opportunity for veterans receiving VASH vouchers. The VA has toured the site and has indicated a desire to work with GoodHomes to help place VASH voucher recipients at the property. They indicated that the average age of their clients is 60 years and that many have mobility difficulties. Additionally, they were impressed with the large common areas and ability for VA case workers to meet with clients at the site. The initial focus will be veteran housing as this population is at risk. However, the units will also be available for non-veteran residents. The universal design features incorporated into this project will enable residents with mobility difficulties to safely live and age in place.

The renovation work is expected to take 6-8 months to complete. Once completed, the project's common areas and 118 dwelling units will incorporate many of the requirements contained in the recently adopted SAHT Universal Design Standards.

Financial Considerations:

Sources	Financing
Private Equity	$3,500,000
Construction Loan	6,600,000
Total Sources	**$10,100,000**

Uses	
Land Acquisition	$3,500,000
Hard Costs	4,967,000
Soft Costs	1,633,000
Total Costs	**$10,100,000**

Staff has performed an analysis of the community benefit of this transaction, as indicated below:

Est. 10 Year Developer Benefit	
Est. Sales Tax Savings	$102,325
10 Yr Total Tax Exemption	1,592,994
Total Community Investment	**$1,695,319**

Est. 10 Year Community Benefit	
PFC Origination Fee	$150,000
25% Sales Tax Rebate	34,100
Rent ($10k with 2% growth)	121,687
2% Transaction Fee (Assume Yr 10 Sale)	229,196
TEAM Program Commitment	45,000
Reduced Rent on Affordable Units	648,860
Total Community Benefit	**$1,228,851**
Benefit To Cost Calculation	**72.5%**

PFC receives approximately a 72% return of tax benefit over a 10-year period plus:

- 118 built out accessible units (100%)
- Increasing # of VASH & Section 8 Voucher units
- No utility costs for residents

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

Attachments: 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:

In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on August [_], 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 GOODHOMES SAN ANTONIO 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 SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION 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.

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 August 30, 2024.

_____

Pedro A. Alanis, Assistant Secretary

RESOLUTION NO. PFC24-0830-04

RESOLUTION AUTHORIZING THE GOODHOMES SAN ANTONIO 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 SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Cinnamon Hill Drive Owner LLC, a Delaware limited liability company (the "Company") has been formed to acquire, rehabilitate and convert a vacant senior living facility into a 118-unit multifamily housing facility (the "Housing Facility") to be located at 9203 Cinnamon Hill Drive, San Antonio, Texas (the "Land," together with the Housing Facility, the "Project") pursuant to a Development Agreement between the San Antonio Housing Trust Public Facility Corporation ("SAHTPFC"), the Company, and GoodHomes Communities Manager LLC, in its capacity as developer (the "Development Agreement");

WHEREAS, at the request of the Company, SAHTPFC has agreed to acquire the Land and own the Project and lease it to the Company pursuant to a Lease Agreement (the "Lease") and a Regulatory Agreement and Declaration of Restrictive Covenants ensuring that 25% of the units are reserved for tenants earning 50% of the San Antonio area median income and 50% of the units are reserved for tenants earning 80% of the San Antonio area median income (the "Regulatory Agreement");

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

WHEREAS, SAHTPFC 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 SAHTPFC 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 Resolution;

WHEREAS, the Board has determined that (i) the development of the Project would not be feasible but for SAHTPFC'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 SAHTPFC'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 Company may acquire and rehabilitate 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 Lease, the Development Agreement, the Regulatory Agreement, the Construction Documents and a joinder to the loan documents for the Company (the "Joinder"), 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 Lease, the Development Agreement, the Regulatory Agreement, the Construction Documents, and the Joinder covering the Land or the Project, and all other documents relating to the development of the Project to which SAHTPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, and the role of SAHTPFC as 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 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 SAHTPFC 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

Briefing, discussion, and possible action regarding the resolution to approve recoverable grant to Merced Housing Texas for the Oscar Eason Apartments.

Background

Merced Housing is a 501(c)(3) non-profit organization dedicated to providing quality, affordable housing with supportive services for low-income individuals, families, and older adults. Merced Housing owns or has developed 14 affordable communities across Texas, including 6 in San Antonio. Executive Director of Merced, Kristin Davila, reached out to SAHT staff seeking financial assistance in the amount of $500,000 to complete the rehabilitation of the Oscar Eason Apartments, located at 1602 E. Commerce St. in Council District 2.

The Oscar Eason Apartments is a HUD Section 202 Supportive Housing for residents ages 62 and older. This community consists of 33 accessible units, who earn 50% or less of the area median income. This is an income-based housing project, meaning that residents at the Oscar Eason Apartments are only required to pay 30% of their adjusted income each month for rent, with no minimum income required.

The community features:

- Limited access to buildings
- Interior Corridors
- Community room with kitchen
- Building -wide free Wi-Fi for residents
- Computer Lab
- Monitored pull-for-aid cords
- Onsite laundry room
- On-site resident services coordinator
- Located along the VIA bus route #25

Issues

The Oscar Eason Apartments were originally funded with $3.7M HUD funds through the 202 Program and $700,000 in City of San Antonio Neighborhood Stabilization Program funds. Although the building received its certificate of occupancy in 2018, a serious construction defect causing water penetration was found, so the building could not be occupied by residents. It was concluded that the property needs remediation work completed to the interior and exterior building envelope and drainage, along with interior remediation due to severe water damage.

Since HUD has exhausted funding for this project, they encouraged Merced to work with the original development team, St. Louis Design Alliance Architects and Altman Charter Company, to resolve the construction defects. When the architect and contractor failed to make the repairs at their own expense, Merced engaged counsel for advice. The parties have agreed to a mediator and have scheduled mediation for September 2024. Should the parties not be able to reach a

settlement through mediation, Merced does plan to pursue further necessary legal remedies to recover the losses and damages it has sustained. Merced Housing plans to reimburse the SAHTPFC for any funds awarded to this project if they receive a settlement.

Financial Considerations

Merced Housing has a remediation budget of $3,520,103 for the Oscar Eason Apartments. The repairs will be financed by using a combination of unrestricted funds absorbed by Merced Housing and a recoverable grant provided by the San Antonio Housing Trust Public Facility Corporation.

Sources	
Merced Housing Funds Spent to Date	*$1,855,534*
Merced Housing Funds to be Spent	*$1,164,569*
SAHT Recoverable Grant	*$500,000*
Total	***$3,520,103***

Uses	
Exterior/ Systems Repair	*$1,570,336*
Finishes	*$973,530*
Sitework/ Perimeter Drain	*$668,237*
A&E Services	*$275,500*
Roofing Repairs	*$32,500*
Total	***$3,520,103***

Recommendation

The Finance and Audit Committee recommends final approval of this transaction and approval of a resolution to authorize the recoverable grant to Merced Housing to complete this project.

Attachment:

Resolution

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION PFC24-0830-05

A RESOLUTION APPROVING THE AWARD OF A RECOVERABLE GRANT FROM THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO MERCED HOUSING TEXAS IN THE AMOUNT OF $500,000.00, TO BE USED FOR REHABILITATION COSTS AT THE OSCAR EASON SENIOR APARTMENTS; AUTHORIZING THE ASSISTANT SECRETARY TO NEGOTIATE AND EXECUTE ALL DOCUMENTS AND ADDRESSING RELATED MATTERS.

WHEREAS, the Board of Directors of the San Antonio Housing Trust Public Facility Corporation (sometimes "PFC"), finds that the maintenance and repair of low-income housing is consistent with its aims of expanding accessible, affordable housing in the community; and

WHEREAS, the Oscar Eason Senior Apartments (the "Senior Apartments") is a HUD 202 Supportive Housing facility which provides approximately 33 fully-accessible, affordable housing units for residents aged 62 and older; and

WHEREAS, the Senior Apartments have experienced extensive water damage, rendering them uninhabitable, and requiring significant remediation work, for which HUD has exhausted funding to support; and

WHEREAS, the Senior Apartments have requested a recoverable grant from the PFC in the amount of $500,000.00 for the remaining repairs, which would be repaid to the PFC if the Senior Apartments' claim for construction defects against a third party results in a settlement payment to the Senior Apartments; and

WHEREAS, the PFC finds that a recoverable grant to the Senior Apartments for the remaining costs to repair the water damage is consistent with its affordable housing goals;

NOW THEREFORE, BE IT RESOLVED BY THE SAN ANTONIO HOUSING PUBLIC FACILITY CORPORATION, THAT:

Section 1. The above Recitals are true and correct and are a material part of this Resolution and are incorporated herein for all purposes.

Section 2. The Board of Directors for the San Antonio Housing Trust Public Facility Corporation hereby approves a recoverable grant award to the Oscar Eason Senior Apartments in the amount of $500,000.00, to be used for the remaining water damage repair costs necessary to render the apartments inhabitable, the grant of which the Senior Apartments agrees to repay should it receive a settlement after mediation arising out of its claim with the construction contractor, and the PFC authorizes the Assistant Secretary to execute any and all necessary documents related to such grant.

Section 3. If any section, subsection, clause, phrase or provision of this Article, or any application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void, or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Article, or any application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 4. That it is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 5. This Resolution shall take effect immediately from and after its passage and the publication of the caption hereof, as provided by law.

PASSED and APPROVED this the ___day of August 2024.

SIGNED:

_____
Councilwoman Adriana Rocha Garcia
President

ATTEST:

_____
Jordan Ghawi, Secretary

San Antonio Housing Trust Public Facility Corporation

Agenda Item 6

Briefing, discussion, and possible action regarding the acquisition of approximately 8.6 acres of land at Eisenhauer Rd and Midcrown Dr.

Background

On February 8, 2024, the SAHT PFC Board took action to authorize the acquisition of approximately 8.6 acres of land at Eisenhauer Rd and Midcrown Dr. in Council District 2. The board authorized an amount not to exceed $2,916,000 for the purchase of the property and any related due diligence, closing or acquisition costs.

Diligence Period

On March 22, 2024, the Executive Director executed the purchase and sale agreement, deposited $50,000 in earnest money with Presidio Title and commenced due diligence activities at the site through our brokerage firm (CBRE). The initial feasibility period was 120 days with the option to extend it by two 30 days periods.

The due diligence found a previously undisclosed drainage easement. Based on this encumbrance to the site, SAHT PFC renegotiated an amended purchase and sale agreement with a purchase price of $2,500,000 a reduced the extension of the due diligence period to one 30-day extension. The first amendment was executed on July 3, 2024.

The feasibility period in the amended PSA was set to end on July 22, 2024, with a closing deadline of August 21, 2024. For an additional $10,000 of earnest money (non-refundable but applicable to the purchase price of the property), the seller has agreed to extend the closing deadline to September 3rd, 2024, to accommodate the SAHT PFC Board meeting schedule. The second amendment was executed on Monday August 19, 2024.

Survey/ Title Commitment

A survey was conducted on June 19, 2023, to confirm the metes and bounds description of the property. The survey identified a drainage easement and detention area associated with the neighboring Family Dollar property that was not disclosed by the seller. SAHT PFC negotiated a $300,000 reduction in the purchase price to mitigate the impact of this encumbrance.

Title Commitment was provided by Alliant National Title Insurance Company and reviewed by SAHT General Counsel. Review of property deed identified a previously undisclosed restrictive covenant on the property that would restrict future development of the property. SAHT PFC has negotiated the removal of the restrictive covenant, which will be recorded on closing of the property.

Appraisal
Property appraisal was performed by CBRE, Inc on April 10, 2024. They concluded the market value of the land is $2,800,000.

Environmental Site Assessment
Phase 1 Environmental Site Assessment was performed by CBRE, Inc on April 10, 2024. The property has historically been undeveloped, and no environmental conditions were noted. Based on the findings of their assessment, no additional investigations were recommended by CBRE, Inc.

Civil Engineering Study
Garza EMC performed a civil site assessment and submitted a report in March 2024.

Zoning & Platting
The property is located in the San Antonio City limits and is zoned Commercial C-2 and located within an Airport Hazard Overlay and Military Lighting Overlay. According to BCAD, the tract is current unplatted.

Permitting/Easements
All developments are required to obtain a building permit and subject to all associated fees. There is a 0.86 acres of variable width drainage easement conveying stormwater runoff to the site from the upgradient property to the northwest.

In reviewing the recorded plats of neighboring properties, Garza EMC identified a 10-foot gas, electric, telephone, CATV and water easement along Midcrown Dr and a 5-ft right of way dedication to the City along Midcrown Dr.

Topography/Soils
The site is currently undeveloped and mostly covered with grass and tree coverage on the southeast portion of the site. The tract is consistently sloping from northwest to southeast at around 2.7%. There is an approximate range of in elevation of 18 feet.

According to Bexar County data, the tract is made up of mostly Houston Black gravelly clay. This soil is classified to have very slow infiltration rates resulting in larger amount of storm water runoff.

Floodplain
The FEMA Flood Insurance Rate Map (updated June 19, 2020) shows that the 100-year floodplain encroaches on to the eastern and southern border of the site. A floodplain permit will have to be granted by COSA if any improvements are to be made within the floodplain.

Stormwater/Drainage

The site is composed of one drainage area that takes on offsite drainage from the existing developed property to the north. The entire site drains to the southern and easter border towards Tributary C and Rosillo Creek conveying the floodplain into a culvert that crosses Midcrown Dr.

The site drains into a floodplain and therefore is in a mandatory detention area. It is recommended that the proposed site continues with the same drainage patterns and detains stormwater runoff to keep post development flows below pre-development conditions. COSA requires the detention pond to control stormwater for the 5-, 25- and 100- year storm event.

The developed property located north of the proposed tract drains onto the site through an off-lot drainage easement that is composed of a detention pond on the proposed tract. The proposed development will likely have to demo the existing detention pond on site and therefore must take on this offsite flow and detain for it. It is recommended that the detention pond be located on the low point of the site.

The property is within the Salado Creek watershed. The City of San Antonio does not have any specific watershed regulation for the Salado Creek watershed. The site is located outside of the Edwards Aquifer Contributing, Recharge, and Transition Zones, so the project will not be required to submit a Contributing Zone Plan, Water Pollution Abatement Plan, or other plans to TCEQ.

Roadway Access/Traffic

The site currently has access to Eisenhauer Rd. and Midcrown Dr. The proposed site will be limited to have 1 driveway access through Eisenhauer Rd and 2 driveway access to Midcrown, with the possibility of the third depending on proximity to the floodplain. Both streets will require a 6-foot wide sidewalk, Midcrown will require an additional 5-foot wide planting strip. A 5-foot right-of-way dedication will need to be provided along Midcrown Dr.

A traffic impact analysis may be required based on the intensity of future multi-family development. Anything above 75 peak hour trips will require a TIA. The trip hour rate will be determined by proposed zoning and use.

Water/Sewer/Gas/Electric

SAWS has an existing 12-inch water main along Eisenhauer Rd. and Midcrown Dr. that can service the site. As well as an existing 10 inch gravity sewer main located along the drainage channel on the eastern border of the site. There is also a 12-inch gravity sewer main along Midcrown Dr. that can service the site.

Natural gas is provided by CPS through an 8 inch steel main along the frontage of the site adjacent to Midcrown Dr and a 4 inch plastic main across Eisenhauer Rd. right-of-way.

There are overhead CPS power lines along the entire site frontage adjacent to Eisenhauer Rd. and underground primary electric lines running along Midcrown Dr.

This area can be serviced by AT&T for telephone, cable, and internet services.

Geotechnical Report
Geotechnical Field and Laboratory Testing was completed by Rock Engineering and Testing Laboratory and a Preliminary Geotechnical Subsurface Exploration Report was submitted by CBRE, Inc on April 24, 2024.

ROCK performed three borings at the site to the depths of 40-feet. The soil testing found that the site contains natural clay soil with a moderate to very high plasticity. The maximum calculated total potential rise at the site for a slab on grade type construction ranges between approximately 3-4 inches. ROCK recommends removing the upper clay soils to the depths of 8-10 feet and replace with properly compacted, non-expensive select fill. Convention shallow slab on grade and deep drilled pier foundations appear suitable for this site.

Fiscal Impact
The purchase of the property plus reasonable closing costs is estimated to be $2,625,000. SAHT PFC requested and was awarded funds from the Inner City TIRZ not to exceed $2,916,000. SAHT PFC has successfully negotiated an agreement with the City of San Antonio regarding these funds. The purchase price and closing costs will be provided directly to Presidio Title. Due diligence and other expenses incurred by SAHT PFC related to the sale of the property will be reimbursed directly.

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

Attachment:
Resolution

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION NO. PFC24-0830-06

A RESOLUTION BY THE BOARD OF DIRECTORS AUTHORIZING THE ACQUISITION 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 THE ACCEPTANCE OF TIRZ FUNDS FROM THE CITY OF SAN ANTONIO FOR PAYMENT AND EXPENSES FOR SAID ACQUISITION; AUTHORIZING SIGNATORIES; AND ADDRESSING RELATED MATTERS.

RECITALS

WHEREAS, the Board of Directors of the San Antonio Housing Trust Public Facility Corporation (sometimes "PFC"), in finding that the purchase of real property is among the means necessary for the successful realization of providing low- and moderate-income housing and revitalizing neighborhoods the community, had, through adoption of Resolution No. _____, previously authorized the negotiation and execution a purchase and sale agreement, as amended ("Agreement"), for the acquisition of certain real property located to the southeast of the intersection of Eisenhauer Road and Midcrown Drive in San Antonio, Texas (the "Property"); and

WHEREAS, the PFC had also found, as represented in Resolution No. _____, that the creation of an LLC for transfer and holding of the Property title would serve to help the PFC allocate and manage its public assets in a more efficient manner; and

WHEREAS, the the PFC also hereby finds that the acceptance of funds from the City of San Antonio, as allocated from the Inner City TIRZ and in an amount not to exceed $2,916,000.00, for application to the Property purchase price and closing costs, as well as due diligence and other expenses incurred by the PFC in acquiring the Property will further enable the provision of affordable and accessible housing in the City of San Antonio; 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 Assistant Secretary to execute all necessary documents 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 final acquisition of the Property for a maximum purchase price

of $2,800,000.00, from Zachry Realty Inc., exclusive of closing costs.

Section 3. The Board of Directors of the PFC accepts the contribution from the City of San Antonio Inner City TIRZ in a maximum amount of $2,916,000.00, to be applied to the Property purchase price and closing costs, as well as due diligence and other expenses incurred by the PFC in acquiring the Property.

Section 4. The Board of Directors of the PFC authorizes the Assistant Secretary to execute all necessary and required closing and other documents in order to effectuate the conveyance of the Property.

Section 5. The Board of Directors of the PFC authorizes the transfer of the Property to the SAHT Midcrown LLC, with the PFC as the managing member, and authorizes the Assistant Secretary to execute any necessary documents to effectuate same.

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:

_____
Councilwoman Adriana Rocha Garcia,
President

ATTEST:

_____
Jordan Ghawi, Secretary

San Antonio Housing Trust Public Facility Corporation

Agenda Item 7

Briefing, discussion, and possible action regarding the resolution to Preserve at the Port including modifying affordability restrictions and acceptance of a loan up to $5,524,995 from COSA to fund completion of the renovations to unit interiors and common elements

Background:

On April 30, 2021, the Preserve at the Port project located at 402 Gilmore Avenue in Council District 5, closed financing. The project is an acquisition and rehabilitation of 360 units, using conventional debt, equity, and state and historic tax credits.

The rehabilitation process started but ran into construction delays and funding challenges. Additionally, several fires resulted in the loss of 24 units. On January 30, 2023, the original developer was replaced by an entity related Brass Realty, a local real estate development firm.

The new developer invested an additional $10,285,098 into the transaction and received $10,670,601 in additional funding from IBC bank ($6,619,000 February 3, 2023 & $4,051,601 December 22, 2023). Additional funds have been used to cover debt service payment on the IBC construction loan, tax credit bridge loan, and additional renovation costs.

The developer has a commitment from IBC bank to purchase the historic tax credits. However, funding from the sale of the historic tax credits can't occur until the renovation work is completed and the final cost certification is completed by the third-party tax consultant, Novogradac which is anticipated in late September 2024.

This process has been delayed due to poor record keeping by the original developer. These delays have resulted in additional carrying costs associated with the debt service on the IBC acquisition/construction loan and the tax credit bridge loan provided by Midstates bank.

Issue:

The developer applied to COSA's Rental Housing Acquisition Rehabilitation & Preservation Bond RFP. On June 27, 2024, the City of San Antonio awarded the project a $5,524,995 award. The funds will be utilized to fund the following:

- vendor payables for renovation work completed on 300 units and common areas
- expenses to complete the last 60 units
- landscape upgrades, carport repairs, sidewalk replacements and ADA ramps at street crossings within the project

In return for the COSA bond funds, the developer increased the affordability at the project

Unit Mix	30%	50%	60%	80%	100%	Total
Original	19	34	128	0	179	360
Revised	36	34	129	161	0	360

Fiscal Impact:

The City of San Antonio's funds entering the project will be used to complete rehabilitation work required to receive the final cost certification and obtain the historic tax credits. This rehabilitation project will create 199 units, 55% of total units that meet the SHIP affordability requirements and 360 units that are income and rent restricted.

Recommendation

The Finance Committee recommends the Board authorize the Executive Director to amend our agreements to revise the unit mix reflecting the deeper affordability stratification and to accept funding from the City of San Antonio as subordinated debt to the project.

Attachment:
Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas public facility corporation ("SAHTPFC"), hereby certifies as follows:

In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on August 30, 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 AND RATIFYING AMENDMENTS FOR THE PRESERVE AT THE PORT APARTMENTS, INCLUDING AUTHORIZING AMENDMENTS TO THE LEASE AND REGULATORY AGREEMENTS TO MODIFY THE AREA MEDIAN INCOME REQUIREMENTS; AUTHORIZING AMENDMENTS TO OTHER PROJECT DOCUMENTS AND AUTHORIZING AND RATIFYING ADDITIONAL DEBT 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.

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 San Antonio Housing Trust Public Facility Corporation.

SIGNED August 30, 2024.

_____

Pedro A. Alanis, Assistant Secretary

RESOLUTION NO. PFC24-0830-07

RESOLUTION AUTHORIZING AND RATIFYING AMENDMENTS FOR THE PRESERVE AT THE PORT APARTMENTS, INCLUDING AUTHORIZING AMENDMENTS TO THE LEASE AND REGULATORY AGREEMENTS TO MODIFY THE AREA MEDIAN INCOME REQUIREMENTS; AUTHORIZING AMENDMENTS TO OTHER PROJECT DOCUMENTS AND AUTHORIZING AND RATIFYING ADDITIONAL DEBT AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Port SA Redevelopment, LP, a Texas limited partnership (the "Partnership"), owns a leasehold interest in the Preserve at the Port (the "Project") and operates the Project in partnership with San Antonio Housing Trust Public Facility Corporation, a Texas public facility corporation ("SAHTPFC"), as the owner of the fee interest the Project, which is the sole member of the general partner of the Partnership, and SAHTPFC also serves as a member of IDG-Port, LLC, a Texas limited liability company ("IDG-Port");

WHEREAS, to finance the rehabilitation of the Project, the Partnership and certain of its partners entered into various documents in connection with the rehabilitation of, debt and equity financing for, and operation of the Project including without limitation, a lease agreement, regulatory agreement, loan agreements, promissory notes, security agreements, guaranty agreements, partnership and limited liability company agreements, construction contracts and other related documents (collectively, the "Project and Financing Documents");

WHEREAS, in connection with the rehabilitation and continued operation of the Project, the Partnership had incurred costs in excess of the originally estimated cost to complete the Project (the "Excess Costs");

WHEREAS, Brass Realty, LLC and/or its affiliates (collectively, "Brass"), as the developer of the Project, previously contributed approximately $10,285,098.13 in additional equity to the Partnership through IDG-Port to partially cover the Excess Costs;

WHEREAS, in February 2023, International Bank of Commerce ("IBC") loaned the Partnership approximately $6,619,000 as a second loan (the "February IBC Loan");

WHEREAS, in December 2023, IBC loaned IDG-Port approximately $4,051,601 as a third loan, which was then contributed to the Partnership in the form of a second equity contribution to cover a portion of the Excess Costs (the "December IBC Loan", together with the February IBC Loan, the "IBC Loans");

WHEREAS, the December IBC Loan matures on October 22, 2024 and may need to be extended until tax credit equity funds are received by the Partnership (the "IBC Loan Extension");

WHEREAS, on April 30, 2021 Midland States Bank made tax credit equity bridge loans in the amounts of $3,763,000.00 and $7,918,000.00 (together, the "Bridge Loans");

WHEREAS, Bridge Loans mature on October 31, 2024 and may need to be extended until tax credit equity funds are received by the Partnership (the "Bridge Loan Extensions");

WHEREAS, additional funds are needed to cover the Excess Costs, and as a result thereof, Brass submitted a Request for Proposal and was awarded a COSA Rental Housing Acquisition Rehabilitation & Preservation Bond in the amount of up to $5,524,994 (the "COSA Funds"), which will be used to cover such remaining Excess Costs;

WHEREAS, in consideration of the COSA Funds, Brass has agreed to increase the Project's affordability by providing 36 units reserved for families whose income is at or below 30% of the area median income ("AMI"), 35 units reserved for families whose income is at or below 50% of the AMI, 129 units reserved for families whose income is at or below 60% of the AMI, and 161 units reserved for families whose income is at or below 80% of the AMI;

WHEREAS, the Partnership and Brass requested to modify and amend the Project and Financing Documents and enter into or modify additional documents in connection with the COSA Funds, IBC Extension, and Bridge Loan Extensions, to authorize the further amendment of the Project and Financing Documents and any documents relating to the Project to reflect the foregoing transactions, including the increase affordability requirements and to otherwise facilitate the completion of the Project (collectively, the "Amendment Documents");

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 transactions necessary to consummate the foregoing transactions (collectively, the "Amendments");

WHEREAS, the 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. The COSA Funds, the IBC Extension, the Bridge Loan Extensions, the modification of the AMI affordability requirements, the Amendment Documents and the Amendments are hereby authorized, approved and ratified.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute the Amendment Documents and any and all other documentation required to achieve the foregoing purposes, whether on behalf of SAHTPFC or the general partner of the Partnership.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, 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 4. 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 5. That all actions heretofore taken by the President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, or any of them, that would have been authorized by these resolutions if taken after their adoption, are hereby approved, ratified and confirmed in all respects as the acts and deeds of SAHTPFC.

Section 6. The officers of this Board hereby approve and ratify the selection of Bracewell LLP as counsel to 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.

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.