AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
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, September 20, 2024, beginning at 2:00 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 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 August 30, 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 to approve the **San Antonio Housing Trust Public Facility Corporation Fiscal Year 2025 Budget**.
5. Briefing, discussion, and action regarding a resolution authorizing the acquisition of approximately 1.57 acres of land at the corner of **W. Houston Street and North Frio.**
6. Briefing, discussion and possible action regarding a resolution concerning the application of **Morningside Ministries,** in partnership with the Javelin /group, relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the Morningside at the Meadows Affordable Senior Housing and other matters in connection therewith.
7. Briefing, discussion, and possible action regarding a resolution concerning the application of AMTEX **Oak Hills Apartments** relating to the proposed financing of up to $60,000,000 of the costs of the acquisition, construction, and equipping of the Oak Hills Apartments; and other matters in connection therewith.
8. Briefing, discussion, and possible action regarding a resolution inducing the **Oak Hills Apartments** transaction; and authorizing all filings and agreements with the

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 understand; and other matters in connection therewith.

9. Briefing, discussion, and possible action regarding a resolution concerning the application of **Maya Apartments** relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the Oak Hills Apartments; and other matters in connection therewith.

10. Briefing, discussion, and possible action regarding a resolution **The Maya 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 approving and authorizing the negotiation and execution of a memorandum of understanding; and other matters in connection therewith.

11. Briefing, discussion, and possible action regarding a resolution inducing the **Commons at Acequia Trails** 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 authorizing the execution of the American Rescue Plan Act Grant Agreement; and other matters in connection therewith.

12. Briefing, discussion, and possible action regarding a resolution concerning the application of an affiliate of the San Antonio Housing Trust Public Facility Corporation relating to the proposed financing of up to $35,000,000 of the costs of the acquisition, construction and equipping of the **Judy at Vida Apartments** and other matters in connection therewith.

13. Briefing, discussion, and possible action regarding a resolution inducing the **Judy at Vida** 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.

14. Briefing, discussion, and possible action regarding a resolution concerning the application of SAHT Creekview Lofts, LLC relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the **Lofts at Creekview** and other matters in connection therewith.

15. Briefing, discussion, and possible action regarding a resolution concerning the application of Pedcor Investments-2022-CXCI, L.P. relating to the proposed financing of up to $5,000,000 of the costs of the acquisition, construction, and equipping of the **Creek Bend Apartment Homes** and other matters in connection therewith

16. **Executive Session:** The San Antonio Housing Trust PFC will convene into executive session pursuant to Texas Government Codes Section 551.072, (Real Property) and 551.071 (Consultation with Attorney) to discuss and deliberate the acquisition of land parcels for purpose of Land Banking and Multifamily development.

a) A. Reconvene into open session and action as necessary as discussed in Executive Session.

17. 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: September 16, 2024 7:05 PM

San Antonio Housing Trust Public Facility Corporation
Agenda Item 2

This item includes the approval of minutes from the **August 30**, **2024,** meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
2024 OFFICIAL MEETING MINUTES

DATE: August 30, 2024

TIME AND PLACE: The Public Facility Corporation met in session at 3:52 p.m., via Zoom and in person at 100 W Houston, San Antonio, TX 78205.

PRESENT: Councilmember Teri Castillo, Eric Cooper, Jordan Ghawi, Councilmember Jalen McKee-Rodriguez, Marinella Murillo, Jane Paccione, Councilmember Dr. Adriana Rocha Garcia, and Councilmember Phyllis Viagran.

ABSENT: Antoinette Brumfield, Mark Carmona, Rachell Hathaway, and Councilmember Dr. Sukh Kaur.

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust; Susan Snowden- Finance Director San Antonio Housing Trust; Tom Roth- Director of Development 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; Joleen Garcia- District 2; Edward Mungia- District 4; Justin Renteria- District 5; Mayra Rivero- Endeavors; Raven Kearney- Veteran Affairs; Lamar Elliott- Veteran Affairs; Daniel Matian- Good Homes; Kristin Davila- Merced; Ryan Baldwin- Franklin Development; Dr. Johnny Compos- Merced; John Gauna- City of San Antonio Department of Human Services; Sabine Miramontes - SEFLA Languages Interpreter.

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

2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF JULY 26, 2024.**

MINUTES COMMISSION ACTION:
Councilmember McKee-Rodriguez motioned, and Jordan Ghawi seconded to approve the minutes of July 26, 2024.
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.**

Larry Romo, National Vice President For Veterans of League of United Latin American Citizens (LULAC), spoke in support of Item #4 for Good Homes San Antonio.

Kristin Davila, President and Executive Director of Merced Housing Texas, spoke in support of Item #5 for the Oscar Eason Apartments.

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.**

Executive Director Pete Alanis briefed the board on the proposed resolution authorizing final approval for The Good Homes San Antonio Apartments Transaction.

Councilmember McKee-Rodriguez asked Pete Alanis what amenities the property will have. Pete Alanis turned the floor over to Daniel Matian from Good Homes to answer his question.

Daniel responded stating that Good Homes plans to convert the dining room into a clubhouse for tenant services, including food pantries or Meals on Wheels Events. Other amenities include a dog park, a new fitness center, and a barber station on site.

MINUTES COMMISSION ACTION:
Councilmember McKee-Rodriguez motioned, and Jordan Ghawi seconded to approve Item #4 for The Good Homes San Antonio Apartments Transaction.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.

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.**

Executive Director Pete Alanis briefed the board on Item #5 for proposed resolution for Item #5 for the Oscar Eason Senior Apartments.

MINUTES COMMISSION ACTION:
Councilmember McKee-Rodriguez motioned, and Councilmember Viagran seconded to approve Item #5 for the Oscar Eason Senior Apartments.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.

6. **BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING THE ACQUISITION OF APPROXIMATELY 8.6 ACRES OF LAND AT EISENHAUER RD AND MIDCROWN DR.**

Executive Director Pete Alanis briefed the board regarding the proposed resolution regarding the acquisition of approximately 8.6 acres of land at Eisenhauer Rd and Midcrown Dr.

MINUTES COMMISSION ACTION:
Councilmember McKee-Rodriguez motioned, and Councilmember Viagran seconded to approve Item #6.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.

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.**

Executive Director Pete Alanis briefed the board on the proposed resolution for Item #7 for the Preserve at the Port Project.

MINUTES COMMISSION ACTION:
Jordan Ghawi motioned, and Councilmember Castillo seconded to approve Item #7 for the Preserve at the Port project.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.

8. **ADJOURNMENT**
President Rocha Garcia adjourned the meeting. There being no further business, the meeting was adjourned at 4:39 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 to approve the San Antonio Housing Trust Public Facility Corporation Fiscal Year 2025 Budget.

As the primary generator of revenue and programmatic activity, our focus with the Public Facility Corporation in this 3rd Year of the 5 Year Strategic Plan is to shoulder the bulk of the creation and preservation as well as to support neighborhood preservation efforts cited in the FY 2025 preliminary Annual Plan.

The FY 2025 PFC budget is broken out into an ***Operating and Capital*** Budgets as follows:

Operating Revenues

The San Antonio Housing Trust Public Facility Corporation earns revenues through the various fees and distribution of cash flow generated from the growing portfolio of apartments the PFC has either closed financing on or are placed in service. Staff revised down the revenue estimate shown at the last meeting to **$4,487,016** due to two projects reducing their developer fee expectations in FY 2025. This $1.3M reduction had an impact on the foundation budget revenues as well.

The budget shows an additional $1.1 million in "prepaid ground lease income" that brings the total to $5.58M, however this is an accounting requirement and does not reflect actual cash to be received). The estimate also does not consider any new developments closed in FY 2025.

Capital Revenues

The FY 2025 PFC budget does not anticipate generating revenues currently.

Operating Expenses

The FY 2025 Operating Expense budget had a $498k net increase to $4,103,273 from the last meeting. This amount reflects a reduction of 327k reduction going to the Foundation, an $315k increase in Payroll Expenses due to additional positions allocated to the PFC (Asset Manager and 50% Executive Director), as well as an $11k increase to professional services. Programmatically, based on board feedback, we increased Grants to Others by $500k.

Capital Expenses

The FY 2025 Capital Expense budget saw a $375,000 decrease to $3,007,535 from the last meeting. This amount reflects a reduction of $375,000 in land acquisition costs. The budget leaves $625,000 for the cash required in conjunction with the balance of our Frost Facility. The board may choose to increase this budget as specific properties are identified for acquisition during the year.

Non-Operating Revenues/Expenses

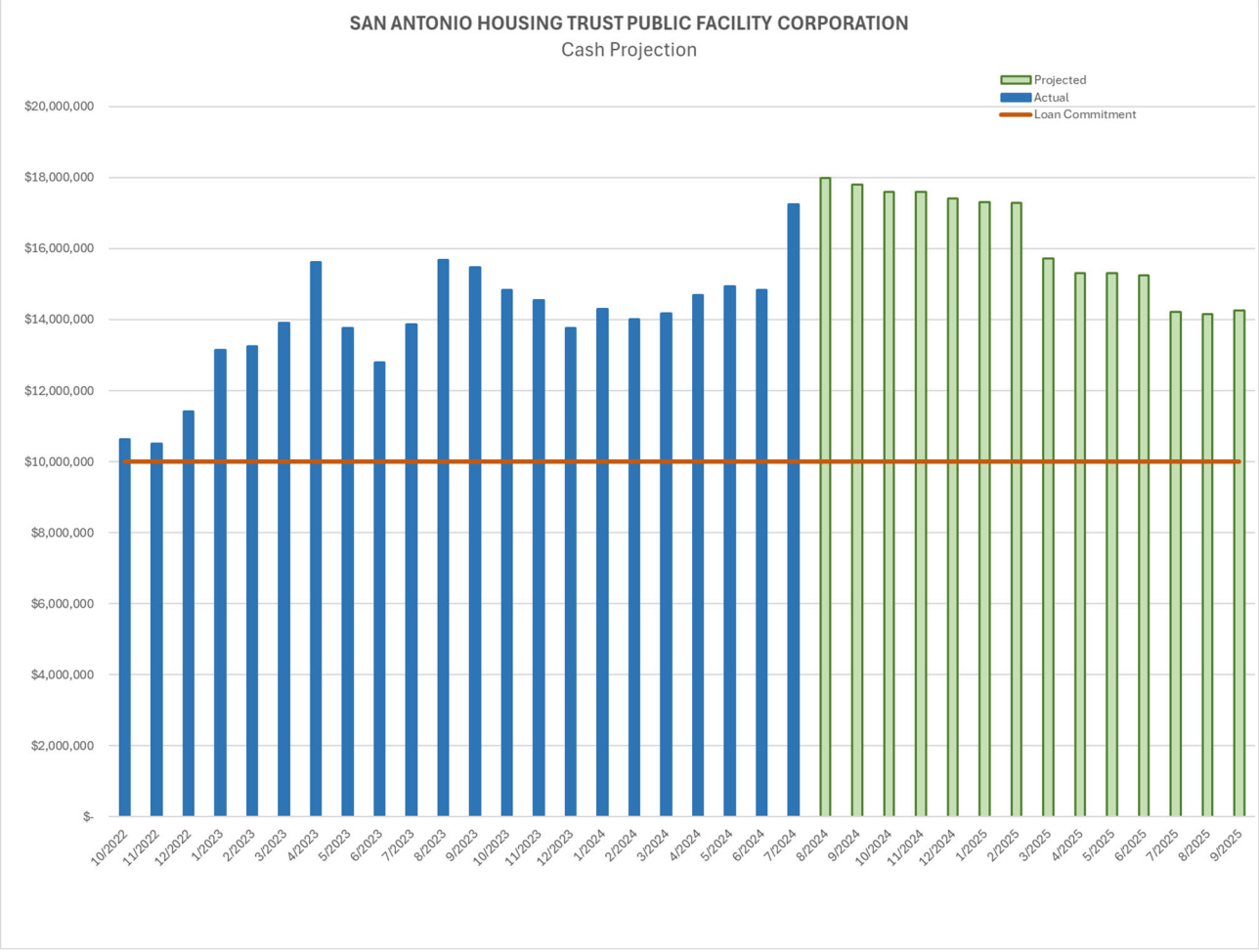
There was no change from the last meeting. The non-operating income tax expense and interest income revenues net out to $130,000.

Overall, the budget reflects a $1,393,794 estimated negative net position for FY 2025. Again, this conservatively does not assume SAHT PFC will close on new projects in the next fiscal year. We do have 7-8 potential projects in predevelopment pipeline with $350M in bond reservations.

Cash Flow

The PFC has seen steady growth since the start of the 5-Year Strategic Plan. From October 1, 2022, to September 31, 2024, have increase our cash position by $7.2M ($10.6M to $17.8M). The orange line represents the amount of funds we would need to hold back to ensure coverage on the $10M Frost Bank Facility if we were to borrow all $10M.

Based on the proposed budget including revised revenues and spending priorities we will lower our cash position this year by $3.54 million.



Attachment:

Proposed FY2025 Preliminary PFC Budget
Resolution

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORP
FY 2025 Proposed Budget

	FY 2024 Amended Budget	FY 2025 Budget			Change
		Operating Budget	Capital Budget	Total Budget	
OPERATING REVENUES					
Fee Income					
Annual Issuer Fees	$ 5,640.00	31,600.00	$ -	$ 31,600.00	$ 25,960.00
Application Fees	20,000.00	60,000.00	-	60,000.00	40,000.00
Asset Management Fees	278,333.00	325,927.50	-	325,927.50	47,594.50
Deferred Developer Fees	190,047.00	767,129.66	-	767,129.66	577,082.66
Developer Fees	511,145.00	2,214,922.50	-	2,214,922.50	1,703,777.50
Incentive Management Fees	578,283.00	321,718.55	-	321,718.55	(256,564.45)
Net Cash Flow Fees	199,068.00	228,007.31	-	228,007.31	28,939.31
Partnership Management Fees	177,194.00	211,817.25	-	211,817.25	34,623.25
Supervisory Management Fees	18,233.00	19,343.65	-	19,343.65	1,110.65
Total Fee Income	1,977,943.00	4,180,466.42	-	4,180,466.42	2,202,523.42
Distribution Income from Cash Flow	343,824.00	269,050.54	-	269,050.54	(74,773.46)
Rent Income - Ground Leases	1,100,000.00	1,100,000.00	-	1,100,000.00	-
Interest Income - Loans	-	37,500.00	-	37,500.00	37,500.00
TOTAL OPERATING REVENUES	**3,421,767.00**	**5,587,016.96**	**-**	**5,587,016.96**	**2,165,249.96**
OPERATING EXPENSES					
Administrative Fees	726,646.00	1,109,706.77	-	1,109,706.77	383,060.77
Capital Purchases					
Acquisition - VIDA	1,900,000.00	-	-	-	(1,900,000.00)
Due Diligence Costs - 811 W Houston	-	-	363,293.00	363,293.00	363,293.00
Due Diligence Costs - Midcrown	-	-	33,600.00	33,600.00	33,600.00
Land Acquisitions	-	-	625,000.00	625,000.00	625,000.00
Other Capital Purchases	750,000.00	-	-	-	(750,000.00)
Predevelopment Costs - VIDA	-	-	1,985,642.00	1,985,642.00	1,985,642.00
Total Capital Purchases	2,650,000.00	-	3,007,535.00	3,007,535.00	357,535.00
Grants to Others					
Non-Profit Support, Faith-Based, CLT	-	1,900,000.00	-	1,900,000.00	1,900,000.00
Total Grants to Others	-	1,900,000.00	-	1,900,000.00	1,900,000.00
Payroll Expenses					
Allowance - Auto	-	15,000.05	-	15,000.05	15,000.05
Allowance - Telephone	-	1,500.20	-	1,500.20	1,500.20
Insurance - Dental	-	4,999.86	-	4,999.86	4,999.86
Insurance - Health	-	54,000.00	-	54,000.00	54,000.00
Payroll Tax Expense	-	47,107.48	-	47,107.48	47,107.48
Retirement Plan Expense	-	75,202.97	-	75,202.97	75,202.97
Salaries & Wages	-	565,189.44	-	565,189.44	565,189.44
Total Payroll Expense	-	763,000.00	-	763,000.00	763,000.00
Professional Services					
Accounting & CFO Services	72,000.00	89,856.00	-	89,856.00	17,856.00
Asset Management Services	100,763.00	10,000.00	-	10,000.00	(90,763.00)
Audit Services	37,850.00	21,000.00	-	21,000.00	(16,850.00)
Compliance Monitoring Services	171,350.00	122,214.00	-	122,214.00	(49,136.00)
Other Professional Services	25,000.00	81,000.00	-	81,000.00	56,000.00
Total Professional Services	406,963.00	324,070.00	-	324,070.00	(82,893.00)
Properties Expense					
Filing Fees	500.00	500.00	-	500.00	-
Other	-	1,500.00	-	1,500.00	1,500.00
Total Properties Expense	500.00	2,000.00	-	2,000.00	1,500.00
Subscriptions					
Software Licenses	2,100.00	4,500.00	-	4,500.00	2,400.00
Total Subscriptions	2,100.00	4,500.00	-	4,500.00	2,400.00
TOTAL OPERATING EXPENSES	**3,786,209.00**	**4,103,276.77**	**3,007,535.00**	**7,110,811.77**	**3,324,602.77**
OPERATING INCOME (LOSS)	**(364,442.00)**	**1,483,740.19**	**(3,007,535.00)**	**(1,523,794.81)**	**(1,159,352.81)**

SAN ANTONIO HOUSING TRUST

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORP
FY 2025 Proposed Budget

	FY 2024 Amended Budget	FY 2025 Budget			Change
		Operating Budget	Capital Budget	Total Budget	
NONOPERATING REVENUES (EXPENSES)					
Interest Income					
Interest Income - Investing	126,475.00	170,000.00	-	170,000.00	43,525.00
Interest Income - Operating	178,591.00	200,000.00	-	200,000.00	21,409.00
Income Tax Expense	(125,000.00)	(125,000.00)	-	(125,000.00)	-
Interest Expense - Loans	-	(115,000.00)	-	(115,000.00)	(115,000.00)
NET NONOPERATING REVENUES (EXPENSES)	**180,066.00**	**130,000.00**	**-**	**130,000.00**	**(50,066.00)**
NET INCOME	**$ (184,376.00)**	**$ 1,613,740.19**	**$ (3,007,535.00)**	**$ (1,393,794.81)**	**$ (1,209,418.81)**

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION NO. PFC24-0920-04

A RESOLUTION APPROVING AND ADOPTING FY 2025 BUDGET

WHEREAS, each budget year, the San Antonio Housing Trust Public Facility Corporation (SAHTPFC) reviews revenues and expenditure estimates while conducting a forecast of end of fiscal year's revenues, operational needs, and programmatic goals; and

WHEREAS, after reviewing the needs of the SAHTPFC operations, the Executive Director recommends adopting a budget to meet the needs of the organization for revenue, expenses, and to address the change in revenues and operating expenses which has decreased from FY 2024; and

WHEREAS, Exhibit A evidences the SAHTPFC and revenues related to the fees, changes in revenue, and operating expenses and the annual budget.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION:

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 does hereby adopt the FY 2025 budget as recommended by the Executive Director for the Fiscal Year beginning October 1, 2024, and ending September 30, 2025, as indicated in Exhibit A.

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. This Resolution shall be cumulative of all provisions of the Housing Trust Foundation Public Facility Corporation, except where the provisions of this Resolution are in direct conflict with the provisions of such Resolution, in which event the conflicting provisions of such Resolution are hereby repealed.

Section 5. 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 6. 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 _____ day of September 2024.

SIGNED:

_____
Councilwoman Dr. Adriana Rocha Garcia
President

ATTEST:

_____
Jordan Ghawi, Secretary

San Antonio Housing Trust Public Facility Corporation

Agenda Item 5

Briefing, discussion, and possible action regarding the acquisition of approximately 1.57 acres of land at the corner of W. Houston St and North Frio.

Background

As part of the Five-Year Strategic Plan, SAHT seeks creative options to contribute to the production of new affordable rental housing units. One of the key strategies includes the acquisition of land for future affordable housing development.

On May 17, 2024, the SAHT PFC Board took action to authorize staff to negotiate a purchase and sale agreement to purchase approximately 1.57 acres of real property located at the northeast corner of N. Frio and W. Houston in Council District 5. SAHT PFC's has negotiated purchase price of $48.76 per SF which equates to $3,335,000.

Diligence Period

On July 1, 2024, the Executive Director executed the purchase and sale agreement, deposited $50,000 in earnest money with Chicago Title and commenced due diligence activities at the site through our brokerage firm (CBRE). The initial 60-day inspection period was extended with the deposit of an additional $10,000 in earnest money. The inspection period ends on September 30, 2024, and the closing deadline is October 30, 2024.

The seller, Alamo Community Group provided previously performed site due diligence studies, including a site survey, geotechnical study and environmental site assessment. The lender commissioned an appraisal of the site. And SAHT PFC commissioned an update of the environmental site assessment, a historic conditions report, and civil engineering assessment.

Survey/ Title Commitment

An Alta/NSPS Land Title Survey was conducted by DA Mawyer Land Surveying on June 14, 2023, and provided to SAHT PFC by the seller. The survey confirms 1.571 acres and provides a metes and bounds description of the property. Title Commitment was provided by Chicago Title and reviewed by SAHT General Counsel.

Appraisal

An appraisal of the property has been commissioned by Frost Bank.

Environmental Site Assessment

A Phase I ESA, dated June 23, 2023, completed by RG Environmental Services was provided by the seller. RG Environmental Services recertified the Phase 1 ESA on behalf of SAHT PFC on August 12, 2024. RG Environmental Services found no evidence of any recognized environmental conditions that would pose a significant environmental impact on the site.

Based on on-site observation and review of public records, RG Environmental Services found that the site improvements consist of a 39,140-sf two-story office building constructed in 1984. A portion of the improvement includes a two-story historic building constructed in 1894. The remainder of the site consists of asphalt paving areas.

It was determined that the site was outside of the 0.2% annual chance FEMA Flood Insurance Rate Map (updated 2010), to not include any wetlands based on the National Wetlands inventory map, or within the Edwards Aquifer region of the Sole Source Aquifer Protection Program.

No historical recognized conditions were identified at the site.

Phase 1 ESA references a previous Asbestos survey conducted by RG Environmental on November 30, 2018. This study included 60 PLM analyses which were found to have no asbestos-containing materials.

Physical testing for lead-based paint was not conducted. However, due to the age and condition of the historic building on site, it is possible. Physical testing for lead-in-water was not conducted, however SAWS states the City of San Antonio either meets or exceeds state and federal standards. The property was assessed to be in a low-risk area for radon. No hazardous materials were found on site on the day of inspection, and none appeared to ever existed.

Civil Engineering Study

Civil Site Assessment was completed by Garza EMC in August 2024. The subject tract is located within the full purpose jurisdiction of the City of San Antonio. The subject tract is currently zoned Downtown (D). Downtown zoning waives any parking requirements. The zoning requirements for street improvements relative to sidewalks and landscape zones take precedence over the roadway requirements; therefore, the development will have to provide the sidewalk and “parkway” improvements stated in the zoning requirements.

The Future Land use for the site is Regional Mixed-use which allows for multifamily development and therefore no change of zoning will be required. The subject tract is located within the Cattleman Square Historic District and has a Historic Building on site that will require a Certificate of Appropriateness application, and most likely a public hearing with the Historic Design Review Commission (HDRC).

The subject tract is platted and is fully developed with a building and surface parking.

The site is located within the Upper San Antonio River Watershed and outside the mandatory detention zone. Stormwater quality treatment is not required for the tract. The subject tract is not located within the Texas Commission of Environment Quality (TCEQ) Edwards Aquifer Recharge, Contributing, or Transition zones.

There are no indications of potential hazardous spill or other environmental problems associated with this site.

W. Houston St. and N Frio St. are both maintained by the City of San Antonio. Any required improvements to the road will require a Street Improvement Permit (SIP) from the City of San Antonio.

The site has a total of 5 existing access driveways that can be used for future development access. The Traffic Impact Analysis (TIA) requirement should be verified with the TIA Threshold Worksheet. Anything above 75 peak hour trips will require a TIA. The trip hour rate will be determined by proposed zoning and use. It is recommended that the TIA requirement be assessed with the City regarding the waiver of providing onsite parking. The reasoning here is if the site does not have/allow parking then how can it generate vehicle trips, which require TIA improvements.

Water services to the tract will be provided by San Antonio Water System (SAWS). There is a 24-inch water transmission main directly along the frontages of the site which can be used to serve future developments onsite. Sewer services to the tract will be provided by San Antonio Water System (SAWS). There is a 10-inch and an 8-inch gravity sewer main adjacent to the site that can be used to serve future development.

Electric and Gas services will be provided by CPS Energy. There are 8-inch steel gas mains along both N. Frio St. and W. Houston St. There are also overhead electric lines along the frontage of N. Frio St. and along the opposite side of W. Houston St.

Telephone, Cable, and Internet services can be provided by AT&T and Spectrum.

Historic Building Assessment

WJE Associates completed an in-person assessment of the 1893 portion of the existing building on September 4, 2024. The team was only able to observe the exterior of the building. The report summarizing the findings of this assessment is still pending as of the date of this memo, however this will not interfere with the acquisition recommendation.

Geotechnical Report

Geotechnical Field and Laboratory Testing was completed by Rock Engineering and Testing Laboratory on August 21, 2020, and provided by the seller.

ROCK performed eight borings at the site to the depths of 50-feet. The soil testing found that the site contains fat clay soils with a high to very high plasticity. The maximum calculated total potential rise at the site for a slab on grade type construction ranges between approximately 3 ½ - 4 ½ inches. ROCK recommends removing the upper clay soils to the depths of 7 feet and replace with properly compacted, non-expensive select fill. Straight shaft drilled piers are recommended for the proposed

four-wood framed structure previously proposed by the seller.

Fiscal Analysis
SAHT PFC requested and was awarded funds from the Westside TIRZ, City of San Antonio General Fund and Inner-City Incentive Fund totaling $2,535,000. SAHT PFC has successfully negotiated an agreement with the City of San Antonio regarding these funds, which will be transferred to SAHT PFC before closing.

The balance of the sales price ($800,000) plus reasonable closing costs ($90,000), financing costs ($53,200) and due diligence costs ($50,000) total to $993,200.00 shall be covered by a loan from the current Frost Bank facility. The loan amount is not to exceed $1,000,000.

At current SOFR rates, the interest on the Frost Facility Loan is estimated at 6.08%. Annual debt service payments are forecasted to be $68,000 and will be included in FY2025 budget. The loan requires interest only payments for up to 3 years, with principal pay downs of 10% of the balance at the end of year 3 and 4, with loan balance due at end of year five. SAHT PFC can pay off the loan without penalty at any time.

Recommendation
Staff recommends authorizing the Assistant Secretary to take any actions necessary to acquire the proposed 1.57 acres of real property located at the northeast corner of N. Frio and W. Houston., including closing on the sale of the property, accepting funds from the City of San Antonio, closing financing of up to $1,000,000, using our credit facility at Frost Bank, and amending the SAHT PFC FY 2024 budget.

Attachment: Resolution

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

RESOLUTION NO. PFC24-0920-05

A RESOLUTION BY THE BOARD OF DIRECTORS AUTHORIZING THE ASSISTANT SECRETARY TO FINALIZE THE ACQUISITION OF APPROXIMATELY 1.57 ACRES OF REAL PROPERTY LOCATED NEAR THE NORTHEAST CORNER OF WEST. HOUSTON AND NORTH FRIO STREETS IN SAN ANTONIO, TEXAS, FROM ACG CATTLEMAN SQUARE LOFTS GROUP LLC; ACCEPTING FUNDING FROM THE CITY OF SAN ANTONIO FOR THE ACQUISITION OF SAME; AUTHORIZING A DRAWDOWN IN THE MAXIMUM AMOUNT OF $1 MILLION FROM THE PFC FROST BANK CREDIT FACILITY FOR THE ACQUISITION OF SAME AND AUTHORIZING THE EXECUTION BY THE ASSISTANT SECRETARY OF ALL DOCUMENTATION NECESSARY FOR OR RELATING TO THE DRAWDOWN; AUTHORIZING THE CREATION OF AN LLC TO HOLD THE PROPERTY; AUTHORIZING SIGNATORIES FOR ALL INSTRUMENTS OF CONVEYANCE AND OTHER NECESSARY TRANSACTION DOCUMENTS; AND ADDRESSING RELATED MATTERS.

RECITALS

WHEREAS, on _____, the San Antonio Housing Trust Public Facility Corporation (sometimes "PFC") authorized the negotiation and execution of a contract to purchase certain real property located near the northeast corner of the intersection of West Houston and North Frio Streets in San Antonio, Texas, and also known as NCB 286 BLK 27 LOT 25 (the "Property"); and

WHEREAS, the PFC found that acquiring the Property was 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 also found that the creation of an LLC, to be known as the SAHT Cattleman Square LLC, with the PFC as the sole and managing member, 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 so authorized its creation pursuant to Resolution No. ____; and

WHEREAS, the PFC further wishes to accept a financial contribution from the City of San Antonio in an amount not to exceed $2,535,000.00, and which will be applied to the purchase price of the Property at closing; and

WHEREAS, the PFC further wishes to authorize a drawdown from its Frost Bank Credit Facility in an amount not to exceed $1,000,000.00 to apply to the Property acquisition; and

WHEREAS, the Board of Directors hereby finds that it is in the best interests of the San Antonio Housing Trust Foundation, Inc. to finalize the acquisition of the Property as provided herein, and authorize the Executive Director to execute all necessary instruments in order to obtain title to 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 ratifies the approval of the purchase of the Property for a maximum purchase price of $3,335,000.00, from ACG Cattleman Square Lofts Group LLC, exclusive of closing costs, and in accordance with previous PFC action under Resolution No. _____.

Section 3. The Board of Directors of the PFC authorizes the Assistant Secretary to execute all necessary and required instruments of conveyance and other documents in order to acquire title to the Property by the PFC.

Section 4. The PFC hereby ratifies the authorization to create the LLC, to be known as SAHT Cattleman Square 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 5. The PFC hereby accepts the financial contributions from the Westside TIRZ, the City of San Antonio General Fund, and the Inner-City Incentive Fund, totaling $2,535,000, for application to the Purchase Price.

Section 6. The PFC hereby authorizes a drawdown from its Frost Credit Facility in an amount not to exceed $1,000,000.00, for application to the balance of the Purchase Price, and authorizes the Assistant Secretary to execute all necessary documents to effectuate same.

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 Dr. Adriana Rocha Garcia,
President

ATTEST:

_____
Jordan Ghawi, Secretary

San Antonio Housing Trust Public Facility Corporation

Agenda Item 6

Briefing, discussion and possible action regarding a resolution concerning the application of Morningside Ministries, in partnership with the Javelin /group, relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the Morningside at the Meadows Affordable Senior Housing and other matters in connection therewith.

The Javelin Group is a boutique developer seeking to partner with the SAHT PFC to develop a proposed 250-unit new construction 4% bond development targeted for older adults. Morningside at The Meadows 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 seniors earning up to 70% of AMI. Of the 250 total apartment homes, 38 units (15%) will be restricted for those households earning up to 30% AMI, 174 units (70%) will be restricted for households earning up to 60% AMI, and 38 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	19	87	19	125
2 BR	19	87	19	125
Total	**38**	**174**	**38**	**250**

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 units rent ranging from $593 to $1,384 based on current rent limits.

The development will feature on-site services such as activities, social events, and wellness programs for senior residents to stay active. Residents at Morningside will benefit from the transportation service in place which offers seniors and disabled individuals rides to medical appointments, grocery shopping, places of worship, and social events around town.

One notable amenity offered to residents is San Antonio Oasis, an educational program designed specifically for older adults. All Morningside residents have free access to the in-person and online courses at San Antonio Oasis, ranging from wellness and exercise to horticulture, history, foreign languages, and painting classes.

The developer has committed to working with SAHT to ensure that Morningside at the Meadows Affordable Senior Housing meets or exceeds SAHT Multi-family Universal Design Standard. Morningside will incorporate green building techniques and take steps to promote energy efficiency.

Development Team
The Javelin Group is a development firm specializing in senior-oriented real estate projects. After spending much of their career developing senior healthcare assets, the Javelin team's primary focus is on developments where they can positively impact seniors through quality housing assets that they are proud to own over the long term. The Javelin Group has been awarded three 9% senior tax credit projects in Texas since 2022, all currently under construction. The project development team has selected Asset Living as the third-party management firm. Asset Living is a nationwide property management company, managing over 47,000 units across the country.

The Javelin Group has identified DFD Architects, INC. as the architect, with vast experience in senior multi-family apartment communities. The Engineering firm is INK Civil Engineering The accounting team is JC Development Consulting, and the attorney team is Shackelford, McKinley & Norton, LLP. Watermark Commercial Contractors, LLC will be the general contractor on the project.

Site Information
The property is in Council District 7, on the southwest corner of Babcock Road and St. Cloud Road. Morningside's proposed affordable senior housing community will be located on their continuing care senior campus known as The Meadows that first opened in 1961. Once the Meadows Health Care building is demolished, the proposed development will be built on the 3.94-acre tract of land. The site is currently zoned MF-33 for multi-family. The development team will apply for a zoning change to Planned Development with a replat on this site.

The VIA System Map indicates both a Frequent Service (524 – General McMullen) and a Metro Service (522 – Babcock) route near the campus.

The following amenities are near the site:

- Target, HEB, Walmart
- Methodist Hospital, South Texas Medical Center, CHRISTUS Santa Rosa Hospital
- Parks and Recreation
- Numerous restaurants

Financial Considerations:
The project is anticipated to cost $53.8 million ($215k 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 does not contemplate a partnership inducement currently.

Sources	Financing
Permanent Mortgage	$23,220,000
Federal LIHTC Equity	18,445,398
Deferred Developer Fees	5,348,032
TBD gap funding	6,748,000
Total Sources	**$53,761,430**
Uses	**Amount**
Hard Costs	37,969,590
Financing Costs	5,841,274
Developer Fees	6,683,783
Soft Costs	2,026,200
Reserves	1,240,583
Total Sources	**$53,761,430**

SAHT can expect to receive:

- 1% of bond issuance fee at closing (estimated at $400,000)
- Tenant Protection Policy
- TEAM fund equivalent to $1,500/unit (estimated at $375,000)
- SAHT Multi-Family Universal Design Standards
- Ready to Work SA

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

Attachment: Resolution

MORNINGSIDE AT THE MEADOWS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 20, 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 AN AFFILIATE OF MORNINGSIDE MINISTRIES, IN PARTNERSHIP WITH THE JAVELIN GROUP, RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE MORNINGSIDE AT THE MEADOWS AFFORDABLE SENIOR HOUSING 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 Articles of Incorporation and the Bylaws of the Issuer.

SIGNED September 20, 2024.

_____

Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF AN AFFILIATE OF MORNINGSIDE MINISTRIES, IN PARTNERSHIP WITH THE JAVELIN GROUP, RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE MORNINGSIDE AT THE MEADOWS AFFORDABLE SENIOR HOUSING 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, a to-be-formed affiliate of Morningside Ministries, in partnership with The Javelin Group, (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 250-unit multifamily housing facility to be located at approximately 2201 St. Cloud Rd, San Antonio, TX 78228 and to be known as the Morningside at The Meadows Affordable Senior Housing (the "Project"); and (ii) the Issuer file and/or refile a 2025 and/or 2026 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 2025 and/or 2026 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.

The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

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.

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.

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.

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.

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.

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.

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.

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.

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.

* * *

San Antonio Housing Trust Public Facility Corporation

Agenda Item 7 & 8

Briefing, discussion, and possible action regarding an up to $60,000,000 bond inducement and tax credit partnership inducement of the Oak Hills Apartments.

AMTEX is a Texas development firm seeking to partner with the SAHT PFC to develop a proposed 380-unit new construction, 4% bond development targeted for young professionals and families. Oak Hills 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 through four-bedroom apartment homes for families earning up to 70% of AMI. Of the 380 total apartment homes, 38 units (10%) will be restricted for those households earning up to 30% AMI, 301 units (79%) will be restricted for households earning up to 60% AMI, and 38 units (10%) 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	MKT	Total
1 BR	9	20	9	0	38
2 BR	10	73	10	2	93
3 BR	9	133	9	1	151
4 BR	10	75	10	0	95
Total	**38**	**301**	**38**	**3**	**380**

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 $372 to $1,100. 2-bedroom units rent ranging from $448 to $1,321. 3-bedroom units will range from $518 to $1,526, and 4- bedroom units will range from $575 to $1,700, based on current rent limits. 3 market apartments will be set aside for on-site management.

The development will include a resort- style swimming pool and deck with a tanning shelf and chaise lounges, a pavilion with spacious cabana-style lounge seating, and multiple BBQ grills throughout the community. There will be controlled access at entrances and exits and cameras surveilling 24/7 to provide better security.

On-site indoor amenities will include a state-of-the-art fitness center with the latest fitness equipment. A high-tech business center for non-commuting residents and students, 24-hour clubhouse with fireplace, TVs, multiple seating areas, package lockers, a common laundry room,

a billiards table, and children's activity center for after-school programs and a separate office for the social services provider to have on-site staff daily to answer questions and schedule and conduct programs allotted.

The developer has committed to working with SAHT to ensure that Oak Hill Apartments meets or exceeds SAHT Multi-family Universal Design Standards and local and state standards. Also, ADA/HV accessibility for housing and property amenities standards will meet or exceed ADA/Fair Housing, TDHCA, and SAHT requirements and be incorporated throughout the site for easy visit ability.

Building designs will include green technologies and sustainability features, including Energy Star appliances, water sense plumbing, 15-seer or greater AC rating, LED lighting, and other features required to meet or exceed higher green certifications or funding requirements.

Development Team

AMTEX is one of AMCAL's group companies that provides high-quality, sustainable, and affordable housing in California, Texas, and Washington. With 45 years of real estate development success, they have a portfolio that includes more than 11,000 units in 90 communities. AMTEX has vast experience involving layered financing in addition to LIHTC and tax-exempt bonds. The project development team has selected Mayfair Management Group as the third-party management firm. Mayfair is a full-service management company specializing in market and affordable multi-family residential properties. They currently manage 16,000 units in 3 states. AMTEX has identified HEDK Architects, a Texas firm who has designed over 70 apartment communities. The Engineering firm is Bullock, Bennett & Associates. The accounting team is Cohn Reznick Tax Credit Investment Services, and the attorney team is Coats Rose Law Firm. AMTEX Construction LLC will be the general contractor and cost Estimator.

Site Information

The property is in Council District 10, immediately north of the Rolling Oaks Mall. The site is approximately a 13-acre vacant parcel and is currently zoned C-3. The site is directly across the street from a VIA Link stop and linkage to lines 9, 14, 502 and the VIA Link Naco Pass transit center.

The following amenities are near the site:

- Rolling Oaks Mall and VIA Link Stop
- Methodist Hospital
- The Comanche Lookout Park
- Wal-Mart Grocery & Pharmacy
- Numerous restaurants
- The Playhouse Childcare Center

Financial Considerations:

The project is anticipated to cost $110 million ($290k per unit) and will require the SAHTPFC to apply for up to a $60 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	Amount
Permanent Mortgage	$48,808,909
Federal LIHTC Equity	43,055,942
Deferred Developer Fees	11,064,505
CBDG/ COSA Funds	3,267,872
Reinvestment Income	2,106,000
Interim NOI	1,794,667
Total Sources	**$110,097,895**
Uses	**Amount**
Acquisition	$5,723,481
Hard Costs	66,747,106
Financing Costs	15,565,668
Developer Fees	12,273,937
Other Fees	5,600,334
Reserves	2,940,686
Soft Costs	1,246,683
Total Sources	**$110,097,895**

PFC Partnership Terms:

SAHT is anticipated to receive the following:

- Application Fee of $10,000
- 40% of Developer Fee and Deferred Fees
- 1% of bond issuance fee at closing
- $50 per unit annual bond fee
- 50% of available cash flow after deferred fees
- 50% of capital event proceeds
- Annual $10,000 asset management fee
- 25% of estimated sales tax savings
- Tenant Protection Policy
- TEAM fund equivalent to $1,500/unit (estimated at $565,500)
- SAHT Multi-Family Universal Design Standards
- Ready to Work SA

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

Attachment:
Resolutions

OAK HILL APARTMENTS

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 September 20, 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 AMTEX OAK HILL FUND LP, RELATING TO THE PROPOSED FINANCING OF AN AMOUNT EQUAL TO THE GREATER OF $50,000,000 OR 1.7% OF THE STATE VOLUME CAP, BUT NOT TO EXCEED $60,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE OAK HILL APARTMENTS 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF AMTEX OAK HILL FUND LP, RELATING TO THE PROPOSED FINANCING OF AN AMOUNT EQUAL TO THE GREATER OF $50,000,000 OR 1.7% OF THE STATE VOLUME CAP, BUT NOT TO EXCEED $60,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE OAK HILL APARTMENTS 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, AMTEX Oak Fund LP, or an affiliate thereof, a Texas limited liability partnership (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 377-unit multifamily housing facility to be located at approximately 6909 North Loop 1604 East, San Antonio, Texas to be known as the Oak Hill Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2025 and/or 2026 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 in an amount equal to the greater of $60,000,000 or 1.7% of the state volume cap but not to exceed $60,000,000, 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 in an amount equal to the greater of $50,000,000 or 1.7% of the state volume cap but not to exceed $60,000,000;

(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 2025 and/or 2026 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 in an amount equal to the greater of $50,000,000 or 1.7% of the state volume cap but not to exceed $60,000,000. 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.

* * *

OAK HILL 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 September 20, 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 OAK HILL 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 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE OAK HILL 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 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, a to-be-formed affiliate of AMTEX Multi-Housing LLC (the "Partnership"), and SAHT Oak Hill GP, LLC, a to-be-formed Texas limited liability company and its general partner (the "General Partner"), will acquire and construct a proposed approximately 377-unit multifamily housing facility known as the Oak Hill Apartments (the "Housing Facility") located at approximately 6909 North Loop 1604 East, 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 (Oak Hill Apartments) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, AMTEX Multi-Housing 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 9 & 10

Briefing, discussion, and possible action regarding a bond inducement of up to $40,000,000 and a tax credit partnership inducement for the Maya Apartments.

Background

Clermont, LLC and American Agape Foundation, Inc. are seeking to a $40 million bond application to the Texas Bond Review Board and a partnership with the SAHT PFC to acquire and rehabilitate an existing 252-unit apartment community, the Maya Apartments located at 1946 N Loop 4100 in City Council District 10. The project will include a 12-month, $8.7 million renovation of the property.

Property Information

As currently proposed, the development includes a mix of studio, one- and two-bedroom apartment homes for individuals earning up to 80% of AMI. Of the 252 total apartment homes, 39 units (15%) will be restricted for households earning up to 30% AMI, 54 units (21%) will be restricted for households earning up to 50% AMI, 87 units (35%) will be restricted for households earning up to 60%, and 72 units (29%) will be restricted for households earning up to 80%

The unit mix will assist the city in meeting its SHIP goals. It also aligns with the SAHT 5-year strategic plan preservation goal. See the below targeted unit mix and bedroom sizes with AMI allocations.

Unit Mix and Affordability					
	30%	50%	60%	80%	**Total**
1 BD	22	24	36	38	**120**
2 BD	17	30	51	34	**132**
Total	**39**	**54**	**87**	**72**	**252**

The development consists of 11 residential buildings, and two common laundry rooms. The property, originally built in 1975, was internally renovated in 2016 and externally renovated in 2022. The community features a resort-style pool, poolside pavilion, private mail center, coffee bar, community area wi-fi, outdoor entertainment centers with BBQ grill, car ports, dog park, children's playground, community laundry rooms, gated access, and a volleyball court.

The scope of work being done on the property includes:

- HVAC replacement
- Roof repairs
- Update of unit interiors
- Appliances upgrades
- Pool repairs
- Landscaping work
- Cure deferred maintenance issues

Currently, the Maya Apartments are 50% occupied due to major deferred maintenance and negligence from the former owner. The property has been foreclosed on and the developer is acquiring it from the lender. To avoid displacement of current residents, the vacant units will be renovated first, and residents will be relocated thereafter to renovate the remaining units.

Development Team

David Starr is the principal of Clermont, LLC., which specializes in the finance of workforce housing properties. He has been an innovator in multifamily affordable housing tax credit and tax-exempt development and financing for over 30 years, with projects in Alabama, Arkansas, Florida, Illinois, Kansas, Louisiana, Mississippi, Pennsylvania, Tennessee, and Texas. Clermont, LLC has been a leader in the use of tax-exempt bond financing, with over one billion dollars funded in transactions.

David Starr is also the principal of the American Agape Foundation, Inc. which is a 501(c)3 non-profit corporation, organized and operated as a charitable non-profit corporation dedicated to providing decent, safe, and affordable housing. Mr. Starr has developed the institutional resources that provide subordinate bonds in tax-exempt debt structures. This innovation allowed non-profit organizations the capability to obtain 100% financing and allowed private developers to structure rated bond scenarios. The developer has selected Foresight Asset Management as the third-party property management company. Habitat Construction Services will be the general contractor for the project.

Site Information

The property is a garden style community in City Council District 10 along NE Interstate 410 Loop, sitting on 8.44 acres of land. The Maya Apartments is zoned MF-33 and will not require a zoning change. The site is supported by frequent Via Transit along the #509 Route. The site has good access to Loop 410 and a short distance from the SanAntonio International Airport, Salado Creek Trails, and various entertainment centers. It is serviced by the NEISD school district, with the closest schools being Northwood Elementary School, Garner Middle School, and Churchill High School.

Financial Considerations:

Sources	Financing
HUD Insured Loan- 223F Program	$26,925,000
LIHTC Equity	12,285,875
Deferred Developer Fee	2,715,871
Capital Fund Group	1,812,617
Total Sources	**43,739,363**

Uses	Financing
Property Acquisition	$26,246,860
Hard Costs	8,716,284
Developer Fee	5,100,000
Financing Costs	2,638,819
Soft Costs	404,500
Reserves	632,900
Total Costs	**$43,739,363**

SAHT anticipates receiving the following:

- 10% of developer fees and deferred fees
- 25% of cash flows after deferred fees are paid
- 50% of capital event proceeds
- 1% bond issuance fee at closing & $30 per unit annual bond fee
- $10,000 annual asset management fee
- TEAM fund equivalent to $1,500 per affordable unit
- Ready to Work SA

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

Attachments: Resolutions

MAYA APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

3. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 20, 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 AN AFFILIATE OF AMERICAN AGAPE FOUNDATION, INC., RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, REHABILITATION, EQUIPPING AND IMPROVEMENT OF THE MAYA APARTMENTS 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.

4. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF AN AFFILIATE OF AMERICAN AGAPE FOUNDATION, INC., RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, REHABILITATION, EQUIPPING AND IMPROVEMENT OF THE MAYA APARTMENTS 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, a to-be-formed affiliate of American Agape Foundation, Inc. (the "User"), has filed an Application for financing (the "Application"), requesting that (i) the Issuer finance the acquisition, construction, rehabilitation, and equipping of a proposed approximately 252-unit multifamily housing facility to be located at 1946 NE Interstate 410 Loop, San Antonio, Texas, and known as the Maya Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2025 and/or 2026 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, rehabilitation, 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, rehabilitation, 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, rehabilitation, 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, rehabilitation, 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, rehabilitation, 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, rehabilitation, 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, rehabilitation, 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 2025 and/or 2026 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.

MAYA 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:

3. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on September 20, 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 MAYA 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 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.

4. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE MAYA 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 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, a to-be-formed affiliate of American Agape Foundation (the "Partnership"), and SAHT Maya GP, LLC, a to-be-formed Texas limited liability company and its general partner (the "General Partner"), will acquire and rehabilitate a proposed approximately 252-unit multifamily housing facility known as the Maya Apartments (the "Housing Facility") located at approximately 1946 NE Interstate 410 Loop, 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 (Maya Apartments) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, American Agape Foundation (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 11

Briefing, discussion, and possible action regarding a tax credit partnership inducing at the Commons at Acequia Trails; and authorizing the execution of the American Rescue Plan Act Grant Agreement.

Background

In September 2023, SAHTPFC approved a bond inducement for the issuance of $30,000,000 in private activity bonds to help finance the development of a new 201-unit permanent supportive housing development known as The Commons at Acequia Trails. SAMMinistries received its bond reservation on August 2, 2024 triggering the 180 closing deadline of January 29, 2025.

SAMMinistries is now seeking a partnership inducement with SAHTPFC to obtain a 100% real estate exemption on the proposed project, Commons at Acequia.

Property Information

As currently proposed, the development will include a mix of studio and one-bedroom apartment homes for individuals experiencing chronic homelessness. Of the 201 total apartment homes, 31 units (15%) will be restricted to households earning up to 30% AMI, and 170 units (70%) will be restricted to households earning up to 60% AMI. The developer will be working with Opportunity Home on obtaining up to 80 project-based vouchers allocated towards the 60% AMI units. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability			
	<30% AMI	60% AMI	Total
Studio	20	112	132
1 BR	11	58	69
Total	**31**	**170**	**201**

The unit mix will assist the city in meeting its SHIP goals and SAHT affordability targets.

All units will be affordable with studio unit rent ranging from $465 to $930 and 1-bedroom unit rent ranging from $498 to $996, based on current rent limits. The development will be master metered. Therefore, the rents will not be adjusted for a utility allowance. The development will contain four 3-story buildings. Three of the buildings will be connected by external breezeways and be serviced by two elevators. A third 3 story building will be a walk-up garden style design with open breezeways and stairwells. There will be a one-story free standing 10,500 square foot building which will house the community room, laundry room, fitness center, meeting space, and offices for case managers.

The proposed project is committed to achieving Level 3 Universal Design – Accessibility Plus as defined by the COSA's 2022 Housing Bond Request for Proposals as well as meeting the regulations required by the City of San Antonio's Universal Design Ordinance, the Fair Housing Act (FHA) Design Manual, the Texas Accessibility Standards (TAS), and Section 504 of the Rehabilitation Act. One hundred percent of ground floor dwelling units will be accessible for persons with mobility issues and a minimum of 25% of units will be designed for persons with hearing or visual disabilities.

Supportive Services

Rooted in the evidence-based practices of Housing First and Trauma-Informed Care, the proposed project will provide single-occupancy units that are a mix of efficiency and one-bedrooms. The development will also include a carefully orchestrated mix of private and public spaces, maximizing the number of individual living units on the 6.9 acres while also providing ample space for an open, supportive community. Housing will be paired with on-site, intensive case management, and supportive services such as medical, dental, and mental health care along with life skills programming that will help residents establish long-term tenancy and independence.

The Commons at Acequia Trails, following the Housing First principles, will offer low-barrier housing prioritizing stability. This program aims to help individuals combat substance abuse, improve health, and enhance education or benefits. Key features include:

- Trauma-Informed Care: Staff trained to promote respect and dignity.
- Supportive Community: Encourages behavioral health recovery and growth.
- Experienced Approach: SAMMinistries' evidence-based methods to engage residents.

Residents will have access to on-site clinics, educational resources, vocational training, and employment programs. The facility will include case management offices, meeting rooms, outdoor recreation space, bicycle parking, laundry facilities, and a fitness center. Two on-site case workers will provide supportive services.

Development Team

SAMMinistries is the developer and operator of The Commons at Acequia Trails, a planned Permanent Supportive Housing (PSH) development. The Vecino Group will serve as the general contractor and provide required guarantees (completion, lease-up, operating deficit, and tax credit recapture). Over 40 years, SAMMinistries has helped over 130,000 homeless individuals through housing programs and supportive services, using the Housing First model and Trauma-Informed Care. They serve nearly 5,000 clients annually and operate the largest scattered-site PSH program in San Antonio and Bexar County. **The local Continuum of Care does not include a single-site PSH program, yet the need is great: San Antonio's 2022 Point-in-Time Count showed a 77% increase in chronic homelessness since 2020, and persons with behavioral health disorders comprised the majority.** To address this, SAMMinistries is leading a development team which includes The Vecino Group, Alamo Architects, Pape-Dawson, Franklin Construction, and

Aedis Urban. This team brings extensive experience in affordable housing development and financing.

Site Information
The property is located within the *Brooks Regional Center (an SA Tomorrow Regional Center)* on 6.9 acres of vacant land currently zoned R-4. The site permits MF-33 zoning for multi-family.

The site is supported by frequent Via Transit along the #36 route, which runs along S. Presa. There is an existing bus stop a short walk from the property. There are retail services and supermarkets in the Brooks redevelopment area which is approximately 1 mile from the site.

Financial Considerations:
The project is anticipated to be a $49.2 million project of which has 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.

Sources	Financing
First Mortgage	$5,136,300
City of San Antonio	16,617,567
Federal LIHTC Equity	19,395,021
Bexar County	3,912,812
FHLB Dallas	2,000,000
SAHT Grant	1,000,000
45L Credits	432,150
Reinvestment Income	667,513
Deferred developer Fee	58,200
Total Sources	**$49,219,563**
Uses	**Amount**
Acquisition	$ 1,090,000
Construction Hard Costs	27,791,100
Financing Costs	7,987,396
Project Soft Costs	4,315,917
Contingency	1,389,555
Reserves and Escrows	857,085
Developer Fee	5,788,510
Total Sources	**$49,219,563**

The project currently has a projected funding gap of $3,000,000. The developer plans to secure additional funding from Federal home Loan Bank of Dallas and possible SAHT contribution of $1 million for the land.

SAHT is anticipated to receive the following:

- 10% of developer fees and deferred fees
- 25% of cash flow after deferred fees are paid out
- 50% of capital event proceeds
- 1% bond issuance fee at closing
- $30/unit annual bond fee
- Tenant Protection Policy
- TEAM fund equivalent to $1,500/unit, excluding the 80 units with PBV
- Ready to Work SA

Recommendation:
It is recommended that the Finance and Audit Committee authorize that this item be presented to the full board for consideration.

Attachment:
Resolution

COMMONS AT ACEQUIA TRAILS

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:

5. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on September 20, 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 COMMONS AT ACEQUIA TRAILS 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 AUTHORIZING THE EXECUTION OF THE AMERICAN RESCUE PLAN ACT GRANT AGREEMENT; 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.

6. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE COMMONS AT ACEQUIA TRAILS 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 AUTHORIZING THE EXECUTION OF THE AMERICAN RESCUE PLAN ACT GRANT AGREEMENT; 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, The Commons at Acequia Trails, LP, a Texas limited partnership [or a to be formed affiliate of Developer] (the "Partnership"), and SAHT Acequia Trails GP, LLC, a to-be-formed Texas limited liability company and its general partner (the "General Partner"), will acquire and construct a proposed approximately 201-unit multifamily housing facility to be known as the The Commons at Acequia Trails (the "Housing Facility") to be located at the intersection of S. Presa Street and Old Corpus Christi Road, San Antonio, TX 78223 (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 (Commons at Acequia Trails) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, Vecino Bond Group, LLC and San Antonio Metropolitan Ministry, Inc. (collectively, the "Developer"), on behalf of the Partnership, have 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 Developer has secured a grant or loan of American Rescue Plan Act funds (the "ARPA Funds") from Bexar County, Texas (the "County") and in connection therewith SAHTPFC has been requested to serve as a "subrecipient" of the ARPA Funds and to make a loan of the ARPA Funds to the Partnership (the "ARPA Loan");

WHEREAS, in connection with the receipt by SAHTPFC of the ARPA Funds, the County has requested SAHTPFC enter into an American Rescue Plan Act Grant Agreement and other ancillary documents related thereto, (any such documents, the "ARPA Grant Agreement"), which shall be joined by Developer;

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 and the ARPA Grant Agreement facilitating the receipt of the ARPA Funds.

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 12 & 13

Briefing, discussion, and possible action regarding a bond inducement for up to $35,000,000 and inducing the Judy At Vida to file with Texas Department Of Housing And Community Affairs in connection with applications for low-income housing tax credit.

The San Antonio Housing Trust PFC is proposing a 200-unit new construction, 4% LIHTC development targeted for seniors. The Judy at Vida 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 80 1-bedroom and 120 2-bedroom apartment homes for families earning up to 70% of AMI. Of the 200 total apartment homes, 30 units (15%) will be restricted for those households earning up to 30% AMI, 120 units (60%) will be restricted for households earning up to 60% AMI, and 50 units (25%) will be restricted for households earning up to 70% AMI.

SAHT is seeking Project Based Vouchers from Opportunity Home SA for the 30 units restricted for households at 30% AMI. The tenant portion of the rent in the PBV units will be capped at 30% of the household income, regardless of what that income is. See the below targeted unit mix and bedroom sizes.

Unit Mix & Affordability				
	30% AMI	60% AMI	70% AMI	Total
1 BR	12	48	20	80
2 BR	18	72	30	120
Total	**30**	**120**	**50**	**200**

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 $498 to $1,162. 2-bedroom units rent ranging from $597 to $1,394, based on current rent limits.

The community amenities and unit features are still being designed. However, SAHT PFC anticipates the amenity package will be similar to typical 4% LIHTC projects in the region.

SAHT is committed to creating a disability-forward apartment community. The project will meet the SAHT Multi-family Universal Design Standards, and a minimum, and look for opportunities to design common areas and residential units to be accessible, easy to use, intuitive to people of all ages, body types and abilities.

Building designs will include green technologies and sustainability features, including Energy Star appliances, water sense plumbing, 15-seer or greater AC rating, LED lighting, and other features.

SAHT PFC is planning to pursue the Enterprise Green Communities Standard, which will support a comprehensive and integrated design process to maximize sustainable site considerations, minimize water consumption and energy use, ensure a healthy building and reduce long term operational and maintenance energy consumption and waste.

Development Team

The Judy at VIDA will be the first affordable housing project fully self-developed by the San Antonio Housing Trust. SAHT will be the sole owner of the apartment community and intends to maintain the housing affordability permanently. Future revenues generated from the projects will be used for resident services, maintenance, providing additional affordability and/or support to other affordable housing developments in San Antonio.

SAHT has recently engaged real estate advisors, HR&A Advisors, to develop a financial model and WGI Engineers and Lake Flato architects, to develop a master plan for the three-phase development. SAHT intends to engage a fee-based developer to manage the construction and stabilization of the Judy at Vida phase of construction.

Site Information

The property is in Council District 4, on S Zarzamora St immediately south of Highway 410. The project will occupy approximately 1/3 of the 19.68 parcel owned by the San Antonio Housing Trust. The whole parcel was recently re-zoned to MF-40. The following amenities are near the site:

- 600-acre VIDA development
- Texas A+M University – San Antonio Campus
- University Health Hospital and Medical Campus (Future)
- JCB Manufacturing Plant (Future)
- Toyota Plant
- Palo Alto College

Financial Considerations:

The project is anticipated to cost $54 million ($270k per unit) and will require the SAHTPFC to apply for a $30 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.

SAHT intends to seek 30 project-based vouchers from Opportunity Home SA to support deeply affordable units. As well as private philanthropic support, City of San Antonio funds, Greenhouse Gas Reduction Fund (GGRF), CBDG funds and other sources to cover the estimated $8.2M funding gap on the project.

Sources	Financing
Permanent Mortgage	$24,838,283
Federal LIHTC Equity	17,168,935
Deferred Developer Fees	3,905,976
Gap Financing	8,266,167
Total Sources	**$54,179,167**
Uses	**Amount**
Acquisition	$1,129,065
Hard Costs	36,370,845
Financing Costs	1,900,500
Developer Fees	6,509,960
Other Fees	5,600,334
Soft Costs	2,700,000
Total Sources	**$54,179,167**

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

Attachment: Resolution

THE JUDY AT VIDA

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

5. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 20, 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 AN AFFILIATE OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE JUDY AT VIDA APARTMENTS 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.

6. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF AN AFFILIATE OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION RELATING TO THE PROPOSED FINANCING OF UP TO $35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE JUDY AT VIDA APARTMENTS 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, the San Antonio Housing Trust Public Facility Corporation, or an affiliate thereof (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 200-unit multifamily housing facility to be located at approximately S Zarzamora St and Mitra Way San Antonio, Texas 78224 and to be known as The Judy at VIDA Apartments (the "Project"); and (ii) the Issuer file and/or refile a 2025 and/or 2026 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 $35,000,000 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 $35,000,000;

(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 2025 and/or 2026 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 $35,000,000. 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.

* * *

THE JUDY AT VIDA

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:

7. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on September 20, 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 JUDY AT VIDA 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.

8. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION INDUCING THE JUDY AT VIDA 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, a to-be-formed affiliate of the San Antonio Housing Trust Public Facility Corporation, (the "Partnership"), and SAHT Judy at Vida GP, LLC, a to-be-formed Texas limited liability company and its general partner (the "General Partner"), will acquire and construct a proposed approximately 200-unit multifamily housing facility known as the Judy at Vida (the "Housing Facility") located at approximately S Zarzamora St and Mitra Way San Antonio, Texas 78224 (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 (Judy at Vida) Series 2024 (the "Bonds") to finance the Project (the "Bond Financing");

WHEREAS, 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 14

Briefing, discussion and action regarding a resolution concerning the application of The Lofts at Creekview relating to the proposed financing of up to $40,000,000 of the costs of the acquisition, construction, and equipping of the Lofts at Creekview apartments; and other matters in connection therewith.

In 2021, The San Antonio Housing Trust PFC entered a PFC transaction with Cohen-Esrey to develop a 301-unit new construction development mixed income development, whereby the PFC had full ownership of the project and control of all operations and tenant services and issued tax-exempt essential bonds in the amount not to exceed $60,000,000 to finance the acquisition, construction and equipping of such project. To date the project has seen a cost increase of over $12M of which the developer has provided $10M in guarantees. On September 13, 2025, a sixth rebalancing of $2M has been required by Preston Hollow Community Capital. Cohen-Esry has 30 days to comply with the request.

In the meantime, SAHT PFC is considering keeping the option open for a financial restructuring of the Lofts at Creekview from an Essential Bond execution to a 4% LIHTC execution. The strategy may result in deeper affordability while also reducing a portion of advances made under their guarantee.

Property Information

Under the current PFC structure, the development includes a mix of efficiency, one, two, and three-bedroom apartment homes. Of the total 301 apartment homes, 15 units (5%) will be restricted for those households earning up to 50% AMI, 31 units (10%) will be restricted for households earning up to 60% AMI, and 105 units (35%) will be restricted for those earning up to 80% AMI. The remaining 150 units (50%) will be market rate.

However, with a proposed 4% LIHTC financing structure, it is possible to deepen the affordability of units with 94 units (31%) being restricted for those earning up to 50% AMI, 160 units (53%) restricted for those earning up to 60% AMI and 47 units (16%) reserved for those earning up to 80% AMI. See below for the difference in AMI stratification between the current 100% essential bond structure and a proposed 4% LIHTC financing structure. See below for the difference in AMI stratification between the financing structures.

4% LIHTC Structure				
	50%	60%	80%	Total
E BD	12	10	10	32
1 BD	55	80	15	150
2 BD	27	60	17	104
3 BD	0	10	5	15
Total	**94**	**160**	**47**	**301**

100% Essential Bond Structure					
	50%	60%	80%	MKT	Total
E BD	1	4	10	17	32
1 BD	8	15	53	74	150
2 BD	5	10	37	52	104
3 BD	1	2	5	7	15
Total	**15**	**31**	**105**	**150**	**301**

Financial Considerations:
The project is currently projected to cost $72 million and is being financed through Series A bonds, Series B bonds, and developer guarantees.

However, the 4% LIHTC structure will require the SAHTPFC to apply for a $40 million bond reservation through the Texas Bond Review Board (TBRB) to be eligible for the 4% Low Income Housing Tax Credit Program through TDHCA. Inducing a private activity bond resolution enables us to apply for the 2025 bond lottery with applications due by October 18, 2025. This option preserves our ability to restructure the transaction as a LIHTC execution if a bond reservation is secured in 2025.

Below is an example of a sources comparison between an Essential Bond & 4% LIHTC execution.

Essential Bond Structure	
Series A Bonds	$44,650,000
Series B Bonds	15,349,838
Developer Guarantees	12,600,000
Total Sources	**$72,599,838**

4% LIHTC Structure	
Senior Mortgage	$26,191,014
LIHTC Equity	29,195,935
Developer Guarantees	7,800,000
Deferred Developer Fees	6,980,807
TDHCA MFD Loan	4,000,000
GP Contribution	100
Total Sources	**$74,167,855**

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

Attachment: Resolution

LOFTS AT CREEKVIEW

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

7. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 20, 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 SAHT CREEKVIEW LOFTS, LLC RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LOFTS AT CREEKVIEW 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.

8. 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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF SAHT CREEKVIEW LOFTS, LLC RELATING TO THE PROPOSED FINANCING OF UP TO $40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LOFTS AT CREEKVIEW 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, SAHT Creekview Lofts, LLC, a Texas limited liability company (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 301-unit multifamily housing facility to be located at approximately 3623 East Commerce, San Antonio, Texas and to be known as the Lofts at Creekview (the "Project"); and (ii) the Issuer file and/or refile a 2025 and/or 2026 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 2025 and/or 2026 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.

* * *

San Antonio Housing Trust Public Facility Corporation

Agenda Item 15

Briefing, discussion and possible action regarding additional private activity bonds of $5,000,000 for the Creek Bend I Apartment Homes.

Background

The Creek Bend Apartment Homes is a 4% LIHTC project being developed by Pedcor Development. On September 29, 2023, The San Antonio Housing Trust Public Facility Corporation (SAHTPFC) provided an inducement resolution for the issuance of $50 million in private activity bonds to help finance the construction of 312 new multifamily development. The following November 2023, the SAHTFC board approved a resolution authorizing all filings with Texas Department of Housing and Community Affairs (TDHCA) in connection with applications for low-income housing tax credits. On May 31, 2024, the project received a $50,000,000 bond reservation from the Texas Bond Review Board (TBRB). The reservation expires on November 27, 2024.

Issue:

While Pedcor is in predevelopment including finalizing construction costs before the November closing deadline, there is a slight risk the amount of bonds allocated may not be enough to meet the 50% test required for the 4% LIHTC Program by the end of construction if there is any cost increase. In the LIHTC program, tax-exempt bonds **must** finance at least 50% of the cost of land and buildings in the development. To be cautious, Pedcor and SAHT agree it is in the best interest of the project to secure an additional bond allocation of $5,000,000 in the 2025 bond cycle. The TBRB gives lottery priority to projects that have previously received a bond allocation but need additional bonds to meet the 50% test.

Fiscal

To be clear, this is not a direct $5M in public subsidy. Tax-exempt bonds are a type of debt financing instrument issued by state or local governments, in this case SAHT PFC. The lender is exempt from federal taxes on the interest earned on the loan. This results in a slightly lower debt cost to the project since tax exempt bonds have lower interest rates than taxable bonds.

To meet the lottery deadline, an application must be submitted by the 2025 lottery due date of October 18, 2024.

Recommendation:

Staff recommends SAHTPFC board approve a new inducement resolution in the amount of $5,000,000.

Attachment:

Resolution

Creek Bend Apartment Homes

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Issuer") hereby certifies as follows:

In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a meeting on September 20, 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-2022-CXCI, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $5,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND 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.

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 September 20, 2024.

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Pedro A. Alanis, Assistant Secretary

RESOLUTION CONCERNING THE APPLICATION OF PEDCOR INVESTMENTS-2022-CXCI, L.P. RELATING TO THE PROPOSED FINANCING OF UP TO $5,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE CREEK BEND 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 San Antonio Housing Trust Public Facility Corporation, 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, as of September 29, 2023, the Issuer induced the issuance of its obligations in a maximum aggregated stated principal amount not to exceed $50,000,000 to finance the acquisition, rehabilitation, construction and equipping by Pedcor Investments-2022-CXCI, L.P. (the "User") of a proposed 312-unit multifamily housing facility to be located at 2335 E. Borgfeld Drive and to be known as the Creek Bend Apartment Homes (the "Project");

WHEREAS, in order to maintain compliance with Section 1372.0321(e) of the Texas Government Code and Section 42(h)(4)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), the User requires that the Issuer issue additional housing revenue bonds pursuant to the Act (the "Bonds");

WHEREAS, The User has filed an application for financing (the "Application"), requesting that (i) the Issuer provide additional financing for the acquisition, construction, and equipping of the Project; and (ii) the Issuer file and/or refile a 2025 and/or 2026 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 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 $5,000,000 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 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" (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 Issuer is or will be the sole member of 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 the City 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 $5,000,000; 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;

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

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:

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;

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

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 2025 and/or 2026 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 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 $5,000,000. 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.

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