



**LAS VARAS PUBLIC FACILITY
CORPORATION MEETING
JULY 2, 2020**



BOARD OF DIRECTORS

Dr. Ana "Cha" Guzmán Chair	Jessica Weaver Vice Chair	Charles Clack Director	Jo-Anne Kaplan Director	Olga Kauffman Director	Sofia A. Lopez Director	Ruth Rodriguez Director
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LAS VARAS PUBLIC FACILITY CORPORATION
***BOARD MEETING**
TELECONFERENCE

Call In Phone Number: (727) 325-2017

PIN: 321508140#

1:00 p.m., Thursday, July 2, 2020

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.

PUBLIC COMMENT

2. Public Comment - Citizens are provided three minutes each to speak to any agenda items. Citizens requesting to speak to the agenda, should access Phone Number: **(727) 325-2017** and enter PIN Number: **321508140#**, prior to 1:00 p.m.

MINUTES

3. Minutes
 - Approval of the June 4, 2020, Las Varas Public Facility Corporation Meeting minutes

OPERATIONS

4. Consideration and approval regarding Resolution 20LVPFC-07-02, appointing David Nisivoccia as the Las Varas Public Facility Corporation's Inducement Officer to approve resolutions inducing tax exempt bond issues for purposes of obtaining volume cap from the Texas Bond Review Board (BRB) (Timothy E. Alcott, Real Estate and Legal Services Officer)
5. 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.

MINUTES
LAS VARAS PUBLIC FACILITY CORPORATION
June 4, 2020

SCHEDULED: 1:00 p.m. teleconference meeting Call In Phone Number: (515) 605-0314, PIN: 892824483#

DIRECTORS PRESENT:

Dr. Ana “Cha” Guzman, Chair
 Jessica Weaver, Vice Chair
 Charles Clack, Director
 Jo-Anne Kaplan, Director
 Olga Kauffman, Director
 Sofia A. Lopez, Director
 Ruth Rodriguez, Director

DIRECTORS ABSENT:

None

COUNSEL: Darin Darby, 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
 Brandee Perez, Chief Operating Officer
 Jo Ana Alvarado, Director of Innovative Technology
 Kristi Baird, Director of Beacon Communities
 Diana Kollodziej Fiedler, Director of Finance and Accounting
 Domingo Ibarra, Director of Security
 Aiyana Longoria, Director of Internal Audit

Hector Martinez, Director of Construction Services and Sustainability
 Richard Milk, Director of Policy and Planning
 Steven Morando, Director of Procurement and General Services
 Michael Reyes, Director of Communications and Public Affairs
 Lorraine Robles, Director of Development Services and Neighborhood Revitalization
 Janie Rodriguez, Director of Human Resources
 Tom Roth, Director of Asset Management

Item 1: Meeting called to order

Dr. Ana M. “Cha” Guzman, Chair, called the meeting to order at 5:55 p.m.

Item 2: Public Comment

There were no citizens who spoke to the agenda.

Item 3: Minutes

- Approval of the February 6, 2020, Las Varas Public Facility Corporation Meeting minutes

Motion: Vice Chair Weaver moved to approve the February 6, 2020, meeting minutes. Director Clack seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana “Cha” Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			

Charles Clack, Director	X			
Jo-Anne Kaplan, Director	X			
Olga Kauffman, Director	X			
Sofia A. Lopez, Director	X			
Ruth Rodriguez, Director	X			

OPERATIONS

- Item 4:** Consideration and approval regarding Resolution 20LVPFC-05-21, authorizing the 1604 Lofts Apartments transaction, including: (i) the execution of all documentation necessary to carry out the transaction; (ii) authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for low income housing tax credits; (iii) the purchase of land for the transaction and the lease of such land for the transaction by the San Antonio Housing Facility Corporation (SAHFC) to 1604 Lofts Ltd.; (iv) the acquisition of the membership interest by SAHFC in 1604 Lofts GP LLC; (v) authorizing SAHFC to serve as the General Contractor; (vi) the issuance of Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (1604 Lofts Apartments) Series 2020A and Taxable Series 2020B; and other matters in connection therewith

Mr. Timothy E. Alcott, Real Estate and Legal Services Officer, reported that this request is to authorize the transaction for 1604 Lofts for the development of a new tax credit project and to request authority to enter into a development agreement with NRP Group LLC (NRP), as well as authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 324 family units, all of which will be low income housing tax credit units, 33 units at 30% AMI and below, 224 units will be at 60% AMI and below and 67 units will be at 80% AMI and below. This development project is located on the east side of San Antonio. Construction is projected to begin July of 2020, with completion in April of 2022. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

- Item 5:** Consideration and approval regarding Resolution 20LVPFC-05-22, authorizing Las Varas Public Facility Corporation Multifamily Housing Governmental Note (Tampico Apartments), Series 2020; and other matters in connection therewith

Mr. Alcott reported that the purpose of this request is to authorize the transaction for Tampico Apartments for the development of a new tax credit project and to request authority to enter a development agreement with Mission Development Group, as well as authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 200 family units, 136 of which will be low income housing tax credit units serving families whose incomes average 60% AMI, and 64 will be market rate. Construction is projected to begin in July of 2020, with completion by January of 2022. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

- Item 6:** Consideration and approval regarding Resolution 20LVPFC-05-23, authorizing the Trader Flats Apartments transaction, including: (i) the execution of all documentation necessary to carry out the transaction; (ii) authorizing all filings and agreements with Texas Department of Housing and Community Affairs in connection with applications for Low Income Housing Tax Credits; (iii) the purchase of land for the transaction and the lease of such land for the transaction by the San Antonio Housing Facility Corporation (SAHFC) to Trader Flats Ltd.; (iv) the acquisition of the membership interest by SAHFC in Trader Flats GP LLC; (v) authorizing SAHFC to serve as the general contractor; (vi) the issuance of Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Trader Flats Apartments) Series 2020A and Taxable Series 2020B; and other matters in connection therewith

Mr. Alcott reported that purpose of this request is to authorize the transaction for Trader Flats for the development of a new tax credit project and to request authority to enter a

development agreement with NRP Group LLC (NRP), as well as authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 324 family units, all of which will be low income housing tax credit units serving families whose incomes average 60% AMI. The development project is located on the southwest side of San Antonio. Construction is projected to begin June of 2020, with completion in April of 2022. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

Item 7: **Consideration and approval regarding Resolution 20LVPFC-05-24, authorizing the Mira Vista Apartments transaction, including: (i) the execution of all documentation necessary to carry out the transaction; (ii) authorizing all filings and agreements with Texas Department of Housing and Community Affairs for low income housing tax credits; (iii) the conveyance of land from San Antonio Housing Development Corporation (SAHDC) for the transaction and the lease of such land for the transaction by the San Antonio Housing Facility Corporation (SAHFC) to Mira Vista SA Apartments, LP; (iv) the acquisition of the membership interest by SAHFC in Mira Vista Living GP LLC; (v) authorizing SAHFC to serve as the general contractor; (vi) the issuance of Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Mira Vista Apartments) Series 2020A and Taxable Series 2020B; and other matters in connection therewith**

Mr. Alcott reported that the purpose of this request is to authorize the transaction for Mira Vista Apartments for the development of a new tax credit project and to request authority to enter a development agreement with Homespring Realty Partners, as well as authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 312 family units, all of which will be low income housing tax credit units serving families whose incomes are 60% AMI and below, and is located on the west side of San Antonio on land currently owned by SAHDC, which will be conveyed to SAHFC, so that it may be leased to the tax credit partnership. Construction is projected to begin in July of 2020, with completion by January of 2022.

Motion: Director Clack moved to approve Resolutions 20LVPFC-05-21, 20LVPFC-05-22, 20LVPFC-05-23, and 20LVPFC-05-24, Vice Chair Weaver seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana "Cha" Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			
Charles Clack, Director	X			
Jo-Anne Kaplan, Director	X			
Olga Kauffman, Director	X			
Sofia A. Lopez, Director	X			
Ruth Rodriguez, Director	X			

Adjournment.

With no objections, Dr. Ana M. "Cha" Guzman, Chair, adjourned the meeting at 5:58 p.m.

ATTEST:

Ana M. "Cha" Guzman
Chair, Board of Directors

Date

David Nisivoccia
Secretary/Treasurer

Date

LAS VARAS PUBLIC FACILITY CORPORATION**JULY 2, 2020****BOARD OF DIRECTORS****RESOLUTION 20LVPFC-07-02, APPOINTING DAVID NISIVOCIA AS THE LAS VARAS PUBLIC FACILITY CORPORATION'S INDUCEMENT OFFICER TO APPROVE RESOLUTIONS INDUCING TAX EXEMPT BOND ISSUES FOR PURPOSES OF OBTAINING VOLUME CAP FROM THE TEXAS BOND REVIEW BOARD (BRB)**

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David Nisivoccia
 President and CEO

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Timothy E. Alcott
 Real Estate and Legal Services Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 20LVPFC-07-02, appointing David Nisivoccia as the Las Varas Public Facility Corporation's Inducement Officer to approve Resolutions inducing tax exempt bond issues for purposes of obtaining volume cap from the Texas Bond Review Board (BRB).

FINANCIAL IMPACT:

None. This is an administrative matter.

SUMMARY:

This is a proposal to reduce the number of Board approvals required for a development and to assure that requested approvals are more timely presented to the Board.

For each 4% tax credit project we participate in, the Las Varas Public Facility Corporation must also issue tax exempt bonds for the project, as required by the Internal Revenue Code. In order to issue tax exempt bonds, a project must receive an allocation of volume cap from the Texas Bond Review Board. They must also apply to the Texas Department of Housing and Community Affairs (TDHCA) for the tax credits.

Prior to applying for a state allocation of volume cap from the Texas Bond Review Board, a project must be induced by the Bond issuer. In our case, this is Las Varas Public Facility Corporation. We have traditionally asked the Board to approve these inducement resolutions. In addition, the San Antonio Housing Facility Corporation must participate in the tax credit application to the TDHCA pursuant to a separate inducement resolution. These resolutions are nonbinding and simply allow a developer to start putting together their project and it's financing.

Each October we submit applications to the BRB for a lottery to be conducted in January of the following year. Volume cap is then allocated for the year to numerous categories of projects, such as state issuer's, multifamily housing bonds, single family bonds, refineries or solid waste facilities. There are always more projects than the volume cap available. Each project allocated volume cap must close within 180 days and some aren't able to close in time and their volume cap falls to the next person in line. On August 15 of each year, all of the subcategories collapse and it becomes first come, first served. This creates constant pressure to get in line, as soon as possible, since there are more projects seeking volume cap than can be funded. All of the projects you approved at the June Board meeting were induced around July of 2019, received

LAS VARAS PUBLIC FACILITY CORPORATION**JULY 2, 2020**

volume cap around January 1 and had to close by the end of June. That is why there were so many on the same schedule.

The Board has asked that we not bring development deals back to the Board too many times, but, when we do, we attempt to make sure it is well before any deadlines for closing.

At the time of inducement, approximately one year before a closing, the developers have the land under contract and have run an internal proforma, which indicates the project can be financed. They have not done any engineering or design work and they do not have their financing in place. At this time, we can only provide projections. That is why the inducement resolutions are non binding. We do not believe it is appropriate to ask the Board for final approval at this stage.

Once developers are confident they will receive volume cap, they put the financing together. Once we are confident we can accurately describe the project and financing structure, we would bring the project to the Board for consideration. This will likely be three to nine months after inducement and three to four months before we close.

In order to implement this type of schedule, we are proposing that the Board allow Mr. Nisivoccia as Secretary/Treasurer to execute the non binding resolutions necessary to submit volume cap applications and TDHCA applications. This will enable projects to get in line without taking up valuable Board time and allow the developers to begin their engineering, design and financing activities.

We anticipate that we may receive three or four applications in July that would like to get in line before the August 15 collapse. We would need to consider these at the August meeting, if you do not support this proposal.

STRATEGIC GOAL:

Transform core operations to be a high performing and financially strong organization.

ATTACHMENT:

Resolution 20LVPFC-07-02

**CERTIFICATE FOR RESOLUTION
Resolution 20LVPFC-07-02**

The undersigned officer of the Las Varas Public Facility Corporation (Issuer) hereby certifies as follows:

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on July 2, 2020 (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 20LVPFC-07-02, APPOINTING DAVID NISIVOCIA AS THE LAS
VARAS PUBLIC FACILITY CORPORATION'S INDUCEMENT OFFICER TO
APPROVE RESOLUTIONS INDUCING TAX EXEMPT BOND ISSUES FOR
PURPOSES OF OBTAINING VOLUME CAP FROM THE TEXAS BOND REVIEW
BOARD (BRB)**

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

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

SIGNED this 2nd day of July 2020.

David Nisivoccia
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 20LVPFC-07-02**

RESOLUTION 20LVPFC-07-02, APPOINTING DAVID NISIVOCIA AS THE LAS VARAS PUBLIC FACILITY CORPORATION'S INDUCEMENT OFFICER TO APPROVE RESOLUTIONS INDUCING TAX EXEMPT BOND ISSUES FOR PURPOSES OF OBTAINING VOLUME CAP FROM THE TEXAS BOND REVIEW BOARD (BRB)

WHEREAS, Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (Issuer), on behalf of the Housing Authority, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City by the issuance of housing revenue bonds; and

WHEREAS, the Issuer is often requested to file Allocation Applications and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board (Allocation Applications) for various projects and to issue tax exempt bonds for the projects; and

WHEREAS, in order to issue tax exempt bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds by filing the Allocation Applications in order to satisfy the provisions of the Internal Revenue Code (Code); and

WHEREAS, in order to allocate under Treasury Regulation 1.150-2 (Regulation) proceeds of the tax exempt bonds to expenditures incurred before the issuance of the bonds, the Issuer must declare its reasonable expectation to reimburse the expenditures; and

WHEREAS, the Regulation specifically authorizes an issuer to appoint a representative for these purposes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Las Varas Public Facility Corporation hereby:

Section 1. David Nisivoccia, as Secretary/Treasurer, is hereby appointed as the Corporation's Inducement Officer with authority to execute Allocation Applications with the Texas Bond Review Board and reimbursement resolutions evidencing the Board's intent to reimburse expenditures with tax exempt bonds, as required by the Regulation.

Section 2. The Inducement Officer is authorized to execute nonbinding resolutions of the Corporation evidencing the Corporation's commitment to issue bonds upon approval by the Board.

Section 3. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes the Inducement Officer to prepare and file 2020 and/or 2021 Allocation Applications and/or any carryforward applications associated with such Allocation Applications, together with all required attachments in the form required by the Texas Bond Review Board.

Section 4. Notwithstanding the above authorizations, all projects induced by the Inducement Officer must be brought back for approval by the Board prior to the Corporation incurring any liability in excess of \$50,000.00.

Section 5. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 6. The Inducement Officer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000.00 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 7. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas, regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 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. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 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 the 2nd day of July 2020.

Ana M. "Cha" Guzman
Chair, Board of Directors

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer