



SAN ANTONIO HOUSING FACILITY CORPORATION MEETING

SEP. 5
2019



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BOARD OF DIRECTORS

Morris A. Stribling, DPM
Chairman

Jessica Weaver
Vice Chair

Charles Clack
Director

Jo-Anne Kaplan
Director

Sofia A. Lopez
Director

Marie R. McClure
Director

SAN ANTONIO HOUSING FACILITY CORPORATION
***BOARD MEETING**

818 S. Flores St., San Antonio, TX 78204
1:00 p.m., Thursday, September 5, 2019

MEETING CALLED TO ORDER

1. The Board of Directors 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 reserves the right to enter into closed meeting at any time during the course of the meeting.

MINUTES

2. Minutes
 - Approval of the August 15, 2019, San Antonio Housing Facility Corporation Meeting minutes

OPERATIONS

3. Consideration and approval regarding Resolution 19FAC-08-15, authorizing the San Antonio Housing Facility Corporation to approve an inducement Resolution for the Tampico Apartments transaction, including the execution of all documentation necessary to obtain the financing for such transaction; authorizing all filings and agreements with the Texas Department of Housing and Community Affairs in connection with applications for low income housing tax credits; and other matters in connection therewith (Timothy E. Alcott, Real Estate and Legal Services Officer)
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 the 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, when the Board determines there is a need and a closed meeting is permitted.

"Pursuant to § 30.06, Penal Code, (trespass by holder license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to § 30.07, Penal Code, (trespass by holder license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

MINUTES
SAN ANTONIO HOUSING FACILITY CORPORATION
August 15, 2019

SCHEDULED: 2:00 p.m. at the San Antonio Housing Authority, 818 S. Flores St., San Antonio, TX, 78204

DIRECTORS PRESENT:

Morris A. Stribling, DPM, Chair
 Jessica Weaver, Vice Chair
 Charles Clack, Director
 Sofia A. Lopez, Director
 Marie R. McClure, Director

DIRECTORS ABSENT:

Jo-Anne Kaplan, Director

COUNSEL: Donald J. Walheim, Escamilla & Poneck, LLP

STAFF:

David Nisivoccia, President and CEO
 Ed Hinojosa, Chief Financial Officer
 Muriel Rhoder, Chief Administrative Officer
 Timothy E. Alcott, Real Estate and Legal Services Officer
 Kristi Baird, Director of Beacon Communities
 Domingo Ibarra, Director of Security
 Diana Kollodziej Fiedler, Director of Finance and Accounting
 Aiyana Longoria, Director of Internal Audit
 Adrian Lopez, Director of Community Development Initiatives

Hector Martinez, Director of Construction Services and Sustainability
 Richard Milk, Director of Policy and Planning
 Steven Morando, Director of Procurement and General Services
 Brandee Perez, Director of Federal Housing Programs
 Lorraine Robles, Director of Development Services and Neighborhood Revitalization
 Janie Rodriguez, Director of Human Resources
 Thomas Roth, Director of Asset Management

Item 1: Meeting called to order

Morris A. Stribling, DPM, Chair, called the meeting to order at 2:17 p.m.

Item 2: Minutes

- Approval of the August 1, 2019, San Antonio Housing Facility Corporation Meeting minutes

Motion: Vice Chair Weaver moved to approve the August 1, 2019, meeting minutes. Director Clack seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Morris A. Stribling, DPM, Chair	X			
Jessica Weaver, Vice Chair	X			
Charles Clack, Director	X			
Sofia A. Lopez, Director	X			
Marie R. McClure, Director	X			

OPERATIONS

Item 3: Consideration and appropriate action regarding Resolution 19FAC-08-15, authorizing the San Antonio Housing Facility Corporation to approve an inducement Resolution for the Tampico Apartments transaction, including the execution of all documentation necessary to obtain the financing for such transaction; authorizing all filings and agreements with the Texas Department of Housing and Community Affairs in connection with applications for low income housing tax credits; and other matters in connection therewith

Resolution 19FAC-08-15 corresponds with San Antonio Housing Authority Resolution 5962. Mr. Timothy E. Alcott, Real Estate and Legal Services Officer, introduced members from Bracewell LLP and then reported that in October of 2017, the Board of Commissioners approved to induce this project. Due to the time delay, SAHA is required to re-induce this project. Since the project was initially induced in 2017, the project was designed and a cost estimate indicated there was a gap in the financing. Interest rate reductions and increases in tax credit rents have eliminated that gap and the project can now be financed without any investment by SAHA. The project consists of 200 multi-family units, approximately 124 of which will be made available to families whose average income is 60% of the area median income and will be rent restricted to Texas Department of Housing and Community Affairs (TDHCA) rents. Approximately 76 of the units will be market rate units. This project must be financed in part with tax-exempt bonds. In order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board. This is time sensitive and can be competitive. SAHA will be applying for volume cap for the Tampico Apartments, which will not be awarded until the end of the year, if any volume cap is available. In this transaction, Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The San Antonio Housing Facility Corporation will own the land and create a single member limited liability company to serve as the general partner of the tax credit partnership, which will own the project.

Director Lopez inquired as to how citizen concerns had been addressed, such as traffic in the area and affordability of units.

Bracewell associates addressed the traffic, accessibility and affordability issues and concerns regarding this project.

Motion: Vice Chair Weaver moved to approve Resolution 19FAC-08-15. Director Clack seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Morris A. Stribling, DPM, Chair	X			
Jessica Weaver, Vice Chair	X			
Charles Clack, Director	X			
Sofia A. Lopez, Director	X			
Marie R. McClure, Director	X			

Item 4: Adjournment.

With no objections, Chair Stribling, DPM, adjourned the meeting at 2:18 p.m.

ATTEST:

Morris A. Stribling, DPM
Chair, Board of Directors

Date

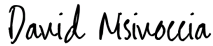
David Nisivoccia
Secretary/Treasurer

Date

SAN ANTONIO HOUSING FACILITY CORPORATION**September 5, 2019****BOARD OF DIRECTORS**

RESOLUTION 19FAC-08-15, AUTHORIZING THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR THE TAMPICO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AUTHORIZING ALL FILINGS AND AGREEMENTS WITH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

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David Nisiovocia
President and CEO

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Timothy E. Alcott
Real Estate and Legal Services Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 19FAC-08-15, authorizing the San Antonio Housing Facility Corporation to approve an inducement Resolution for the Tampico Apartments transaction, including the execution of all documentation necessary to obtain the financing for such transaction; authorizing all filings and agreements with the Texas Department of Housing and Community Affairs in connection with applications for low income housing tax credits; and other matters in connection therewith.

FINANCIAL IMPACT:

None at this time. By authorizing SAHA staff to submit applications early for the aforementioned project, SAHA and the San Antonio Housing Facility Corporation (SAHFC) will increase their chances to obtain the volume cap to complete the project and benefit from additional revenue.

SUMMARY:

In October 2017, the Board of Directors approved to induce this project. Due to the time delay, SAHFC is required to re-induce this project. Since the project was initially induced in 2017, the project was designed and a cost estimate indicated there was a gap in the financing. Interest rate reductions and increases in tax credit rents have eliminated that gap and the project can now be financed without any investment by SAHA.

The project consists of 200 multi-family units, approximately 124 of which will be made available to families whose average income is 60% of the area median income and will be rent restricted to Texas Department of Housing and Community Affairs (TDHCA) rents. Approximately 76 of the units will be market rate units.

This project must be financed in part with tax-exempt bonds. In order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board. This is time sensitive and can be competitive. SAHA will be applying for volume cap for the Tampico Apartments, which will not be awarded until the end of the year, if any volume cap is available. Certain state agencies have the right to use available volume cap before local agencies and last year, they used almost all of the volume cap and only seven local agency projects received

SAN ANTONIO HOUSING FACILITY CORPORATION**September 5, 2019**

volume cap. Volume cap available to local agencies is awarded on a first come, first served basis, according to when the application is submitted. Therefore, it is imperative to submit the application as soon as possible. SAHA must also apply for the tax credits with the Texas Department of Housing and Community Development. Accordingly, Staff is requesting that the Board authorize this action, so that SAHA may begin the process, but SAHA is ***not asking to specifically approve or be bound to this project. This is a non-binding Resolution.*** This will enable us to move forward, make an application for volume cap and tax credits and begin to coordinate the financing and negotiate the specific terms of the deal, which will be brought back for Board approval.

In this transaction, Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The San Antonio Housing Facility Corporation will own the land and create a single member limited liability company to serve as the general partner of the tax credit partnership, which will own the project.

The attached Resolution authorizes the San Antonio Housing Facility Corporation to approve the inducement Resolution for the project.

STRATEGIC GOAL:

Strategically expand the supply of affordable housing.

ATTACHMENT:

Resolution 19FAC-08-15

Tampico Apartments Map and Concept

CERTIFICATE FOR RESOLUTION TAMPICO APARTMENTS

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

1. In accordance with its bylaws, the Board of Directors of SAHFC (Board) held a meeting on September 5, 2019 (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 19FAC-08-15, AUTHORIZING THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR THE TAMPICO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AUTHORIZING ALL FILINGS AND AGREEMENTS WITH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

SIGNED AND SEALED this 5th day of September 2019.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 19-FAC-08-15**

RESOLUTION 19FAC-08-15, AUTHORIZING THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR THE TAMPICO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AUTHORIZING ALL FILINGS AND AGREEMENTS WITH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Tampico Apartments, L.P., or a similar Texas limited partnership (Partnership), and SAHA Tampico GP, LLC, a Texas limited liability company and its general partner (General Partner), will be formed to acquire and construct an approximately 200-unit multifamily housing facility (Housing Facility) to be located at 210 Tampico Street, San Antonio, Texas (Land) together with the Housing Facility (Project); and

WHEREAS, at the request of the Partnership, San Antonio Housing Facility Corporation (SAHFC), a Texas non-profit public facility corporation created pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, by the Housing Authority of the City of San Antonio, Texas (Housing Authority) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (Ground Lease), and (iii) will serve as the general contractor for the Project (General Contractor); and

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (Issuer) issue its Multifamily Housing Revenue Bonds (Tampico Apartments) Series 2020 (Bonds) to finance the Project (Bond Financing); and

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$23,000,000.00 and loan such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, a Loan Agreement, a Trust Indenture, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, a Leasehold Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Servicing Agreement, and a Ground Lease (Note Documents); and

WHEREAS, the Partnership, will apply for low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

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

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

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, an Amended and Restated Agreement of Limited Partnership, a Development Agreement, and closing certificates (Equity Documents); and

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

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, loan agreements, leasehold deeds of trust, declaration of restrictive covenant of affordability or land use restriction agreements, assignments, notes, and subordination agreements (Subordinate Loan Documents); and

WHEREAS, the members of the Board of Directors of SAHFC (Board) and their respective officers are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Morris A. Stribling	President and Director
Jessica Weaver	Vice Chair and Director
Charles Clack	Director
Jo-Anne Kaplan	Director
Sofia A. Lopez	Director
Marie R. McClure	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary
Muriel Rhoder	Assistant Secretary

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of SAHFC hereby approves:

- Section 1. The Project, the various structures of financing contemplated for the Project, including, but not limited to, the Bond Financing, the LIHTCs, the Equity Financing and the Subordinate Loans are hereby authorized to be applied for and negotiated and the TDHCA Document.
- Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all

applications and term sheets required for the financing and construction of the Project, including, but not limited to, the TDHCA Documents and all other documents relating to obtaining the Bond Financing, LIHTCs, Equity Financing, and the Subordinate Loans to which the Partnership, the General Partner, and/or SAHFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the Partnership, General Partner, SAHFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

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

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

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

firm or potential purchaser shall have any claim against SAHFC whatsoever as a result of any decision by SAHFC not to enter into the proposed transaction.

- Section 6. 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 7. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHFC for this transaction.
- Section 8. 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 9. 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 10. 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 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.
- Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 5th day of September 2019.

Morris A. Stribling, DPM
Chair, Board of Directors

Attested and Approved as to Form:

David Nisivoccia
Secretary/Treasurer

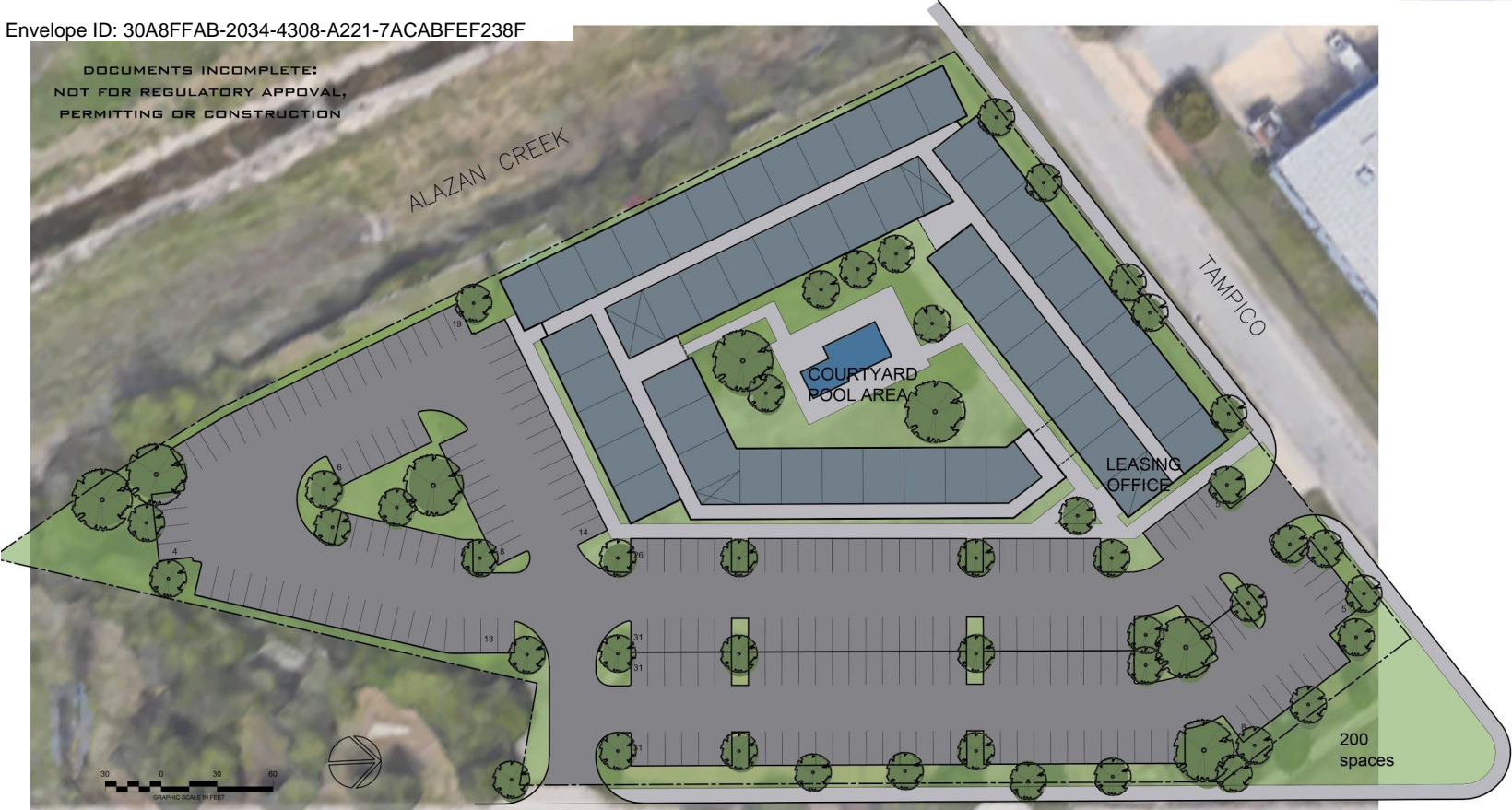


S. PECOS LA TRINIDAD



TAMPICO APARTMENTS - TEST FIT/CONCEPT





S. PECOS LA TRINIDAD



TAMPICO APARTMENTS - TEST FIT/CONCEPT
4 LEVEL - 200 UNITS

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MAY 2018

