



AGENDA

Regular Board Meeting

May 1, 2014



SAHA | SAN ANTONIO
HOUSING AUTHORITY
Opportunity Lives Here



Create dynamic communities where people thrive.

Board of Commissioners

Chairman: Ramiro Cavazos Vice Chairman: Charles R. Muñoz Commissioner: Karina C. Cantu Commissioner: Yolanda Hotman Commissioner: Stella Burciaga Molina Commissioner: Lisa Rodriguez Commissioner: Morris Stribling, MD

President & CEO

Lourdes Castro Ramirez

San Antonio Housing Authority
Regular Board Meeting
818 S. Flores, San Antonio, TX 78204
Thursday, May 1, 2014, 1:00 p.m.

The meeting is wheelchair accessible. The accessible entrance and accessible parking spaces are located at 818 S. Flores. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested forty-eight (48) hours prior to the meeting) by calling (210) 477-6288 V/TTY for assistance.

1. Meeting called to order.

The Board of Commissioners or its committee may hold a closed meeting pursuant to Texas Government Code § 551.071-076 for consultation concerning attorney-client matters, real estate, litigation, personnel, and security matters. The Board or committee reserves the right to enter into closed meeting at any time during the course of the meeting.

2. Pledge of Allegiance

3. Minutes:

- Regular Board meeting held on April 3, 2014.
- Special Board meeting held on April 7, 2014.

CONSENT ITEMS-Operations and Choice Neighborhood Committee held on April 17, 2014

4. Consideration and approval regarding Resolution 5406, reaffirming the MWBE policy adopted on April 4, 2013. (Alejandra Villarreal, Chief Administrative Officer; Steven Morando, Director of Procurement).

CONSENT ITEMS-Resident Services Committee held on April 28, 2014

5. Consideration and approval regarding Resolution 5405, authorizing the award of up to twelve (12) U.S. Department of Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) project based vouchers to Montebella Pointe, Ltd., for a term of up to five (5) years. (David Nisivoccia, Chief Operations Officer; Deborah Aleman, Director of Assisted Housing Programs).

INDIVIDUAL ITEMS FOR CONSIDERATION

6. Update and discussion regarding the April 17, 2014 Operations & Choice Neighborhood Committee meeting. (Dr. Morris Stribling, M.D., Chair, Operations & Choice Neighborhood Committee).
7. Update and discussion regarding the April 17, 2014 Finance Committee meeting. (Karina Cantu, Chair, Finance Committee).
8. Update and discussion regarding the April 28, 2014 Resident Services Committee meeting held at O.P. Schnabel Apartments. (Yolanda Hotman, Chair, Resident Services Committee).

9. Hold a Public Hearing; Consideration and approval regarding Resolution 5404, authorizing approval for the execution of any and all documents required in connection with the refinance of the mortgage on Converse Ranch II, including release and substitution of collateral. (Ed Hinojosa, Chief Financial Officer; Thomas R. Roth, Real Property Asset Manager).
10. *Consideration and approval regarding Resolution 5409, authorizing the submission of a disposition application to HUD for the site known as Spring View vacant tract consisting of 12.02 acres in San Antonio, Texas; the sale of such property to the highest bidder and the execution of documents necessary to consummate such transaction. (Tim Alcott, Interim Development Services and Neighborhood Revitalization Officer)
11. Update and discussion regarding SAWS' impact fees and proposed rate increases. (Tim Alcott, Interim Development Services and Neighborhood Revitalization Officer; Melanie Villalobos, Policy, Planning and Public Affairs Officer; Richard Milk, Policy and Planning Director).
12. Procurement report. (Steven Morando, Director of Procurement).
13. Update and discussion regarding SAHA's SA2020 involvement as a lead and opportunity partner. (Richard Milk, Policy and Planning Director; Hannah Monroe, SA2020 Coordinator Intern).
14. President's Report:
 - Update on the 2014 Business Opportunity Academy graduation.
 - Update on HUD risk assessment.
 - Update on the MTW Plan submission to HUD.
 - Update on FY2015 budget process.
 - Update on April 24, 2014 Bring Your Sons and Daughters to Work Day.
 - Update on plans for the May 31, 2014 Grand Opening Celebration for The Park at Sutton Oaks.
 - Update on June 14, 2014 Father's Day event.
 - Event Calendar for May 2014-June 2014.
15. *Closed Session:

Real Estate / Consultation with Attorney
 Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.072 (real property) and Texas Government Code Sec. 551.071 (consultation with attorney).

 - Consultation with attorney regarding Spring View vacant tract.
 - Consultation with attorney regarding Marie McGuire Apartments.
 - Consultation with attorney regarding Westside Redevelopment Initiative.

Personnel
 Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.074 (personnel) and Texas Government Code Sec. 551.071 (consultation with attorney).

 - Discussion of CEO performance evaluation and proposed goals for FY 2014-2015.
16. **Citizens to be Heard at 2:00 p.m.** (may be heard after this time) Citizens wishing to speak on issues not related to items posted on the agenda should personally sign the Citizens to be Heard roster prior to 2:00 p.m. Citizens will be given three minutes to speak. Only one appearance per speaker will be permitted at any regular Board Meeting. If present, a speaker may cede time to another speaker, but no speaker may have the floor for more than nine (9) minutes. Groups of citizens from the same organization are asked to share nine minutes to address the Board on certain items. Organizations must be represented by an officer or a Board member, and follow the same speaking rules as individuals. The Board thanks you for coming to the meeting.

17. Adjournment.

Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting on any other item, whether it has an asterisk or not, when the Board determines there is a need, and a closed meeting is permitted under Chapter 551 of the Texas Government Code that permits the closed meeting. Additionally, the Board may take open session action on any item listed in closed session.* Note: If a quorum of the Board of Commissioners attends the Committee Meeting, this meeting becomes a Special Meeting of the Board, but no Board action will be taken other than recommendations to the full board, unless the full Board is present.

**MINUTES
SAN ANTONIO HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

April 3, 2014

SCHEDULED: 1:00 p.m. at 818 S. Flores, San Antonio, Texas 78210

COMMISSIONERS PRESENT:

Ramiro Cavazos, Chair
Charles R. Munoz, Commissioner
Morris Stribling, Commissioner
Yolanda Hotman, Commissioner
Karina C. Cantu, Commissioner
Stella Molina, Commissioner

COMMISSIONERS ABSENT:

COUNSEL: Doug Poneck, Escamilla, & Poneck, LLP

TRANSLATOR: BCC Communications

STAFF:

Lourdes Castro Ramirez, President & CEO
Ed Hinojosa, Chief Financial Officer
Alejandra Villarreal, Chief Administrative Officer
David Nisivoccia, Chief Operating Officer
Melanie Villalobos, Policy, Planning & PA Officer
Tim Alcott, Interim Dev. & Neighborhood Revitalization Officer
Adrian Lopez, Dir. of Community Development Initiatives
David Clark- Housing Director
Luis Maldonado- Director of Security

Jo Ana Alvarado, Dir. of Information Technology
Steve Morando, Dir. of Procurement
Lorenzo Steele, Asst. Dir. of Housing
Beverly Watts- Davis- Director of CHOICE
Diana Fiedler- Director of Fin. & Accounting
Madlyn Bowen- Assistant Director of Compliance
Muriel Rhoder, Auditing Manager
Ramiro Maldonado- Sr. Development Planning Mgr.
Arrie Porter- Mgr. Choice Neighborhood Prog.

Item 1: Meeting called to order.

Chair Cavazos called the meeting to order at 1:15 p.m.

Item 2: Pledge of allegiance.

Recitation of pledge.

Item 3: Presentation

- Education Investment Foundation (EIF) 2014 Fiesta Medal and recognition of the artist.
- EastPoint Video.

Adrian Lopez presented the 2014 EIF Fiesta Medal winner.

Item 4: Approval of minutes

- Regular Board meeting held on March 6, 2014.
- Regular Board meeting held on March 18, 2014. (Ops& Choice Neighborhood Committee)

Motion:

Commissioner Munoz moved to approve the minutes as stated.
Commissioner Molina seconded the motion. Minutes approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Ramiro Cavazos, Chair	X			
Karina Cantu, Commissioner	X			
Yolanda Hotman, Commissioner	X			
Charles Munoz, Commissioner	X			
Morris Stribling, Commissioner	X			
Stella Molina, Commissioner	X			

Item 5: Update and discussion regarding the March 18, 2014 Operations & Choice Neighborhood Committee meeting.

Commissioner Stribling reported on the Operations & Choice Neighborhood Committee meeting held on March 18, 2014. Attendees included Commissioner Yolanda Hotman, Commissioner Stella Molina, and Commissioner Charles Munoz. The topics discussed included Choice activities, Westside Reinvestment Initiative, Homeownership program, Byrne Grant Activities, 2015 MTW Plan, SAHA's SA2020 and Vendor Outreach Plan.

Item 6: Presentation regarding the EastPoint Infill and Rehab Housing Plan.

Tim Alcott and Beverly Watt Davis reported the Choice Neighborhood Initiative has partnered with the City of San Antonio (COSA) and developed a strategic infill housing and rehabilitation action plan. The action plan will focus on areas to support existing homeownership, increasing homeownership, and vacant lots for the new development of homes. Chairman Cavazos suggested that the key to success of this activity is for SAHA to move quickly to secure the land. Commissioner Cantu added that we need to be mindful of who will be targeted for the marketing of the properties, and the price points for those properties.

Item 7: Presentation regarding the Byrne Grant activities.

Adrian Lopez and Dr. Christine Brennan stated San Antonio Housing Authority received a Byrne Criminal Justice Innovation grant, to study and strategize the crime and security issues in the Choice Neighborhood. A crime prevention through environmental design survey (CPTED) was completed in 2013. Staff hosted three community meetings with stakeholders to detail results and seek out potential strategies. Staff has also initiated a community empowerment campaign, EastPoint POP, and has been in communications with SAPD to develop a strategy to address hot spots. Bexar County Probation has offered a full time probation officer to be placed within the footprint.

Item 8: Update and discussion regarding the marketing of the Leigh Street single family homes in Victoria Commons.

Tim Alcott stated Franklin Development will oversee the marketing, advertising and sale of the Leigh Street single family lots to interested buyers. The 26 single family lots will be sold to 21 market income families and 5 lots have been set aside for low income families. The marketing will be performed by Franklin's broker and will begin on April 7, 2014 through April 30, 2014, for bids for all the lots. The market rate lots will be sold at or above appraised value, depending on ability of the buyer, and may be supported with first-time homebuyer programs.

Item 9: Procurement report.

Steven Morando reported there are currently four RFPs and one IFB currently being advertised. They include Customer Satisfaction Survey Consulting, Insurance Broker of Record/Benefits Consultant, Project Based HUD-VASH Vouchers, Project Based Voucher Program, and Carpet Cleaning Services. There are seven solicitations that have closed and are being evaluated. They include Compensation and Classification Study, Record Storage and Associated Services, Biohazard Cleaning Service, Generator Maintenance and Repair Services, Hot Water Boiler Piping Equipment Optimization, and Pickup, Transport and Dispose of Hazardous Waste Paint. There are currently a number of solicitations for advertisement. These include Residential Real Estate Broker Services, Roof Repairs at Artisan Park

Townhomes, Banking Services, Make Ready Services Public Housing, Apartment Marketing, Tree Trimming Services, Irrigation Services and Data Broker Services.

Item 10: **Consideration and approval regarding Resolution 5401, accepting the San Antonio Regional Business Disparity Causation Analysis study, completed in 2009 by MGT America, for the purpose of full implementation of SAHA’s MWBE policy.**

The 2009 Disparity Study was conducted in collaboration with local governmental entities, including the City of San Antonio, the San Antonio Housing Authority, and the San Antonio Water System. A disparity study is required to consider the establishment or continuation of a small, minority or women-owned business program. MGT America presented their findings and methodology to Board.

Motion: Commissioner Stribling moved to approve Resolution 5401, Commissioner Munoz seconded the motion. Motion approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Ramiro Cavazos, Chair	X			
Karina Cantu, Commissioner	X			
Yolanda Hotman, Commissioner	X			
Charles Munoz, Commissioner	X			
Morris Stribling, Commissioner	X			
Stella Molina, Commissioner	X			

Item 11: **Presidents Report.**

- Update on EastPoint Neighborhood Empowerment campaign.
- Update on March 22, 2014 EastPoint Community Celebration.
- Update regarding SAHA activities related to Pre-K 4 SA.
- Update on TX-NAHRO conference, April 6-9, 2014, in Corpus Christi.
- Update on the MTW Plan submission to HUD.
- Update on FY2015 budget process.
- Update on the 2014 Business Opportunity Academy.
- Event Calendar for April 2014-May 2014.

Item 12: *Closed Session:

Real Estate

Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.072 (real property) and Texas Government Code Sec. 551.071 (consultation with attorney).

- Consultation with attorney regarding Marie McGuire Apartments.
- Consultation with attorney regarding Westside Redevelopment Initiative.
- Consultation with attorney regarding Choice Neighborhood program.

Personnel

Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or to hear a complaint or charge against an office or employee and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec.551.074 (personnel) and Texas Government Code Sec. 551.071 (consultation with attorney).

- Discussion of CEO performance evaluation.

Chair Cavazos recessed to closed session at 5:35 p.m. The meeting reconvened at 7:36 p.m. No action was taken in closed session.

Item 13: **Citizens to be Heard at 2:00 pm.**

Laurel Smyth
George Alejos

Odis Spencer
Ed O'Campo

Katherine Moya

Item 14: **Adjournment.**

With no objections, Chair Munoz adjourned at 7:36 p.m.

ATTEST:

RAMIRO CAVAZOS
CHAIR

DATE

LOURDES CASTRO RAMIREZ
SAHA PRESIDENT and CEO

DATE

**MINUTES
SAN ANTONIO HOUSING AUTHORITY
BOARD OF COMMISSIONERS
SPECIAL BOARD MEETING**

April 7, 2014

SCHEDULED: 11:30 a.m. at 818 S. Flores, San Antonio, Texas 78204

COMMISSIONERS PRESENT:

Ramiro Cavazos, Chair
Stella Molina, Commissioner
Karina C. Cantu, Commissioner
Charles R. Muñoz, Commissioner

COMMISSIONERS ABSENT:

Morris Stribling, Commissioner
Yolanda Hotman, Commissioner

COUNSEL: Doug Poneck, Escamilla, & Poneck, LLP

STAFF:

Lourdes Castro Ramirez, President & CEO
Ed Hinojosa, Chief Financial Officer
Alejandra Villarreal, Chief Administrative Officer
David Nisivoccia, Chief Operating Officer
Richard Milk, Director of Policy and Planning
Luis Maldonado, Director of Security
Steven Morando, Director of Procurement

Hector F. Martinez, Director of Construction Services

Item 1: Meeting called to order.

Chair Cavazos called the meeting to order at 11: 34 a.m.

Item 2: Consideration and approval regarding Resolution 5402, authorizing a contract with TXMAS Program vendor Tejas Premier Building Contractor for the renovations to the west wall of the Marie McGuire complex in the amount of \$539,926.00.

David Nisivoccia stated the redevelopment of the Lofts at Marie McGuire has been completed with the exception of the elevator work and the west wall, which has been awarded to Tejas Premier Building Contractor. SAHA utilized a Texas Multiple Award Schedule Program (TXMAS) and an existing competitively-awarded government contract for the completion of the project. Tejas Premier was granted the scope of work on March 21, 2014.

Tejas Premier Building Contractor, Inc. (DBE, HABE, MBE, SBE, WBE, and Section 3 Business) has received prior awards from SAHA to provide HVAC services and Marie McGuire Elevator Tower Repairs, and has served as a prime contractor on many local structural repair and renovation projects. Their Section 3 Good Faith Effort Plan includes a 30% goal for Section 3 new hires.

Motion: Commissioner Munoz moved to approve Resolution 5402.
Commissioner Molina seconded the motion. Motion approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Ramiro Cavazos, Chair	X			
Karina Cantu, Commissioner	X			
Stella Molina, Commissioner	X			
Charles Munoz, Commissioner	X			

Item 3: Closed Session.

Real Estate

Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues pursuant to Texas Government Code Sec. 551.072 (real property) and Texas Government Code Sec. 551.071 (consultation with attorney).

- Consultation with attorney regarding Marie McGuire Apartments.

Chair Cavazos recessed to closed session at 11:45 a.m. No action was taken in closed session.

Item 4: Adjournment.

With no objections, the meeting adjourned at 12:10 p.m.

ATTEST:

RAMIRO CAVAZOS
CHAIR

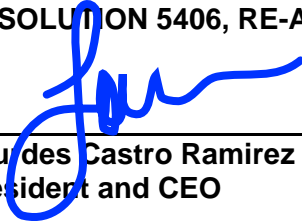
DATE

LOURDES CASTRO RAMIREZ
SAHA PRESIDENT and CEO

DATE

BOARD OF COMMISSIONERS

RESOLUTION 5406, RE-AFFIRMING THE MWBE POLICY ADOPTED ON APRIL 4, 2013.



Lou des Castro Ramirez
President and CEO



Alejandra Villarreal
Chief Administrative Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 5406, reaffirming the MWBE policy adopted on April 4, 2013.

PURPOSE:

To reaffirm the Minority/Women Business Enterprise Program (MWBE) that was adopted by the Board on April 4, 2013 as required by the terms of the Policy.

FINANCIAL IMPACT:

The annual cost for implementation of this Policy is included in the operational budgets of the agency.

SUMMARY:Background:

On January 15, 2013, the San Antonio Housing Authority engaged a vendor, Innovative Strategies ("Consultant"), to develop a formal, legally compliant MWBE Program ("Policy"). The Consultant presented a draft and received questions and feedback from the Board of Commissioners. On April 4, 2013, the Consultant provided a formal MWBE Program to the Board of Commissioners and provided guidance and assistance in developing the necessary tools to implement the Policy. The adopted MWBE Policy provides:

- Race Neutral and Race Conscious tools.
- Aspirational goals by business category.
- A legally defensible policy.
- A robust set of capacity building tools including the Business Opportunity Academy.
- A contract clause that ties MWBE plan to contract compliance.
- A recommended tracking process to capture not only prime but subcontractor data.
- A sunset provision that provides for annual performance review of SAHA performance.

On January 30, 2014, the Board of Commissioners held a work session with the Consultant to review the implementation of the Policy. The Board requested that staff: 1) fully brief the board on the 2009 Disparity Study; 2) Secure and implement B2G software and 3) complete the implementation of the approved MWBE Program. The Board of Commissioners accepted the Disparity Study findings on April 3, 2014.

B2G Implementation

Staff is updating the system to track MWBE firms through software called B2G that is being used by the City, County, SAWS, and many local governments to track MWBE participation. Staff has developed a two-phase approach to the B2G implementation. The first phase will seek to replicate the existing MWBE reporting and expand it to measure the amounts spent, as well as the award information that had traditionally been reported. The second phase will include all relevant contract spending and give a breakdown based on ethnic/racial/gender categories as well as business categories.

MWBE Participation for January 2014-March 2014

For the first quarter of 2014, SAHA contracted with 5 MWBE vendors. The total awarded from the contracts to these vendors is \$1,428,026 or 91% of the total awarded for the first quarter. The following are the vendors, their contract amounts and their business category.

Name of Business	Certification	Contract Amount	Business Type
QA Construction Services	HABE	\$591,781.50	Construction
Geofill Material Technologies	WBE, Section 3	\$268,950.00	Construction
HJD Capital Electric	HABE, MBE	\$358,509.58	Construction
Tejas Premiere Building Contractor	HABE, WBE, MBE, Section 3	\$206,984.80	Construction
Montemayor General Contractor	HABE, WBE, Section 3	\$1,800.00	Construction

Business Opportunity Academy

Staff also completed the 2014 Business Opportunity Academy on April 3, 2014 with 23 participants. The class was 83% Minority-owned, (43% African American-owned, 26% Hispanic-owned, 9% Asian American-owned), 61% Women-owned and 22% Veteran-owned. The business categories of the BOA participants were 10 construction related firms, 5 professional services firms, 7 other services and 1 goods/commodities firm.

Sunset Provision

The Policy adopted on April 4, 2013 includes a sunset provision that the program will expire at the end of one fiscal year following the adoption unless SAHA reauthorizes the Policy. For this reason, SAHA recommends that the Board reaffirm the MWBE Policy at this time and will again reassess and reaffirm the Policy no later than April 2015.

ATTACHMENTS:

Resolution 5406

MWBE Table

**SAN ANTONIO HOUSING AUTHORITY
RESOLUTION 5406**

RESOLUTION 5406, RE-AFFIRMING THE MWBE POLICY ADOPTED ON APRIL 4, 2013.

WHEREAS, ON January 15, 2013, the San Antonio Housing Authority engaged a vendor, Innovative Strategies (“Consultant”), to develop a formal, legally compliant MWBE Program (“Program”); and

WHEREAS, on April 4, 2013, the Consultant provided a formal MWBE Program to the Board of Commissioners and provided guidance and assistance in developing the necessary tools to implement the Program at which time the Program was adopted; and

WHEREAS, on January 30, 2014, the Board of Commissioners held a work session with the Consultant to review the implementation of the Program and requested that the Program be fully implemented by staff; and

WHEREAS, on April 3, 2014, the Board adopted the 2009 disparity study and its findings and wishes to proceed with the complete implementation of the MWBE Policy; and

WHEREAS, the Program adopted on April 4, 2013 includes a sunset provision that the program will expire at the end of one fiscal year following the adoption unless SAHA reauthorizes the program.

WHEREAS, staff requests that the Board of Commissioners reauthorize the MWBE Policy and Program in order to proceed with full implementation of the Policy.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of SAHA hereby:

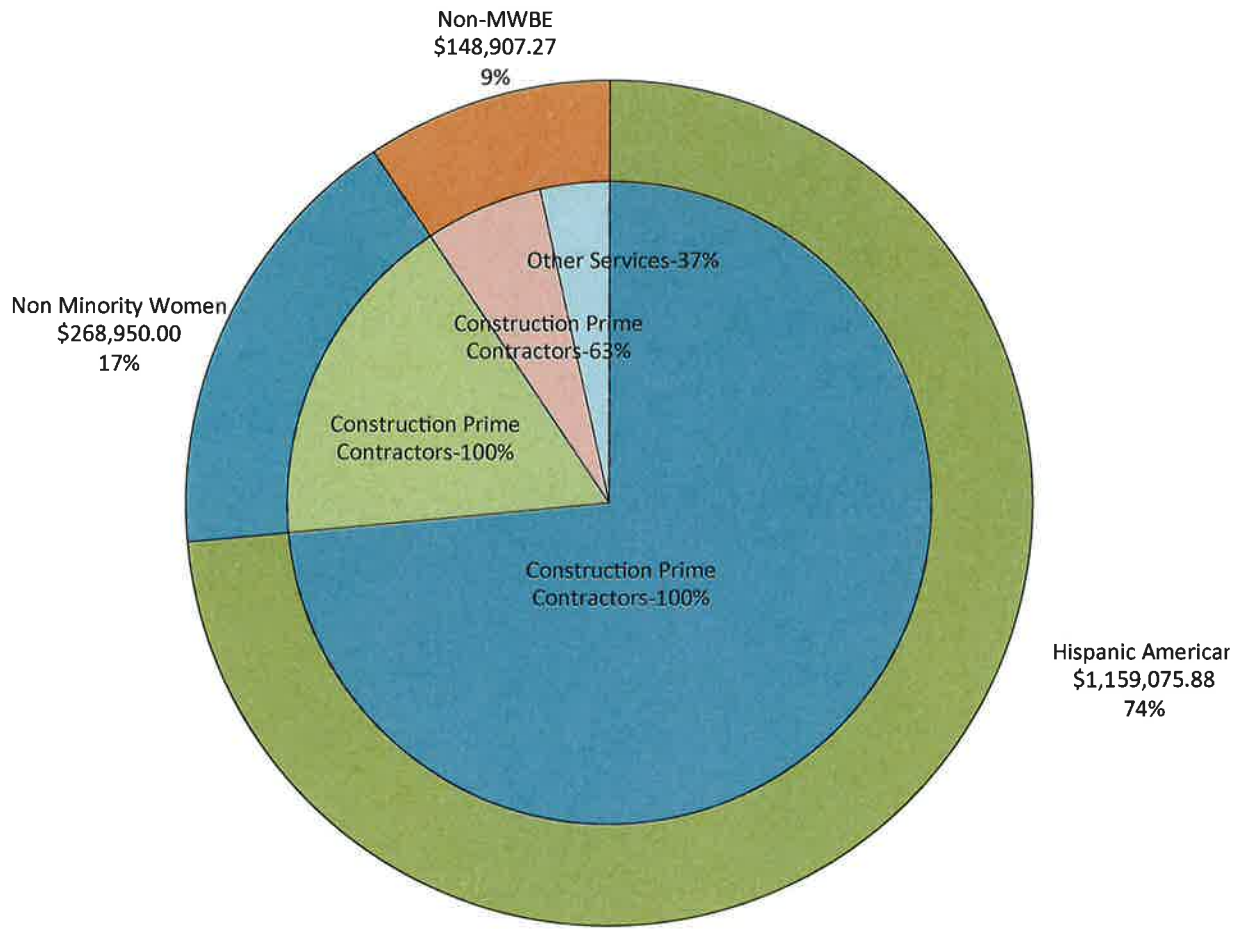
- 1) Approves Resolution 5406, re-affirming the MWBE Policy adopted on April 4, 2013; and
- 2) Authorizes the President and CEO or her designee to execute all necessary documents associated with this matter.

Passed and approved the 1st day of May, 2014.

Ramiro Cavazos
Chair, Board of Commissioners

Attested and approved as to form:

Lourdes Castro Ramirez



BOARD OF COMMISSIONERS

RESOLUTION 5405, AUTHORIZING THE AWARD OF UP TO TWELVE (12) U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROJECT BASED VOUCHERS TO MONTABELLA POINTE, LTD., FOR A TERM OF UP TO FIVE (5) YEARS.



Lourdes Castro Ramirez
President and CEO



Deborah Aleman,
Director of Assisted Housing Programs

REQUESTED ACTION:

Consideration and approval regarding Resolution 5405, authorizing the award of up to twelve (12) U.S. Department of Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) project based vouchers to Montabella Pointe, Ltd., for a term of up to five (5) years.

PURPOSE:

To advance efforts to enable homeless veterans to access affordable housing with an array of supportive services. This supports our priority to increase housing choices.

FINANCIAL IMPACT:

With a commitment of twelve (12) vouchers at an average Housing Assistance Payment (HAP) cost of \$437.51 per month, the anticipated annual commitment will be approximately \$63,000.00. This amount will not exceed SAHA's current capacity.

SUMMARY:

On February 4, 2014, HUD issued Public and Indian Housing (PIH) Notice 2014-03 (HA), to announce the availability of a set-aside of approximately \$7 million in HUD-VASH funding that will support approximately 1,000 units of project-based voucher (PBV) assistance. Applications are due on May 5, 2014.

According to the Notice, SAHA may request no more than seventy-five (75) PBVs in its application, and the application must include a signed letter of support from the Director of the Veterans Affairs Medical Center (VAMC) or Veterans Integrated Service Network (VINS), confirming the need for the number of vouchers requested in the application. On March 13, 2014, SAHA received a signed letter of support from Marie L. Weldon, Director of the South Texas Veterans Health Care System (STVHCS), confirming the need for twelve (12) additional HUD-VASH PBVs.

On March 12, 2014, SAHA issued a "Request for Proposals" (RFP) #1403-952-55-4180 for Project Basing HUD-VASH Vouchers, which closed on March 28, 2014. The RFP was published on our website, Electronic State Business Daily (ESBD), La Prensa, the Express-News, direct solicited local community partners, local contractors, posted on NAHRO and Public Purchase, etc. (See Advertisement List).

A total of one proposal was received in response to the RFP, from Montabella Pointe, Ltd. This proposal was evaluated on the following criteria: comparable amenities, ratio of PBV to total units; well-planned facility; financial capacity; supportive services being provided to residents, and rental subsidy needed.

Based on the above criteria, the evaluation committee is recommending Montabella Pointe, Ltd., as a responsive and responsible proposer. If approved by the Board, a contract award of up to twelve (12) HUD-VASH vouchers would be issued upon notice from HUD of a funding award, or after June 2014, to Montabella Pointe, Ltd., fulfilling all requirements pertaining to 24 CFR § 983 and SAHA's Administrative Plan.

ATTACHMENTS:

Company Profile
Resolution 5405
Bib Tabulation
Advertisement List

Company Profile

Housing & Community Services, Inc./Montabella Pointe, Ltd.

Housing & Community Services, Inc. was established in 1993 and specializes in the development and management of affordable housing in various communities throughout Texas. The firm is located in San Antonio, Texas and is overseen by a 16 member board. Specifically provides oversight and guidance for the ownership and operation of low-income HUD assisted housing properties for families that are at 50% or less of the area median income (AMI). Currently 36 multi-family properties with 3,547 units of assisted housing are under HCS's oversight and 12 of these (906 units) are organized with HCS as an affiliate or sole member.

Montabella Pointe is a recently completed (2011) multi-family complex located on Foster Road just south of FM 78 in East Central Bexar County. The complex consists of 36 - 1 bedroom, 1 bath units; 72 – 2 bedroom, 2 bath units; and 36 – 3 bedroom, 2 bath units and is targeted to veterans that are homeless or near homeless.

RESOLUTION 5405

RESOLUTION 5405, AUTHORIZING THE AWARD OF UP TO TWELVE (12) U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROJECT BASED VOUCHERS TO MONTABELLA POINTE, LTD., FOR A TERM OF UP TO FIVE (5) YEARS

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) issued Public and Indian Housing (PIH) Notice 2014-03 (HA) on February 4, 2014, notifying Public Housing Agencies of set-aside funding availability for project-basing HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers;

WHEREAS, the South Texas Veterans Health Care system confirmed the need for twelve (12) additional HUD-VASH project-based vouchers;

WHEREAS, a Request for Proposals (RFP) was issued on March 12, 2014 and subsequently closed on March 28, 2014;

WHEREAS, one (1) company submitted a proposal to RFP #1403-952-55-4180 for evaluation by the due date;

WHEREAS, after evaluation Montabella Pointe, Ltd., was determined eligible for the award; and

WHEREAS, staff request the Board of Commissioners authorize the President and CEO or her designee to execute all documents to enter into this contract.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of SAHA hereby:

- 1) Approves Resolution 5405, authorizing the award of up to twelve (12) HUD-VASH Project Based Vouchers to Montabella Pointe, Ltd., for a term of up to five (5) years.
- 2) Authorizes the President and CEO or her designee to execute all necessary documents associated with this contract.

Passed and approved the 1st day of May, 2014.

**RAMIRO CAVAZOS
CHAIR, BOARD OF COMMISSIONERS**

Attested and approved as to form:

**LOURDES CASTRO RAMIREZ
SAHA PRESIDENT and CEO**

Scoring Matrix
Project Basing HUD-VASH Vouchers
RFP 1403-952-96-4180

Criterion Description	Max Points 100	Montabella Pointe, Ltd and Housing and Community Services, Inc.		
		R1	R2	R3
Comparable Amenities: Housing meets local community needs.	10	10	8.5	10
Ratio of total units to PBV units is greater than 2 to 1 or greater	10	10	9	10
Proposal submitted demonstrates a thorough, in depth well planned project meeting federal requirements	20	19	17	17
Financial viability for the project is demonstrated.	20	16	17	17
Applicants qualifications are appropriate for the project	20	17	17	18
Rental subsidy is necessary for the viability of the project, management of project is consistent	20	18	18	19
Totals		90	86.5	91
Average			89	

**Advertisement List
Solicitation # 1403-952-55-4180**

Entity	Contact Name	Email	Method of Contact(Specify)
ACCION Texas	Celina Pena	cpena@acciontexas.org	
African American Chamber of Commerce of San Antonio	Lou Miller	blackchamber@aol.com	
Alamo Asian American Chamber of Commerce	Elva Adams	elva.adams@wellsfargo.com	
Alamo City Black Chamber Of Commerce	Christopher Herring	Herring@alamocitychamber.org info@alamocitychamber.org shall@alamocitychamber.org	
American Council of Engineering Companies - San Antonio (ACEC-SA)	Anne Whittington	anne@acectx.org	
American Institute of Architects	Laura Smith	laura@aiasa.org	
American Subcontractors Association	Elaine Garcia	elainegarcia@asasanantonio.org	
Associated Builders and Contractors S. Texas Chapter	Steve Schultz	steve@abcsouthtexas.org	
Builders Exchange	Jeannette Olguin	jeannette@virtualbx.com	
CDC News		plans@cdcnews.com	
CFMA	Tommy Wallace	wallacet@zhi.com kimr@avacpa.com	
Chinese Chamber of Commerce	Jerry Jin	jerry.jin@gsaccc.org, jing.hao@gsaccc.org	
Goodwill Industries	Clark Mosely	cmosley@goodwillsa.org, maguilar@goodwillsa.org	
Greater San Antonio Builders Association	Becky Oliver	oliverpub@aol.com	
The San Antonio Chamber of Commerce	Julie Oltersdorf	julieo@sachamber.org	
Hispanic Contractors Association de San Antonio	Clarissa Perez	exdir@hcadesa.org admin@hcadesa.org	
I Square Foot Plan Room		agcquoin@isqft.com, saprojects@isqft.com	
IEC	Julie Howard	jhoward@iecsanantonio.com, rvasquez@iecsanantonio.com	
MACB	Maria Monita	info@macb-sa.org	
MCA-SMACNA	Bob Pisors	mca-smacna@mca-smacna.org, bob.pisors@mca-smacna.org	
Minority Business Council	Hector Garcia	hector@hegarciacpa.com	
National Alliance of Craftsmen Association	Victor Landa	arvelasquez01@yahoo.com	

**Advertisement List
Solicitation # 1403-952-55-4180**

Entity	Contact Name	Email	Method of Contact(Specify)
National Association of Women in Construction (NAWIC)	Sandee Morgan	nawicerin@gmail.com, nawicsatx@gmail.com	
NAWBO San Antonio	Madeline Slay	Madeline@masarchitecture.com	
North San Antonio Chamber of Commerce	R. C. Garcia	rcgarcia@northsachamber.com	
Plumbing Heating Cooling Contractors Association	Heidi Timble	Heidi@phcc-sanantonio.org	
Professional Engineers in Private Practice	Diane Hoskins	bexarpepp@sbcglobal.net	
Real Estate Council of San Antonio	Martha Mangum	martham@recsanantonio.com	
SAABE	Melodie	mg.assoc.mgmt@gmail.com	
San Antonio Board of Realtors	Suzanne	Suzanne@sabor.com	
SA Chapter of the Associated General Contractors	Dana Marsh	dmarsh@sanantonioagc.org	
San Antonio Hispanic Chamber of Commerce	Ramiro Cavazos	ramiroc@sahcc.org, mariyaf@sahcc.org	
San Antonio Masonry Contractors Association	Debbie Mason	samca@satx.rr.com	
San Antonio Women's Chamber of Commerce	Cindy Libera	admin@sawomenschamber.org	
South Central Regional Certification Agency	Ross Mitchell	rmitchell@sctrca.org, souber@sctrca.org	
South San Antonio Chamber of Commerce	Tom Shaw	tshaw@southsachamber.org, simperial@southsachamber.org, CMontez@southsachamber.org	
Southwest Minority Supplier Diversity Council	Robert Casas	smsdc@smsdc.org	
Surety Association of South Texas, Inc.	Jim Swindle	jim@alamobonds.com	
Texas Society of Professional Engineers	Laura Campa	meghan@tspe.org, jennifer@tspe.org	
Texas Veteran's Commission	Willie Jackson	willie.jackson@tvc.state.tx.us	
TIBH Industries	Robert Olivo	robertolivo@tibh.org	
UTSA Minority Business Center	Orestes Hubbard	orestes.hubbard@utsa.edu, jennifer.mort@utsa.edu	
UTSA Procurement Technical Assistance Center	Terri Williams	terri.williams@utsa.edu	
West San Antonio Chamber of Commerce	Gabe Farias	gfarias@westsachamber.org, info@westsachamber.org, valerie@westsachamber.org	
Women's Business Center	Martha Zurita	mzurita@acciontexas.org	

**Advertisement List
Solicitation # 1403-952-55-4180**

Entity	Contact Name	Email	Contact Method
Women's Business Enterprise	Avery Smith	bids@wbea-texas.org	E-Mail
NAHRO	Web Site	http://nahro.economicengine.com	Posted
Public Purchase	Web Site	www.publicpurchase.com	Posted
Texas ESBD	Web Site	https://portal.cpa.state.tx.us/	Posted
SA Family Endeavors	Travis Pearson	tp@familyendeavors.org	E-Mail
Housing Auth Bexar County	Buddy Aleman	albert.aleman@habctx.com	E-Mail
	Nancy Williams	Nancy.Williams@bexar.org	E-Mail
Salvation Army	Patricia Kitchen	Patricia_Kitchen@uss.salvationarmy.org	E-Mail
SAMM	Anna Vidurri	avidaurri@samm.org	E-Mail
SAMM	Dorothy Morris	dmorris@samm.org	E-Mail
Veterans Administration	Herman Montalvo	herman.montalvo@va.gov	E-Mail
COSA	Holly Frindell	holly.frindell@sanantonio.gov	E-Mail
Haven for Hope	Sonia Poyo	Sonia.Poyo@havenforhope.org	E-Mail
Housing Auth Bexar County	Norma Huerta	Normajejan.huerta@habctx.com	E-Mail
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Eckerd	Jay Pruett	jpruett@eckerd.org	E-Mail
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The Health Collaborative	Elizabeth Lutz	elizabeth.lutz@healthcollaborative.net	E-Mail
Alpha Home	Julie Wisdom	JulieWisdom-Wild@alphahome.org	E-Mail
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Chrysalis Ministries	Carol Lockett	CLockett@Chrysmi.org	E-Mail
Enter for Health Care Svcs.	Ron Stringfellow	rstringfellow@chcsbc.org	E-Mail
Alamo Community Group	Jennifer Gonzales	jgonzalez@alamocommunitygroup.org	E-Mail
National Church Residences	Christian Sanchez	csanchez@nationalchurchresidences.org	E-Mail
BCFS CANN Project	Tim Dusek	TD1213@bcfs.net	E-Mail
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UTSA	Sophia Ortiz	sophia.ortiz@utsa.edu	E-Mail
NALCAB	Noel Poyo	npoyo@nalcab.org	E-Mail

MEMORANDUM

TO: Board of Commissioners

FROM: Dr. Morris Stribling, Chair, Operations and Choice Neighborhood Committee

SUBJECT: Update regarding the April 17, 2014 Operations & Choice Neighborhood Committee meeting

An Operations and Choice Neighborhood Committee meeting was held on April 17, 2014. Attendees included Chairman Morris Stribling, M.D., Commissioner Yolanda Hotman, Commissioner Stella Molina, President and CEO Lourdes Castro Ramírez, and SAHA staff.

The following topics were discussed at the committee meeting:

Choice activities relating to People, Housing, and Neighborhood

Chairman Stribling opened this agenda item with a statement, asking that no staff member make any promises to any community groups without prior approval of the CEO and the Board of Commissioners. The Chairman also mentioned that Councilwoman Ivy Taylor had asked if the contracts for the Choice construction will be broken down for small and minority contractors.

Tim Alcott responded that SAHA is committed to the Agency's policy to recruit minority contractors, and SAHA's contract with MBS does have both MWBE and Section 3 goals. Tomas Lloralde, SAHA's Business Opportunities Manager, added that SAHA has already collected "capacity statements" from 30 small businesses, and held two networking meetings, as which larger contractors could meet and visit with smaller businesses that could potentially serve in joint ventures on some contracts. Mr. Alcott added that MBS has communicated to the larger businesses that to be a successful bidder on the RFPs, they will need to demonstrate how they will work to help meet those MWBE and Section 3 goals. MBS's David Dumey emphasized that if contractors want to participate in the revitalization activities, they must meet the defined goals for MWBE and Section 3.

MBS will be releasing the Demolition Request for Proposals (RFP) by May 1, 2014. A list of potential contractors has been developed, including Section 3 Certified Business Concerns, Business Opportunity Academy graduates and others. Plans are also underway to conduct a roundtable on May 2, 2014 with SAHA, MBS and the leadership of chamber and trade associations, to secure their support in promoting the RFP to their members. Lastly, MBS will have a Public Improvement A&E solicitation in June 2014. SAHA's Business Opportunity staff is working with design organizations such as the AIA (American Institute of Architects) and the San Antonio Council of Engineering Companies to advise local design firms of the upcoming opportunity by holding outreach events in May 2014.

SAHA President and CEO Lourdes Castro Ramirez mentioned that a memo will be sent to Councilwoman Taylor, to answer her questions, summarizing the contracting opportunities, contractor outreach efforts, and timelines, to also include information about the housing designs and community engagement schedule.

Adrian Lopez reported that the Department of Justice (Byrne Grant) visited the EastPoint Neighborhood on April 17, 2014. Presentations were provided on Trinity University's research findings, and SAHA's implementation strategies. Staff and the partners outlined a strategy to address drugs, property and gang crimes. Partners recommended developing a "Crime and

Drug Free Zone” along New Braunfels and would like to make a formal announcement in mid-May.

Westside Reinvestment Initiative

Tim Alcott and Lori Hall stated that the Blueridge neighborhood is the current focus of SAHA’s Westside Reinvestment Initiative (WRI). The next WDC meeting with Blueridge homeowners will be held on April 24, 2014. At this meeting, WDC will be working with the residents to set up a communication network, continuing crime watch efforts, and additional programming, and SAHA staff will discuss a timeline for the upcoming demolition and development process. SAHA staff is working on the solicitation to select a contractor for the demolition of the 39 homes; this will take approximately 60 to 90 days. WestEast Design Group has also drafted proposed house designs for the new Blueridge homes that will be built following the demolition. Additionally, WestEast has completed assessments of two homes each in the Villas de Fortuna, Sunflower, and Palm Lake neighborhoods. Staff will be bringing recommendations on each of these matters forward at a future Committee and Board meetings.

Resolution 5406, reaffirming the MWBE policy

Alejandra Villarreal reported that on January 30, 2014, the Board of Commissioners held a work session with the consultant, Innovative Strategies, to review the implementation of the MWBE Policy. The Board requested that staff: 1) fully brief the board on the 2009 Disparity Study; 2) Secure and implement B2G software and 3) complete the implementation of the approved MWBE Program. On April 3, 2014, the Board of Commissioners accepted the Disparity Study findings. Now that the Disparity Study has accepted, staff is recommending the Board reaffirm the MWBE policy, as required on an annual basis. Staff continues to work on the implementation of the B2G software.

Strategic Plan Dashboard

Richard Milk stated that SAHA contracted with PlanBase in April 2013 to develop a dashboard tool to track progress on Strategic Plan goals and metrics. The dashboard implementation began in June 2013 when officers and directors developed initial metrics and action items for each of the six strategic goals. Mr. Milk provided a presentation to demonstrate how the metrics display on the dashboard, and how the progress is indicated. For FY2014-2015, SAHA plans to focus on analysis of metric trends, changes in targets and budget discussions.

MEMORANDUM

TO: Board of Commissioners
FROM: Karina Cantu, Chair, Finance Committee Meeting
SUBJECT: Update regarding the April 17, 2014 Finance Committee Meeting

An Finance Committee meeting was held on April 17, 2014. Attendees included Commissioner Yolanda Hotman, Commissioner Stella Molina, and Commissioner Morris Stribling, President and CEO Lourdes Castro Ramírez, and SAHA staff.

The following topics were discussed at the committee meeting:

Refinance of the Existing Mortgage on Converse Ranch II

The Converse Ranch II is a 104-unit multifamily property that was constructed in 2009 by Bakke Development Corporation. By refinancing mortgage on Converse Ranch II will reduce annual debt approximately \$186,000.00. The new loan structure will contain an interest rate swap agreement with an estimated interest rate of 3.74%, or 45 basis points lower than the prevailing rate of 4.19% for a fixed rate mortgage. The actual rate will be set at time of closing. The new mortgage will have a 10 year term with a 25 year amortization schedule.

The Sale of Villa de Valencia

The Villa de Valencia is a 104-unit property in SAHA's Non-Profit portfolio. The property was constructed in 1980, located at 13656 O'Connor Road, on San Antonio's Northeast side and contains nine two-story buildings and a one-story leasing office/clubhouse. Amenities include a swimming pool, playground and one laundry room. The property is located in an area of San Antonio that has unstable soil conditions. Over the years, the buildings' foundations have been adversely impacted by settlement. SAHA has obtained a third party engineering report from Raba Kistner Facilities, Inc. The report, dated October 24, 2012, was commissioned to determine the type and cause of distress conditions impacting buildings 2, 5, 7, 8, 9, 10 and the swimming pool.

The engineer concluded that moderate to significant soil-related movements have resulted in extensive and severe exterior and interior distresses impacting building framing, envelope, plumbing systems, and interior finishes. The engineer was of the opinion that given the advanced age of the property, poor interior/exterior condition, and soil-related movements, repairing the structures to a condition where the foundations and systems are no longer affected by soil-related movements may be economically unfeasible.

SAHA's financial statements

The Quarterly Financial Report for the SAHA for the nine months ended March 31, 2014. The result of operations reflected a surplus of \$1.6 million better than budget. Total Operating Revenue was approximately \$4.1 million below budget, due to unfavorable variances in tenant revenue and HAP revenue. Public Housing was the main source of the unfavorable variance in Tenant Revenue, which stemmed from higher than expected vacancies, an increasing number of bad debt write-offs, and lower than expected tenant revenues at several properties. Section 8 Housing Assistance Payment Revenue ended the period below budget by \$1.4 million which is offset by the positive variance of \$1.4 million in Housing Assistance Payment Expenses. The

Choice Implementation Grant budget was approved by HUD and approximately \$1.4 million was drawn in early April 2014.

A Comparative Balance Sheet was provided to the Committee members, which reflects an overall decrease in Total Assets and Total Liabilities from March 31, 2013 to March 31, 2014. The \$6.5 million reduction in Total Assets was primarily the result of the routine recording of depreciation for fixed assets and

Security of the residential WiFi

SAHA has delivered residential wireless to our public using standard public Wi-Fi practices -- the same as those used by the City of San Antonio in their public libraries and VIA Metropolitan Transit in their buses. Use of this standard practice provides an open network to the public that allows for ease of accessibility through our community room computers, as well as encouraging the use of BYOD (Bring Your Own Devices). BYOD encourages more of our residents to take advantage of our Wi-Fi. The residential Wi-Fi has been at our properties for a year now, with zero incidents of security breaches reported.

SAHA acknowledges that there is risk in using public Wi-Fi. To address these risks, the Information Technology Department will work the Community Development Initiatives Department, to bring public Wi-Fi security awareness to our residents. It is important to bring security awareness and knowledge to our residents regarding the use of any public Wi-Fi. This increased awareness will help our residents understand the risks when using a public Wi-Fi so they can be diligent in protecting their personal data while using public computers anywhere.

MEMORANDUM

TO: Board of Commissioners

FROM: Yolanda Hotman, Chair, Resident Services Committee

SUBJECT: Resident Services Committee held at OP Schnabel Apartments, on April 28, 2014

A Resident Services Committee meeting was held on April 28, 2014, at OP Schnabel Apartments, 919 S. Main. Attendees included Chair Yolanda Hotman, Commissioner Stella Molina, Commissioner Charles Munoz, Commissioner Morris Stribling, SAHA President and CEO Lourdes Castro Ramirez, SAHA staff, and approximately 24 residents.

OP Schnabel is a 70-unit community, built in 1985, for elderly and disabled persons. The Resident Services Committee focuses on matters affecting residents of the agency's Public Housing properties. The following topics were discussed at the committee meeting:

HUD and Veterans Affairs Supportive Housing (VASH) project based vouchers

Deborah Aleman reported that HUD has issued a notice to apply for a set-aside of HUD-VASH funding. The application must include a signed letter of support from the Director of the Veterans Affairs Medical Center (VAMC) or Veterans Integrated Service Network (VINS), confirming the need for the number of vouchers requested in the application. While housing authorities could apply for up to 75 vouchers, the VA letter only confirmed the need for 12 HUD-VASH vouchers for SAHA's application; therefore, staff requests approval to award a contract for 12 HUD-VASH vouchers, upon notice from HUD of a funding award, to Montabella Pointe, Ltd. The Committee voted to move this item to the Board for approval

Management transitions

David Clark explained that the Public Housing Department is structured in 18 portfolios of properties. Three have one large property each; the rest have two-to-five properties. Each portfolio is headed by a Manager, whose staff includes a Maintenance Supervisor, Maintenance Technicians, and administrative personnel. The Housing Director heads the department, and two Assistant Directors are each responsible for half of the portfolio. In November 2013, the department implemented a realignment of properties, to group them better geographically, and to reduce the average number of units in any portfolio to 351 and the average number of properties in any portfolio to four. The goal of the realignment was to focus staff attention on improved customer service. All sites have recently updated and improved the quality of their specific Business Plans, which include specific and unique information about the many elements of that property.

Commissioner Munoz said that he was particularly interested in the safety and security at properties. He requested an organizational chart of that department, and other departments as well. He said that he appreciates the notices that Commissioners receive when there is a significant incident at one of our properties. Ms. Castro Ramirez added that our incident communication protocol calls for Commissioners to receive an email with information that is available at the time. She added that organizational charts were being revised and finalized as part of the FY 2015 budget planning process, and that information would be shared with Commissioners at the May Finance Committee Budget Workshop.

Flat rent schedule

Mr. Clark reported that the HUD provisions in the 2014 Consolidated Appropriations Act include language that substantively changes the way flat rents are calculated. Instead of determining a flat rent for every property, as SAHA had previously done, PHAs will now be expected to set flat rents for each bedroom size at 80% of the area Fair Market Rent if the current flat rents are lower. Housing authorities must start the process of changing flat rents by June 1, 2014, although on an individual basis, the new flat rent will not be effective until the next lease renewal. Twenty-four of SAHA's 47 residents with flat rents will experience rent increases, by an average \$113. Another provision of the bill states that no rent increase will be more than 35% per year, for both income-based and flat rents; three of SAHA's families fall into this category. Those SAHA residents who have flat rents that currently exceed the new flat rent schedules will keep their current rent frozen until such time as 80% of the area Fair Market Rent equals their rent. The family with the highest percentage is presently paying a flat rent that is 98% of the FMR.

Chair Hotman suggested that SAHA have a policy to cap the impact to residents, if possible. Ms. Castro Ramirez said that staff would bring that matter back to Commissioners, once HUD issues guidance on the new flat rent requirements.

Pre-K 4 SA

Mr. Clark reported that the Pre-K 4 SA program began in 2013, with two Model Education Centers serving 500 students each; the Northside Education Center, located at 3635 Medical Drive, and the South Education Center, located at 7031 S. New Braunfels. Another two Centers will open in 2014: the East Education Center at 5230 Eisenhower Rd, and the West Education Center at 1235 W. Old Highway 90. The City has about 100,000 children under the age of five. The Pre-K initiative seeks to serve 22,400 four-year-olds over a period of eight years. SAHA is actively participating with the Pre-K staff in student recruitment efforts. Two community outreach meetings have been held at SAHA public housing sites, Lincoln and Cassiano, and more will be scheduled. Approximately 500 public housing families have qualifying children, and another 11,500 families in SAHA's Non-Profit and Section 8 departments have qualifying children.

Smoking Cessation Initiative

Mr. Clark reported that while the implementation of SAHA's No Smoking Policy in January 2012 has gone well, staff does receive reports of some resident smoking on properties. To further assist residents with their efforts to quit smoking, staff has scheduled the American Lung Association to offer presentations at six communities for the elderly and disabled, including Parkview, W.C.White, Sun Park, Victoria Plaza, Fair Avenue, and Villa Tranchese. The first clinic begins April 22, 2014. Staff will add additional sites, depending on interest. The Public Housing Department will team with Community Development Initiatives to assemble a program to discourage children from beginning to smoke, as well as smoking cessation clinics for adults in SAHA's family developments.

Villa Hermosa balconies

Villa Hermosa is a 66-unit community for the elderly and disabled, located downtown at 327 N. Flores St. The units have long balconies, shared by two units each. The balconies have open

railings. To help beautify the building, staff is researching mesh materials that could be woven into the railing or attached to them. The screens would also increase privacy for the residents, and they have the added benefit of protecting units from wind and dust. Such screens come in a variety of materials and colors, from thick woven polyethylene to stainless steel. Mr. Clark showed some samples of the materials under consideration, which would cost about \$6,000. The price does not include installation. Staff has learned that the installation of the material would have to be approved by the Historic Commission, so they are researching that process now.

Public Housing waitlist demographics

Mr. Clark stated that the Public Housing wait list is now comprised of 9,049 applicants, who on average selected 10 properties as their “preferred developments.” In terms of demographics, 23% are African-American, 73% White, 2% Native American or Native Hawaiian, and 1% Asian. Hispanics comprise 60% of all applicants. Among the applicants for SAHA’s elderly/disabled properties, 11% are elderly and disabled, 8% are elderly and non-disabled and 81% are disabled and not elderly.

2014 Father's Day Event

Adrian Lopez reported that SAHA will host its Annual Father’s Day event on June 14, 2014, 10 a.m. - 2 p.m. This year’s event will be filled with opportunities for fathers and family members to access resources, participate in activities, and recognize the role fathers play in the lives of our community. Community partners will be recruited to facilitate interactive activities. Food will be provided and prizes will be given out throughout the day. All fathers will also have an opportunity to sign a canvas pledging to serve as “honorable fathers.” The event will continue the tradition of honoring fathers by providing selected fathers with the “Hombre Noble” awards. Nomination forms will be distributed to staff the week of May 5, 2014 and will be due on May 30, 2014.

Customer Service Survey

Steven Morando explained that the Customer Satisfaction Survey Request for Proposals (“RFP”) closes on April 29, 2014. As described in the RFP, the contractor will provide assistance and services to prepare, conduct, evaluate, interpret and present a comprehensive customer satisfaction survey for SAHA. Staff is now in the process of convening the evaluation panel to review and score the proposals. He asked if a member of the Resident Services Committee would like to serve on this evaluation panel. The panel members will be requested to: attend an initial evaluator briefing to receive a copy of each submitted proposal and instructions for scoring; an evaluators’ meeting to discuss scores they have assigned; and vendor presentations, if requested by SAHA. Chair Hotman volunteered to serve as the Resident Services Committee representative on the panel.

BOARD OF COMMISSIONERS

HOLD A PUBLIC HEARING; RESOLUTION 5404, AUTHORIZING APPROVAL FOR THE EXECUTION OF ANY AND ALL DOCUMENTS REQUIRED IN CONNECTION WITH THE REFINANCE OF THE MORTGAGE ON CONVERSE RANCH II, INCLUDING RELEASE AND SUBSTITUTION OF COLLATERAL.



Lourdes Castro Ramirez
President and CEO



Ed Hinojosa
Chief Financial Officer

REQUESTED ACTION:

Hold a Public Hearing; Consideration and appropriate action regarding Resolution 5404, authorizing approval for the execution of any and all documents required in connection with the refinance of the mortgage on Converse Ranch II, including release and substitution of collateral.

PURPOSE:

A public hearing is required in order to obtain the property tax exemption. This action would facilitate the refinance of the existing mortgage with a maturity date of June 11, 2014, reduce annual debt service payments, and provide replacement collateral for the release of Castle Point Apartments and Monterrey Park.

FINANCIAL IMPACT:

- Reduce annual debt service by approximately \$186,000.00 (based on indicative rate of 3.74%). The new loan structure will contain an interest rate swap agreement with an estimated interest rate of 3.74%, or 45 basis points lower than the prevailing rate of 4.19% for a fixed rate mortgage. The actual rate will be set at time of closing.
- Obtain a new \$5,600,000.00 mortgage to refinance the maturing mortgage and cover related closing costs and escrow deposits.
- The mortgage will have a term of 10 years with a 25-year amortization schedule.
- This financing will be executed as a Bank Qualified tax exempt loan.
- Obtain a release of the existing second deed of trust on Castle Point Apartments (220 units) and Monterrey Park (200 units). Release of these properties was deemed prudent as both were identified as candidates for possible modernization in SAHA's 5 year plan. This collateral will be replaced by second mortgages on Encanta Villa (56 units) and Burning Tree (108 units). These properties were selected since Frost Bank already holds the first mortgage on Encanta Villa and Burning Tree. The new mortgage on Converse II will allow for release and substitution of collateral during the term of the loan, provided the combined collateral package provides a minimum debt service coverage ratio (DSCR) of 1.20 and maximum loan to value (LTV) of 75%

SUMMARY:

Converse Ranch II is a 104-unit multifamily property that was constructed in 2009 by Bakke Development Corporation. Upon completion, the property was acquired by Converse Ranch II, LLC, a Texas limited liability company on June 11, 2009 for \$7,800,000. The sole member of Converse Ranch II, LLC is the San Antonio Housing Authority. The acquisition was financed by a combination of Replacement Housing Factor (RHF) funds and mortgage debt (mortgage from Frost Bank).

The existing mortgage with Frost Bank had an original principal balance of \$6,000,000.00 (current unpaid principal balance as of April 1, 2014 is \$5,447,889.00) with a 5-year term and 20-year amortization period. Interest is at a floating rate tied to the Wall Street Journal Prime Rate of interest plus a margin of 1.00% (the current rate is 4.25%). The loan matures on June 11, 2014, but is open to prepayment without penalty. At closing, the Frost Bank mortgage was secured by a first deed of trust on Converse Ranch II, and second deeds of trust on Castle Point Apartments and Monterrey Park Apartments. Additional collateral was required since the property had not yet stabilized and projected cash flow was insufficient to provide the required debt service coverage ratio of 1.20.

ATTACHMENTS:

Resolution 5404

Frost Financing Proposal

CERTIFICATE FOR RESOLUTION

5404

The undersigned officer of the Housing Authority of the City of San Antonio, Texas, a Texas housing authority created pursuant to the laws of the State of Texas ("SAHA"), hereby certifies as follows:

1. In accordance with Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), and the bylaws of SAHA, the Board of Commissioners of SAHA (the "Board") held a meeting on May 1, 2014, (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,

RESOLUTION 5404, PUBLIC HEARING AND AUTHORIZING APPROVAL FOR THE EXECUTION OF ANY AND ALL DOCUMENTS REQUIRED IN CONNECTION WITH THE REFINANCE OF THE MORTGAGE ON CONVERSE RANCH II, INCLUDING RELEASE AND SUBSTITUTION OF COLLATERAL

(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 Open Meetings Act and the Bylaws of SAHA.

SIGNED May 1, 2014.



Lourdes Castro Ramirez
President and CEO

RESOLUTION NO. 5404

RESOLUTION 5404, PUBLIC HEARING AND AUTHORIZING APPROVAL FOR THE EXECUTION OF ANY AND ALL DOCUMENTS REQUIRED IN CONNECTION WITH THE REFINANCE OF THE MORTGAGE ON CONVERSE RANCH II, INCLUDING RELEASE AND SUBSTITUTION OF COLLATERAL

WHEREAS, the Housing Authority of the City of San Antonio, Texas (“SAHA”), 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 Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”);

WHEREAS, SAHA created a single member limited liability company, Converse Ranch II, LLC (the “LLC”) to finance the construction, equipping, and improvement of a 104-unit multifamily housing facility located at 8355 Crestway Drive, San Antonio, Texas 78244 and known as Converse Ranch II Apartments (the “Project”);

WHEREAS, the Issuer has determined to refinance the Project and issue its “Multifamily Housing Revenue Bonds (Converse Ranch II Apartments Project) Series 2014” in the aggregate principal amount of not to exceed \$5,600,000 (the “Bonds”) to refinance the Project;

WHEREAS, the Bonds will be issued in a variable rate format and sold to Frost Bank upon the terms and conditions outlined in the term sheet submitted by Frost Bank;

WHEREAS, it is anticipated that all or a portion of the Bonds will be swapped to a fixed rate pursuant to an ISDA Master Agreement and other associated documents entered into with Frost Bank (the “Swap Documents”);

WHEREAS, Frost Bank has demanded a second lien deed of trust on the Encanta Villas and Burning Tree properties and either a guaranty by Issuer or it acting as a co-borrower on the loan with the LLC (the “Additional Collateral”);

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Trust Indenture dated as of June 1, 2014 (the “Indenture”) between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”) and to loan the proceeds to the LLC;

WHEREAS, SAHA is the sole member of the LLC and it is approving these actions on behalf of itself and on behalf of the LLC;

WHEREAS, the LLC is authorized to extend its existing debt until the Bonds can be issued;

WHEREAS, the Issuer is authorized to issue the Bonds and SAHA is required to approve the issuance of the Bonds in accordance with the Act;

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio to authorize the Issuer to enter into the transaction described above so that the Issuer may refinance the Project and refund the Refunded Bonds;

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

BE IT THEREFORE RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SAN ANTONIO, TEXAS, THAT:

Section 1. The terms of the Indenture, the Loan Agreement from SAHFC to LLC and any security documents, including a Deed of Trust and the Purchase and Investment Letter, are hereby approved.

Section 2. The extension of the existing debt on the Project and any amendments of the documents relating thereto are authorized and approved.

Section 3. The extension of the existing debt, the refinancing contemplated for the Project and the issuance of the Bonds, the Swap Documents, the Additional Collateral, the Indenture, the Loan Agreement, the Deeds of Trust and the Investment Letter are hereby authorized and approved, and the President, any Vice President, the Secretary/Treasurer, or any of them, of the Issuer, and SAHA, as appropriate, are hereby authorized and directed to execute (to the extent required to be executed or acknowledged by the Issuer) and deliver (or to accept, as the case may be) any extensions, amendments or modifications of the existing debt, the Swap Documents, any documents relating to the Additional Collateral, the Indenture, the Deed of Trust, the Purchase and Investment Letter, and any and all certificates (including tax certificates) and other instruments described therein upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds, all upon the terms herein approved, and the executing officer is authorized to negotiate and approve such changes in the terms of each such instrument as such officer shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officer shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. The Bonds in the principal amount not to exceed \$5,600,000 in substantially the form and substance set forth in the Indenture, are hereby approved.

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

Section 6. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provisions for payment shall have been made pursuant to the Indenture.

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

Section 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 9. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

* * *



Cullen/Frost Bankers, Inc.

CONFIDENTIAL

**PRELIMINARY DISCUSSION SHEET
FOR**

Converse Ranch II, LLC

March 3, 2014



Frost Bank P.O. Box 1600 San Antonio, Texas 78296

FROST BANK
DISCUSSION SHEET

THIS DISCUSSION SHEET IS NOT TO BE CONSIDERED A LEGALLY BINDING COMMITMENT BY THE BANK. THIS IS A NON BINDING OUTLINE.

This Discussion Sheet does not constitute a commitment to lend money. The following is intended as a preliminary outline only and does not purport to contain all the terms, conditions, covenants, representations, warranties and other provisions which will be contained in a definitive agreement and which may differ from those contained herein. Other terms and provisions not contained in this outline may be considered and/or required. Further information may need to be obtained and additional due diligence and underwriting will need to be performed, as determined in the Bank's sole discretion, to enable the Bank to make a decision whether to approve the Loan/Line of Credit, commit to the Loan/Line of Credit and enter into a definitive agreement. Neither Bank nor Borrower shall have any liability to the other should either party elect for any reason not to proceed and enter into a definitive agreement

Date: March 3, 2014

Issuer/Borrower: Converse Ranch II Public Facility Corporation.

Facility: Up to \$5,600,000 Tax-Exempt Loan evidenced by Converse Ranch II Public Facility Corporation Multifamily Housing Revenue Bonds (Converse Ranch II Apartments Project) Series 2014 (the "Loan"), subject to bond counsel opinion; provided, the principal amount of the Loan shall not exceed 75% of the appraised value of the "Properties". The Loan shall be in the form of a tax-exempt bond directly purchased by the Bank.

Purpose: Refinance loan dated June 11, 2009 from Frost Bank which was used to purchase the 104 unit multifamily property known as Converse Ranch II.

Term: 10 years

Interest Rate: Two Interest Rate (Tax Exempt) Options:

- 1) Fixed at 67.8% of the "FHLB Index"* plus 1.95%. For example purposes only, the representative all-in rate as of March 3, 2014 would be 4.194%.

*The "FHLB Index" means the Federal Home Loan Bank of Dallas Secure Connect Amortizing Advance Rates for 30 years with 10 year Balloon.

- 2) Variable daily at 67.8% of 90-Day "Libor"* plus 1.38%. For example purposes only, the representative all-in rate as of March 3, 2014 would be 1.541%.

*"LIBOR" means the London Interbank Offered Rate as quoted in the most recently published issue of the Wall Street Journal (U.S. Edition) in the "Money Rates" Column.

Borrower will have the option to enter into interest rate protection contracts (Swap) to fix the interest rate on portions of the debt in minimum increments of \$1,000,000, subject to compliance with Bank's criteria for such contracts, including the payment of any fees.

If Borrower had entered into a Swap contract, for example purposes only, on March 3, 2014, the fixed rate on a Swap contract is 3.74%.

TAX EXEMPT INTEREST RATE ASSUMES THE LOAN WILL BE BANK QUALIFIED AND TAX EXEMPT. IN THE EVENT THAT THE LOAN IS

DETERMINED TO BE TAXABLE, A TAX GROSS UP OF THE INTEREST RATE SHALL APPLY.

Repayment: Monthly payments of principal plus accrued interest on the outstanding balance based on a 25 year amortization, with any remaining principal and accrued interest due at maturity.

Prepayment Provision: Interest Rate Option 1: A yield maintenance premium may be due upon prepayment of the Loan. The premium due, if any, will be calculated as provided in the attached Exhibit A.

Interest Rate Option 2: No prepayment premium. However, if an interest rate protection contract (Swap) is utilized on any portion of the debt, that portion is subject to termination at fair market value. Market conditions at the time of termination will determine if Borrower is required to make additional payments to the Bank or receive a premium from the Bank. **The Swap Rate quoted above includes an additional premium for the right to cancel after the fifth anniversary at no additional cost to Borrower.**

Collateral: Renewal and Extension of the Frost Bank Liens on the following Properties:

- 1) First Lien Deed of Trust on land and improvements, known as Converse Ranch II Property.
- 2) Second Lien Deed of Trust on land and improvements, known as Encanta Villas Property.
- 3) Second Lien Deed of Trust on land and improvements, known as Burning Tree Property.
- 4) Assignment of Leases and Rents on each Property described above.

Borrower may replace the Encanta Villas Property and the Burning Tree Property collateral with like collateral of equal or greater value, as determined by Lender in its sole and absolute discretion, upon sixty (60) days' prior written notice and payment of a transaction fee to Lender in the amount of \$2,000.00 so long as Borrower is and would remain in compliance will all financial covenants upon substitution of the collateral.

Guarantor: San Antonio Housing Facility Corporation

Origination Fees: One quarter of one percent (0.25%)

Reporting Requirements:

- 1) Borrower to provide quarterly and annual internally prepared balance sheet and year to date income statement, within 30 days of quarter end.
- 2) Quarterly operating statement and occupancy information on the Properties within 30 days of quarter end.
- 3) Guarantor to provide annual audited financial statement within 150 days of fiscal year end.

Financial Covenants:

- 1) Debt Service Coverage Ratio. The Properties, on a combined basis, to generate NOI, net of maintenance reserve, to be at least 1.20 times debt service, to be measured quarterly.
- 2) Maintenance Reserve Fund. A maintenance reserve account to be established equal to \$300.00 per unit, per annum, with a minimum of one year's worth on reserve.

- 3) Cash Distributions to Affiliates. No cash payments of internal fees and or cash distributions from Borrower to affiliates will be paid unless minimum debt service coverage ratio is met.

Miscellaneous: Documentation to be consistent with Bank's standard documents utilized for the type of financing described herein, including but not limited to opinion letters of tax counsel, bond counsel and Borrower's counsel.

Loan Costs: Expenses consist of but are not limited to: 1) legal fees for documentation and or review of transaction by Bank's counsel, 2) issuer's fee, if any, and 3) real estate related due diligence fees, such as title insurance, surveys, appraisals, and environmental reports; and will be paid by Borrower.

CONFIDENTIALITY: BORROWER SHALL NOT, WITHOUT THE PRIOR WRITTEN APPROVAL OF BANK DISCLOSE THE EXISTENCE OR TERMS OF THIS DISCUSSION SHEET TO ANY PARTY EXCEPT AS MAY BE COMPELLED BY JUDICIAL OR ADMINISTRATIVE PROCEEDING WITH PRIOR NOTICE TO BANK.

This Discussion Sheet expires **forty five (45) days** from the date hereof.

EXHIBIT A – Rate Option 1

YIELD MAINTENANCE CALCULATION

Prepayment Provision: Borrower shall not have the right to prepay the Note, except in accordance with the following: (i) such prepayment is in full payment of the outstanding balance and all accrued but unpaid interest on the Note, (ii) Borrower shall provide written notice to Lender not less than thirty (30) days prior to the date of such prepayment, and (iii) Borrower shall pay to Lender a prepayment premium in accordance with the following:

In consideration of Lender offering to make the loan as a fixed rate loan, Borrower agrees that if Borrower prepays the Note, Borrower shall pay all accrued interest on the Note and a prepayment premium equal to the product of (x) the principal balance of the Note times (y) the Prepayment Factor times (z) the number of months remaining from the prepayment date to the termination date of the fixed interest rate period of the Note (with any fraction of a month counted as a month), discounted to net present value at the Discount Rate on a monthly basis.

“Prepayment Factor” means A minus B divided by 12, where

A = The sum of (i) the Treasury Rate for the Determination Date plus (ii) one half of one percent ($\frac{1}{2}\%$); and

B = The Treasury Rate for the Prepayment Date.

“H.15” means “Statistical Release H.15, Selected Interest Rates” of the Board of Governors of the Federal Reserve System, or any successor publication; “Treasury Rate for the Determination Date” means, for any date, the Treasury constant maturity nominal yield value displayed for the date in question in H.15 for the maturity closest in length to the term of the fixed interest rate period of the Note; “Determination Date” means the start date of the fixed interest rate period of the Note; “Treasury Rate for the Prepayment Date” means, for any date, the Treasury constant maturity nominal yield value displayed for the date in question in H.15 for the maturity closest in length to the remaining term of the fixed interest rate period of the Note; “Discount Rate” means the Treasury Rate for the Prepayment Date.

Lender shall deliver to Borrower a statement setting forth the amount and manner of determining such prepayment premium, which statement shall be conclusive and binding upon Borrower for all purposes, absent manifest error. Borrower agrees to pay such prepayment to Lender within three (3) calendar days after receipt of such statement. If no Treasury Rate is displayed in H.15 for the Determination Date or the prepayment date, Lender shall use the Treasury Rate for the next preceding date for which it is displayed. If, in the case of any prepayment, Lender determines B in the Prepayment Factor to equal or exceed A, then no prepayment premium shall be due. Failure by Lender to collect or demand such a premium at the time of a prepayment shall not be deemed a waiver of Lender’s right to such premium or to any future premium.

A prepayment premium calculated as provided herein shall be due and payable if prepayment occurs as a result of an Event of Default.

The prepayment premium provided above shall be due, to the extent permitted by applicable law, under any and all circumstances where all or any portion of the Note is paid prior to the maturity date of the Note, whether such prepayment is voluntary or involuntary, even if such prepayment results from Lender's exercise of its rights upon an Event of Default and acceleration of the maturity date of the Note (irrespective of whether or not foreclosure proceedings or any other proceedings against Borrower, the mortgaged property or any guarantor have been commenced), and shall be in addition to any other sums due under the Note or under any of the other Loan Documents. No tender of a prepayment of the Note with respect to which a prepayment premium is due shall be effective unless and until such prepayment is accompanied by the applicable prepayment premium.

BOARD OF COMMISSIONERS

RESOLUTION 5409, AUTHORIZING: THE SUBMISSION OF A DISPOSITION APPLICATION TO HUD FOR THE SITE KNOWN AS SPRING VIEW VACANT TRACT CONSISTING OF 12.02 ACRES IN SAN ANTONIO, TEXAS; THE SALE OF SUCH PROPERTY TO THE HIGHEST BIDDER AND THE EXECUTION OF DOCUMENTS NECESSARY TO CONSUMMATE SUCH TRANSACTION.



Lourdes Castro Ramirez
President and CEO



Tim Alcott
Interim Development Services &
Neighborhood Revitalization Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 5409, authorizing: the submission of a disposition application to HUD for the site known as Spring View vacant tract consisting of 12.02 acres in San Antonio, Texas; the sale of such property to the highest bidder and the execution of documents necessary to consummate such transaction.

PURPOSE:

To facilitate the sale to the highest bidder of 12.02 acres from the vacant tract of 18.2 acres at Spring View.

FINANCIAL IMPACT:

The property was appraised at \$1.1 million.

SUMMARY:

This tract of land has been deemed a non-strategic asset, and multiple parties had requested information on this property. Due to a September 2013 change in Texas law, Senate Bill # 985 resulted in: "The governing body of a home-rule municipality may contract with a commercial broker to sell a tract of real property that is owned by the municipality." Therefore, staff engaged procured commercial broker Cano & Company to list the property for 30 days, from March 1, 2014 through March 31, 2014. Three offers were submitted.

Staff is prepared to brief the Board in executive session regarding this potential real estate transaction.

ATTACHMENTS:

Spring View Tract
Resolution 5409



Aerial Photograph of Site – Spring View Apartments, Hedges Street and Martin Luther King Drive are south of 12.02 acre tract.

**SAN ANTONIO HOUSING AUTHORITY
RESOLUTION 5409**

RESOLUTION 5409, AUTHORIZING: THE SUBMISSION OF A DISPOSITION APPLICATION TO HUD FOR THE SITE KNOWN AS SPRING VIEW VACANT TRACT CONSISTING OF 12.02 ACRES IN SAN ANTONIO, TEXAS; THE SALE OF SUCH PROPERTY TO THE HIGHEST BIDDER AND THE EXECUTION OF DOCUMENTS NECESSARY TO CONSUMMATE SUCH TRANSACTION

WHEREAS, the Housing Authority of the City of San Antonio, Texas must provide safe and quality living conditions for its residents; and

WHEREAS, the Housing Authority of the City of San Antonio in its operations may occasionally need to review its property assets and recommend strategic disposition decisions

WHEREAS, the Housing Authority of the City of San Antonio in its operations authorize the submission of a disposition application to HUD for the site known as Spring View vacant tract consisting of 12.02 acres in San Antonio, Texas and

WHEREAS, to that end, Staff contracted with Cano & Company, commercial broker to list the Spring View vacant tract in MLS to come forward with competitive offers after listing the property for 30 days; from March 1, 2014 through March 31, 2014 and

WHEREAS, three (3) companies submitted their proposals to Cano & Company for evaluation by the due date; and

WHEREAS, staff requests that the Board of Commissioners authorize the President and CEO or her designee to execute all documents to enter into these contracts.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of SAHA hereby:

1. Approves Resolution 5409, authorizing: the submission of a disposition application to HUD for the site known as Spring View vacant tract consisting of 12.02 acres in San Antonio, Texas; the sale of such property to the highest bidder and the execution of documents necessary to consummate such transaction.
- 2.

Passed and approved the 1st day of May, 2014

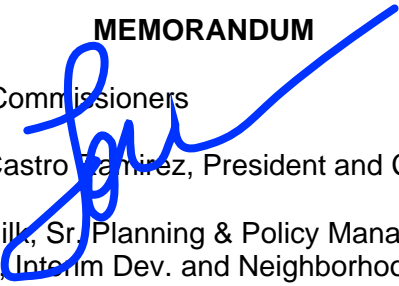
Ramiro Cavazos
Chair, Board of Commissioners

Attested and approved as to form:

Lourdes Castro Ramirez
SAHA President and CEO

MEMORANDUM

To: Board of Commissioners

From: Lourdes Castro  Ramirez, President and CEO

Presented by: Richard Mills, Sr. Planning & Policy Manager
Tim Alcott, Interim Dev. and Neighborhood Revitalization Officer
Melanie Villalobos, Policy, Planning and Public Affairs Officer

Subject: Update and discussion regarding SAWS' impact fees and proposed rate increases

SUMMARY

The San Antonio Water System (SAWS) is proposing impact fee increases for 2014. An impact fee is a charge on new development to pay for the construction or expansion of off-site capital improvements that are necessitated by and benefit the new development.

Current SAWS impact fees are calculated at the rate of \$1,297 per equivalent dwelling unit (EDU). The proposed fee for 2014 is \$2,796 per EDU, a 115.57% increase.

Currently, the Center City Housing Incentive Policy (CCHIP) includes SAWS impact fee waivers. No changes are currently being proposed to the CCHIP, meaning that existing development incentives would be in place with the new SAWS fee structure. CCHIP provides as-of-right incentives to eligible projects, including City and Water Impact Fee Waivers, up to a 15-year Real Property Tax Rebate (City ad valorem taxes only), up to \$7,500 per housing unit in a Low Interest Loan (LIBOR plus 75 basis points) and a Mixed Use Forgivable Loan equal to \$10 per square foot of commercial space and \$20 per square foot of retail space.

Staff has confirmed that the increased impact fee is subject to the waiver. The waiver application process is simple, but funds are available to projects on a first-come, first-served basis, up to a specific total dollar amount. Typically, SAWS and the City budget for \$2 million of total waivers per year. All funds have already been allocated for years 2014 and 2015. The first year that waiver funds are available is 2016, for projects that intend to pull SAWS permits in 2016.

Additionally, the proposed increase in impact fees will reduce the availability of 2016 waivers, unless additional funds are provided by SAWS or the City. SAHA is providing to the City a list of upcoming projects, their locations, the number of units, and the timing of the waiver requests, in order to estimate the additional funds that will be necessary.

These waivers are available only in specific targeted areas, namely the CRAG boundary and within the priority areas Midtown/River North, Downtown Core, Cesar Chavez/Hemisfair Corridor, Near River South, Medical District, Civic Core, Near East Side and Near West Side.

SAHA projects Wheatley, Victoria Commons, and The Rex are all located within the CRAG and eligible for the SAWS fee waivers. Blueridge may be partially eligible based on its location straddling the CRAG boundary. The Snowden project is outside the CRAG boundary and is not eligible for waivers.

Victoria Commons and the Rex are eligible for additional incentives based on their location within CCHIP priority Tiers.

PROPOSED ACTION

None at this time

FINANCIAL IMPACT

None at this time

ATTACHMENTS

None

MEMORANDUM

TO: Board of Commissioners

FROM: Lourdes Castro Ramirez, President and CEO

PRESENTED BY: Alejandra I. Villarreal, Chief Administrative Officer
Steven Morando, Director, Procurement Department

SUBJECT: Procurement Activity Report

SUMMARY:

For the first quarter of 2014, awarded contracts totaled \$ 1,576,933. Approximately 91%, or \$1,428,026 was awarded to MWBE firms, three of which were also Section 3 Business Concerns. See list below:

Name of Business	Certification	Contract Amount	Business Type
QA Construction Services	HABE	\$591,781.50	Construction
Geofill Material Technologies	WBE, Section 3	\$268,950.00	Construction
HJD Capital Electric	HABE, MBE	\$358,509.58	Construction
Tejas Premiere Building Contractor	HABE, WBE, MBE, Section 3	\$206,984.80	Construction
Montemayor General Contractor	HABE, WBE, Section 3	\$1,800.00	Construction

Current Solicitations: There are two (2) RFPs and one (1) IFB currently being advertised. They are for Customer Satisfaction Survey Consulting, Project Based Voucher Program, and Tree Trimming Services.

The Customer Satisfaction Survey Request for Proposal ("RFP") closed on April 29, 2014. As described in the RFP, the contractor will provide assistance and services to prepare, conduct, evaluate, interpret and present a comprehensive customer satisfaction survey for SAHA. Staff is now in the process of convening the evaluation panel to review and score the proposals. A member of the Resident Services Committee will be offered the opportunity to serve on this panel. The panel members will be requested to: attend an initial evaluator briefing to receive a copy of each submitted proposal and instructions for scoring; an evaluators' meeting to discuss scores they have assigned; and vendor presentations, if requested by SAHA.

Closed/Pending Solicitations: There eight (8) solicitations that have closed and are being evaluated. They include Carpet Cleaning, Roof Repairs at Artisan Park Townhomes, Record Storage and Associated Services, Biohazard Cleanup Service, Generator Maintenance and Repair Services, Hot Water Boiler Piping Equipment Optimization, Insurance Broker of Record/Benefits Consultant, and Document Destruction Services.

Solicitations in Development: Procurement is currently working on a number of solicitations for advertisement. These include Residential Real Estate Broker Services, Banking Services,

Structural Repairs to Pin Oak I Apts., Mowing and Grounds Maintenance Services, Make Ready Services Public Housing, Apartment Marketing, Reading of Utility Meters and Billing Services, Seal and Stripe Asphalt Parking Lots, On-Call Graffiti Removal Services, Irrigation Services, Data Broker Services and Property Management Software Non-profits.

PROPOSED ACTION:

None

FINANCIAL IMPACT:

None at this time

ATTACHMENT:

Procurement Report

PROCUREMENT ACTIVITY REPORT APRIL 22, 2014

Solicitations currently being advertised

SAHA Department	Type	Solicitation Name	Bidders Conference	Closes
Finance	QQ	Arbitrage Rebate Calculation Spring Hill/Courtland Heights Public Facility Corporation Bonds	N/A	4/23/2014
Property Management	RFP	Customer Satisfaction Survey Consulting	4/21/2014	4/29/2014
Property Management	IFB	Tree Trimming Services	4/22/2014	5/6/2014
HCV	RFP	Project Based Voucher Program	3/26/2014	5/14/2014

Solicitations Under Evaluation

SAHA Department	Type	Solicitation Name	Closed	Status
HCV	RFP	Project Basing HUD-VASH Vouchers	3/28/2014	Board Meeting 5/1/2014
Legal Services	QQ	Document Destruction Services	11/1/2013	Procurement Evaluation Due Diligence Negotiation
Legal	IFB	Records Storage and Associated Services	2/5/2014	
Property Management	RFP	Biohazard Cleanup Services	3/7/2014	
Property Management	IFB	Generator Maintenance and Repair Services	3/7/2014	
Property Management	QQ	Hot water boiler piping equipment optimization	3/11/2014	
Risk	RFP	Insurance Broker of Record/Benefits Consultant	3/25/2014	
Property Management	IFB	Carpet Cleaning	3/26/2014	
Property Management	QQ	Roof Repairs for Artisan Park Townhomes	4/10/2014	

Solicitations under \$50,000 awarded

SAHA Department	Type	Solicitation Name	Award Amount	Contractor
Property Management	QQ	Vending Concessions	Concession	Ready Snacks
Property Management	QQ	Pick Up & Transport and Dispose of Hazardous Waste Paint	\$2,987.06	Clean Harbors Environmental Services
Human Resources	RFP	Classification & Compensation Study	\$38,510.00	Bronner Group

Future Solicitations

SAHA Department	Solicitation Name	Status
DSNR	Residential Real Estate Broker	Scope/price sheet revision.
Property Management	Property Management Software Non Profits	End user review scope or work.
	Woodhill Site & Pavement Improvements	Scope of work being developed
	Irrigation Services	Scope of work being developed.
	Apartment Marketing	Scope of work being developed.
	Reading of Utility Meters & Billing Services	Item to be rebid; No responses received from prior solicitation.
	On-Call Graffiti Removal	Scope of work being developed.
	Landscaping PH	Scope of work being developed.
	Make Ready PH	Scope of work being developed.
	Seal & Stripe Asphalt Parking Lots	Item to be rebid; Scope revision.
	Structural Repairs to Pin Oak I Apartments	Solicitation being prepared.
Legal Services	Transport of Records	Awaiting results of Records Storage & Associated Services award
HCV	Data Broker	Scope of work being developed

MEMORANDUM

To: Board of Commissioners

From: Lourdes Castro Ramirez, President and CEO

Presented by: Richard Milk, Director of Policy and Planning

Subject: Update and discussion regarding SAHA's SA2020 involvement as a lead and opportunity partner

SUMMARY:

In SAHA's partnership with SA2020 as a lead and opportunity partner, the agency continues to expand co-branding and collaborative opportunities that tie SAHA initiatives more closely to SA2020.

As co-leads for the Neighborhoods cause area, SAHA and ULI (Urban Land Institute) hosted visioning meetings last spring (March-May 2013) to develop and provide more in-depth indicators to SA2020 for tracking. On June 4, 2013, SA2020 released an indicator report to outline progress made, and re-evaluated the indicators up to that point. On February 10, 2014, SA2020 released an updated indicator list for each cause area based on these suggestions and evaluation processes.

The SAHA-led Neighborhoods Blog Series began on October 4, 2013, to introduce the public to: the Neighborhoods cause area indicators; SAHA's work related to SA2020; and individuals and events related to the work on which the Neighborhoods cause area focuses. The blog is posted the first Friday of each month. Topics covered so far include academic research on walkability and parks, the Walkability Workshop in the Eastpoint Neighborhood, the San Antonio greenway trails system, and interviews of Allie Blazosky (MPO), Arrie Porter (Choice Neighborhood) and Brandon Ross (CoSA Parks and Recreation).

Many of the events and volunteer opportunities that SAHA hosts are closely related to SA2020 cause areas and indicators. As these events surface, there is a strategy in place to promote them through SA2020 and SAHA communication networks that includes linking the events to each website, publishing them on Facebook and Twitter, and tagging SA2020 and SAHA in the posts. Intraagency communication has expanded to increase awareness of related events and volunteer opportunities, and to include the SA2020 logo on appropriate SAHA communications.

The Access to Parks and Green Spaces action network was formed in December 2013, to address that SA2020 Neighborhoods indicator. State Representative Mike Villarreal and Gina Amatangelo, the Chief of Operations for Rep. Villarreal's office, are acting as the workgroup champion and workgroup convener, respectively. The first action network meeting gathered individuals from the City of San Antonio Office of Parks and Recreation, San Antonio River Authority, Bexar County, the Land Heritage Institute, Green Spaces Alliance, and several private developers and other smaller non-profits. After effectively collecting, mapping, and analyzing relevant data from these organizations, the second action network meeting is planned for late March 2014. This will begin the process of forming an indicator goal to reach by the year 2020 and a strategy of how to reach that goal through a logic model.

PROPOSED ACTION:

None

FINANCIAL IMPACT:

None

ATTACHMENTS:

None

Presidents Report May 1, 2014

Grand Opening Celebration for The Park at Sutton Oaks

- The Park at Sutton Oaks Grand Opening is scheduled for 10 a.m., Saturday, May 31, 2014.
- Confirmed guests include Congressman Lloyd Doggett, Mayor Julian Castro, and Councilwoman Ivy Taylor.
- An invitation has also been extended to HUD Secretary Shaun Donovan to serve as keynote speaker.
- The event will include a ribbon cutting and an unveiling of the new Sutton community garden, and staff is working to partner with college students on a Neighborhood Home Repair effort.



2014 Business Opportunity Academy Graduation

- The 2014 Business Opportunity Academy (BOA) class celebrated its graduation on April 15, 2014.
- The 23 graduates were from a wide range of industries, from construction and public relations to cleaning services. 83% were minority-owned and 61% were women-owned firms. We also had 22% Veteran owned business participation this year.
- The six sessions started on March 18 and completed on April 3. In our surveys, the participants gave their highest ratings for the sessions. The participants averaged around 90% attendance; achieving 100% attendance on Session 3 and 4.
- The graduation will include a plaque presentation to all the graduates and comments from the class speaker, Christian Reed-Ogba of BethanyEast PR and Management Consulting.
- This year's participants were given presentations from 15 local agencies and heard panels on how to successfully bid, legal issues facing small businesses, fiscal management, marketing your business, and the certification process. Lenders also worked one-on-one with participants to assist them in understanding how to successfully secure capital. The lenders participating included Frost, Broadway, Jefferson, CapitolOne, Crockett, Wells Fargo, Jefferson, and Vantage Banks and First Mark Credit Union.

HUD Risk Assessment

- The local office of the Department of Housing and Urban Development (HUD) will perform a HUD-REAC assessment of SAHA, beginning May 6, 2014.
- The assessment will cover various areas including Development, Financial, Condition, Cash, Financial Records, Procurement, Asset Management, and Insurance.
- Staff has had internal meeting to gather the information requested by HUD for the assessment.

MTW Plan submission to HUD

- An MTW public hearing will be scheduled for the May 15, 2014 Operations and Choice Neighborhood Committee, with the final plan to be considered by the Board at the June 6, 2014 meeting.
- Staff is on schedule to complete the 2014-2015 Agency Plans to submit to the U.S. Department of Housing and Urban Development (HUD) by June 14, 2014.
- The two new MTW activities include the MDRC/HUD Rent Study and designation of elderly-priority communities.
- This is the first year the MTW Plan will be submitted under HUD's new revised format.

FY2015 Budget Process

- Staff continues to work on the FY 2015 budget process, with directors and officers provided guidelines regarding expected funding and required cost efficiency improvements.
- Internal meetings with executive leadership will continue through early May, at which directors and officers must provide information regarding their compliance with the budget and cost guidelines.
- The budget will be presented to the Finance Committee in May 2014, and forwarded to the full Board for consideration in June 2014.
- The 2015 budget will become effective July 1, 2014 and run through June 30, 2015.

Bring your Sons and Daughters to Work Day

- SAHA participated in the National Take our Daughters and Sons to Work Day on April 24, 2014.
- The theme this year is "Plant a Seed, Grow a Future".
- SAHA and its employees invited their daughters, sons, relatives, friends, and other sponsored youth between the ages of 8 and 18 to attend.
- The 40 girls and boys participated in interactive learning activities, aimed at leading towards a future where they can participate fully in work, family, and community.



Father's Day Event

- SAHA will host its Annual Father's Day event on June 14, 2014 from 10 a.m. – 2 p.m.
- The Agency will partner with local non-profits and other interested agencies to form the San Antonio Fatherhood Coalition. The coalition consists of: American Indians in Texas-Spanish Colonial Missions (AIT-SCM), Southwest Key Program Inc., AVANCE-San Antonio, JOVEN, Papas and Their Children Program (PATCH), the San Antonio National Compadres Network, and Making Connections.
- Resident Ambassadors will once again play a vital part in the planning process. Along with the CDI case managers, Resident Ambassadors will be represented in all committees, to include: 1) community participation, 2) SAHA participation, 3) volunteers, 4) awards, 5) registration and door prizes.
- This year's event will be filled with opportunities for fathers and family members to access resources, participate in activities, and recognize the role fathers play in the lives of our community.
- Food will be provided and prizes will be given out throughout the day. All fathers will also have an opportunity to sign a canvas pledging to serve as "honorable fathers."
- The event will continue the tradition of honoring fathers by providing selected fathers with the "Hombre Noble" awards. Nomination forms will be distributed to staff the week of May 5, 2014 and will be due on May 30, 2014.

SAHA Board of Commissioners
Events Calendar
May 2014-June 2014

Meeting	Time(s)/Day(s)/Date(s)	Location
AVANCE Mother of the Year Awards Luncheon	11:30 am Friday, May 9, 2014	Valero Energy Corporation One Valero Way
West SA Chamber of Commerce 2014 City Council Breakfast Series featuring Dist. 7, Cris Medina	7:30 am-9:30 am Tuesday, May 13, 2014	El Tropicano Hotel (Monte Cristo Room), 110 Lexington Ave. SA, Tx 78205
Operations & Choice Neighborhood Committee meeting	1:00 pm Thursday, May 15, 2014	SAHA Board Room
Finance Committee meeting	3:00 pm Thursday, May 15, 2014	SAHA Board Room
Solar San Antonio An Evening Under the Stars	6:30 pm Thursday, May 15, 2014	The Verdana 1746 Lockhill Selma Rd. SA, Tx 78213
Resident Services Committee meeting	12:30 pm Tuesday, May 20, 2014	TBD
Regular Board Meeting	1:00 pm Thursday, June 5, 2014	SAHA Board Room
Father's Day Event	10:00 am-2:00 pm Saturday, June 14, 2014	SAHA Park 818 S. Flores SA, Tx 78204
Resident Services Committee	12:30 pm Tuesday, June 17, 2014	TBD
Operations and Choice Neighborhood Committee	1:00 pm Thursday, June 19, 2014	SAHA Board Room
MAUC 2014 Spirit of Education Awards Luncheon	12:00 noon Saturday, June 21, 2014	Omni at the Colonnade
United Way Volunteer of the Year Awards (VOYA)	6:00 pm Wednesday, June 25, 2014	Henry B. Gonzalez Convention Center, Ballroom C



Create dynamic communities where people thrive.

Board of Commissioners

Chairman Ramiro Cavazos	Vice-Chair Charles R. Muñoz	Commissioner Karina C. Cantu	Commissioner Yolanda Hotman	Commissioner Stella Burciaga Molina	Commissioner Lisa Rodriguez	Commissioner Morris Stribling, M.D
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President & CEO

Lourdes Castro Ramirez

San Antonio Housing Facility Corporation
818 S. Flores Street
San Antonio, TX 78204
Thursday, May 1, 2014
1:00 p.m.

The San Antonio Housing Facility Corporation may convene in closed session pursuant to Texas Government Code §551.071-076 for consultation concerning attorney-client matters, real estate, litigation, personnel, an security matters.

The meeting is wheelchair accessible. The accessible entrance is located at 818 S. Flores. Accessible parking spaces are also located at SAHA main office, 818 S. Flores. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested forty-eight (48) hours prior to the meeting) by calling (210) 477-6288 V/TTY for assistance.

1. Meeting called to order.
2. Approval of the November 7, 2013 San Antonio Housing Facility Corporation minutes.
3. Consideration and approval regarding Resolution 14FAC-05-01, approving the issuance of "San Antonio Housing Facility Corporation Multi-Family Housing Revenue Bonds (Converse Ranch II Apartments Project) Series 2014," authorizing execution of all documentation necessary to carry out the transaction; and other matters in connection therewith. (Ed Hinojosa, Chief Financial Officer; Thomas Roth, Real Asset Property Manager).
4. Adjournment.

Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. Of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting at any other item, whether it has an asterisk or not, when the Board determines there is a need, and a closed meeting is permitted under Chapter 551 of the Texas Government Code that permits the closed meeting.

** Note: If a quorum of the Board of Commissioners attends the Committee Meeting, this meeting becomes a Special Meeting of the Board, but no Board action will be taken other than recommendations to the full board, unless the full Board is present.

**Minutes
San Antonio Housing Authority
San Antonio Housing Facility Corporation or
Special Board Meeting**

November 7, 2013

SCHEDULED: 1:00 p.m. at 818 S. Flores, San Antonio, Texas 78204

COMMITTEE MEMBERS PRESENT:

Richard Gambitta, Vice Chair
Charles Munoz, Commissioner
Karina Cantu, Commissioner
Stella Molina, Commissioner
Morris Stribling, Commissioner

COMMITTEE MEMBERS ABSENT:

Ramiro Cavazos, Chair
Yolanda Hotman, Commissioner

Doug Poneck, of Escamilla & Poneck, LLP

STAFF:

Lourdes Castro Ramirez, President & CEO
Ed Hinojosa, Chief Financial Officer
David Nisivoccia, Chief Operating Officer
Melanie Villalobos, Policy, Planning and PA Officer
Alejandra Villarreal, Chief Administrative Officer
Paulette Owens-Holmes, Dir. of Human Resources
Kathy McCormick, Development Services & Neighborhood Revitalization Officer

STAFF:

Tim Alcott, Director of Legal Services
Steven Morando, Dir. of Procurement
Muriel Rhoder, Auditing Manager

Item 1: Meeting called to order.

Vice-Chair Gambitta called the meeting to order at 3:38 p.m.

Item 2: Approval of the October 3, 2013 San Antonio Housing Facility Corporation minutes.

Motion: Commissioner Stribling motioned to approve the minutes, Commissioner Munoz seconded the motion. Minutes approved.

Unanimous as follows:

Members	Aye	Nay	Absent At Time of Vote	Abstained
Richard Gambitta, Vice-chair	X			
Charles Munoz, Commissioner	X			
Morris, Stribling, Commissioner	X			
Karina Cantu, Commissioner	X			
Stella Molina, Commissioner	X			

Item 3: Consideration and approval regarding Resolution 13FAC-11-01, authorizing the refinancing of Crown Meadows Townhomes by issuing approximately %10,000,000 of tax-exempt bonds; approving a guaranty by the San Antonio Housing Facility Corporation; authorizing the negotiation and execution of

all final documents necessary for the refinancing; and other matters in connection therewith.

Motion: Commissioner Cantu motioned to approve Resolution13FAC-11-01, Commissioner Stribling seconded the motion.

Members	Aye	Nay	Absent At Time of Vote	Abstained
Richard Gambitta, Vice-chair	X			
Charles Munoz, Commissioner	X			
Morris, Stribling, Commissioner	X			
Karina Cantu, Commissioner	X			
Stella Molina, Commissioner	X			

Item 4: Adjournment.

With no objections, Vice-Chair Gambitta adjourned the meeting at 3:40 p.m.

ATTEST:

RAMIRO CAVAZOS
CHAIR

DATE

LOURDES CASTRO RAMIREZ
SAHA PRESIDENT and CEO

DATE

SAN ANTONIO HOUSING FACILITY CORPORATION

RESOLUTION 14 FAC-05-01, APPROVING THE ISSUANCE OF SAN ANTONIO HOUSING FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (CONVERSE II APARTMENTS PROJECT) SERIES 2014, AUTHORIZING EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH.



Lourdes Castro Ramirez
President and CEO



Ed Hinojosa
Chief Financial Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 14 FAC-05-01, approving the issuance of San Antonio Housing Facility Corporation Multifamily Housing Revenue Bonds, (Converse Ranch II Apartments) Series 2014, authorizing execution of all documentation necessary to carry out the transaction; and other matters in connection therewith.

PURPOSE:

The bonds, not to exceed \$5,600,000, will be issued to refinance the existing mortgage with a maturity date of June 11, 2014, reduce annual debt service payments, and provide replacement collateral for the release of Castle Point Apartments and Monterrey Park.

FINANCIAL IMPACT:

- Reduce annual debt service by approximately \$186,000.00 (based on indicative rate of 3.74%). The new loan structure will contain an interest rate swap agreement with an estimated interest rate of 3.74%, or 45 basis points lower than the prevailing rate of 4.19% for a fixed rate mortgage. The actual rate will be set at time of closing.
- Obtain a new \$5,600,000.00 mortgage to refinance the maturing mortgage and cover related closing costs and escrow deposits.
- The mortgage will have a term of 10 years with a 25-year amortization schedule.
- This financing will be executed as a Bank Qualified tax exempt loan.
- Obtain a release of the existing second deed of trust on Castle Point Apartments (220 units) and Monterrey Park (200 units). Release of these properties was deemed prudent as both were identified as candidates for possible modernization in SAHA's 5-year plan. This collateral will be replaced by second mortgages on Encanta Villa (56 units) and Burning Tree (108 units). These properties were selected since Frost Bank already holds the first mortgage on Encanta Villa and Burning Tree. The new mortgage on Converse II will allow for release and substitution of collateral during the term of the loan, provided the combined collateral package provides a minimum debt service coverage ratio (DSCR) of 1.20 and maximum loan to value (LTV) of 75%.

SUMMARY:

Converse Ranch II is a 104-unit multifamily property that was constructed in 2009 by Bakke Development Corporation. Upon completion, the property was acquired by Converse Ranch II, LLC, a Texas limited liability company on June 11, 2009 for \$7,800,000. The sole member of Converse Ranch II, LLC is the San Antonio Housing Authority. The acquisition was financed by a combination of Replacement Housing Factor (RHF) funds and mortgage debt (mortgage from Frost Bank).

The existing mortgage with Frost Bank had an original principal balance of \$6,000,000.00 (current unpaid principal balance as of April 1, 2014 is \$5,447,889.00) with a 5-year term and 20-year amortization period. Interest is at a floating rate tied to the Wall Street Journal Prime Rate of interest plus a margin of 1.00% (the current rate is 4.25%). The loan matures on June 11, 2014, but is open to prepayment without penalty. At closing, the Frost Bank mortgage was secured by a first deed of trust on Converse Ranch II, and second deeds of trust on Castle Point Apartments and Monterrey Park Apartments. Additional collateral was required since the property had not yet stabilized and projected cash flow was insufficient to provide the required debt service coverage ratio of 1.20.

ATTACHMENTS:

Resolution 14 FAC-05-01

CERTIFICATE FOR RESOLUTION

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

1. In accordance with Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), and the bylaws of the Corporation, the Board of Directors of the Corporation (the "Board") held a meeting on May 1, 2014, (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 APPROVING THE ISSUANCE OF "SAN ANTONIO HOUSING FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (CONVERSE RANCH II APARTMENTS PROJECT) SERIES 2014"; AUTHORIZING EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; 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 Open Meetings Act and the Bylaws of the Corporation.

SIGNED May 1, 2014.



Lourdes Castro-Ramirez
Secretary/Treasurer

RESOLUTION NO. 14 FAC-05-01

RESOLUTION APPROVING THE ISSUANCE OF "SAN ANTONIO HOUSING FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (CONVERSE RANCH II APARTMENTS PROJECT) SERIES 2014"; AUTHORIZING EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas ("SAHA"), 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 Facility Corporation, a nonstock, nonprofit public facility corporation (the "Issuer");

WHEREAS, SAHA created a single member limited liability company, Converse Ranch II, LLC (the "LLC") to finance the construction, equipping, and improvement of a 104-unit multifamily housing facility located at 8355 Crestway Drive, San Antonio, Texas 78244 and known as Converse Ranch II Apartments (the "Project");

WHEREAS, the Issuer has determined to refinance the Project and issue its "Multifamily Housing Revenue Bonds (Converse Ranch II Apartments Project) Series 2014" in the aggregate principal amount of not to exceed \$5,600,000 (the "Bonds") to refinance the Project;

WHEREAS, the Bonds will be issued in a variable rate format and sold to Frost Bank upon the terms and conditions outlined in the term sheet submitted by Frost Bank;

WHEREAS, it is anticipated that all or a portion of the Bonds will be swapped to a fixed rate pursuant to an ISDA Master Agreement and other associated documents entered into with Frost Bank (the "Swap Documents");

WHEREAS, Frost Bank has demanded a second lien deed of trust on the Encanta Villas and Burning Tree properties and either a guaranty by Issuer or it acting as a co-borrower on the loan with the LLC (the "Additional Collateral");

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Trust Indenture dated as of June 1, 2014 (the "Indenture") between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and to loan the proceeds to the LLC;

WHEREAS, SAHA is the sole member of the LLC and it is approving these actions on behalf of itself and on behalf of the LLC;

WHEREAS, the LLC is authorized to extend its existing debt until the Bonds can be issued;

WHEREAS, the Issuer is authorized to issue the Bonds and SAHA is required to approve the issuance of the Bonds in accordance with the Act;

WHEREAS, the Board of Directors of the Issuer (the “Board”) hereby authorizes the issuance of the Bonds in an amount not to exceed \$5,600,000 for the purpose of providing funds for the refinancing of the Project, and paying the costs of issuing the Bonds, all pursuant to and in accordance with the terms and conditions provided under the Indenture;

WHEREAS, the Bonds are special, limited obligations of the Issuer payable from the “Trust Estate” (as defined in the Indenture) which includes a lien on the Pledged Revenues of the Project and the obligations of the Issuer shall never constitute an indebtedness, an obligation, or a loan of credit of the State of Texas, SAHA, the County of Bexar, Texas, the City of San Antonio, Texas, or any other political subdivision of the State of Texas, with the meaning of any constitutional provisions or statutory limitations;

WHEREAS, the Issuer is authorized to issue the Bonds pursuant to the Act;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the Bonds and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms and sales price of the Bonds and the manner of disbursing the proceeds thereof are advisable; and

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

Section 1. The terms of the Indenture, the Loan Agreement from SAHFC to LLC and any security documents, including a Deed of Trust and the Purchase and Investment Letter, are hereby approved.

Section 2. The extension of the existing debt on the Project and any amendments of the documents relating thereto are authorized and approved.

Section 3. The extension of the existing debt, the refinancing contemplated for the Project and the issuance of the Bonds, the Swap Documents, the Additional Collateral, the Indenture, the Loan Agreement, the Deeds of Trust, and the Investment Letter are hereby authorized and approved, and the President, any Vice President, the Secretary/Treasurer, or any of them, of the Issuer, are hereby authorized and directed to execute (to the extent required to be executed or acknowledged by the Issuer) and deliver (or to accept, as the case may be) any extensions, amendments or modifications of the existing debt, the Swap Documents, any documents, including a guaranty, relating to the Additional Collateral, the Indenture, the Deed of Trust, the Purchase and Investment Letter, and any and all certificates (including tax certificates) and other instruments described therein upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds, all upon the terms herein approved, and the executing officer is authorized to negotiate and approve such changes in the terms of each such instrument as such officer shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officer shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. The Bonds in the principal amount not to exceed \$5,600,000 in substantially the form and substance set forth in the Indenture, are hereby approved, and the

President, the Vice President, the Secretary/Treasurer and each Assistant Secretary/Treasurer, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Bonds or have their facsimile signatures placed upon them, and the signatures of such officers are hereby authorized and directed to be affixed or placed in facsimile on the Bonds. Authentication of the Bonds upon the terms and conditions and in the manner described in the Indenture, as the same may be modified as authorized by this Resolution, and the delivery thereof are hereby authorized.

Section 5. The Issuer hereby approves the selection of The Bank of New York Mellon Trust Company, N.A., as Trustee under the Indenture.

Section 6. The President and the Vice President, or either of them, and the Secretary-Treasurer and each Assistant Secretary, or any of them, are hereby authorized to execute and deliver to the Trustee the written request of the Issuer for the authentication and delivery of the Bonds by the Trustee in accordance with the Indenture.

Section 7. All action not inconsistent with provisions of this Resolution heretofore taken by this Board of Directors and the officers of the Issuer directed toward the financing of the Project and the issuance of the Bonds shall be and the same hereby is ratified, approved and confirmed. 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 instruments approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 8. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provisions for payment shall have been made pursuant to the Indenture

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.

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.

[The remainder of this page intentionally left blank.]

PASSED AND ADOPTED by the Board of Directors of San Antonio Housing Facility Corporation this _____ day of _____, 2014:

By: _____
President of the Corporation

ATTEST:

Secretary-Treasurer of the Corporation