



# LAS VARAS PUBLIC FACILITY CORPORATION MEETING APRIL 1, 2021



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**BOARD OF DIRECTORS**

Dr. Ana "Cha" Guzmán  
Chair

Jessica Weaver  
Vice Chair

Olga Kauffman  
Director

Gabriel Lopez  
Director

Ignacio Perez  
Director

Ruth Rodriguez  
Director

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**LAS VARAS PUBLIC FACILITY CORPORATION**  
**\*BOARD MEETING**  
**TELECONFERENCE**

**Call In Phone Number: (346) 248-7799**  
**Meeting ID: 93839434337# Passcode: 654170#**  
**1:00 p.m., Thursday, April 1, 2021**

The Board of Directors will convene for a Board meeting via teleconference for discussion on the following matters:

**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 up to three minutes each to speak to any agenda items. Citizens wishing to speak to items posted on the agenda should access Phone Number: **(346) 248-7799** and enter Meeting ID: **93839434337#** and Passcode: **654170#**, prior to 1:00 p.m.

Now is the time for public comments. The Board asks the public to address concerns related to SAHA matters and policy and not include statements that may be considered defamatory of any individual. The Board encourages members of the public to direct specific concerns or problems to SAHA staff for more prompt resolution. The Board will not discuss the comments of speakers or respond to speakers during the public comment portion of the agenda.

**MINUTES**

3. Minutes
  - Approval of the November 5, 2020, Las Varas Public Facility Corporation Meeting minutes

**INDIVIDUAL ITEMS FOR CONSENT**

4. Consideration and approval regarding Resolution 21LVPFC-03-18 authorizing Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Copernicus Apartments) Series 2021; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)
5. Consideration and approval regarding Resolution 21LVPFC-03-19, authorizing the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Watson Road Apartments), Series 2021; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

## 6. 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  
November 5, 2020**

**SCHEDULED: 1:00 p.m. teleconference meeting Call In Phone Number: (346) 248-7799, Meeting ID: 93839434337# Passcode: 654170#**

**DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT:**

Ignacio Perez, Director

**COUNSEL:** Doug Poneck, Escamilla & Poneck, LLP

**STAFF:**

David Nisivoccia, President and CEO  
Ed Hinojosa, Chief Financial Officer  
Muriel Rhoder, Chief Administrative Officer  
Brandee Perez, Chief Operating Officer  
Timothy E. Alcott, Chief Legal and Real Estate 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  
Joel Tabar, Director of Community Development Initiatives  
Zachariah Woodard, Interim Director of Federal Housing Programs

**Item 1: Meeting called to order**

Dr. Ana “Cha” Guzman, Chair, called the meeting to order at 5:25 p.m.

**Item 2: Public Comment**

There were no citizens who spoke to the agenda.

**Item 3: Minutes**

- Approval of the October 8, 2020, Las Varas Public Facility Corporation Meeting minutes

**OPERATIONS**

**Item 4: Consideration and approval regarding Resolution 20LVPFC-10-22, concerning the application of ARDC Springview, Ltd. relating to the proposed financing of up to \$35,000,000.00 of the costs of the acquisition, construction, and equipping of the Artisan at Springview Apartments, to be located at 210 S. Grimes St., San Antonio, Texas; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and**

Real Estate Officer, Lorraine Robles, Director of Development Services and Neighborhood Revitalization, and William Walter, Coats Rose)

**Motion:** Director Clack moved to approve items 3-4. Director Kaplan 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			
Ruth Rodriguez, Director	X			

**Item 5: Adjournment**

With no objections, Chair Guzman adjourned the meeting at 5:26 p.m.

**ATTEST:**

\_\_\_\_\_  
**Ana M. “Cha” Guzman**  
**Chair, Board of Directors**

\_\_\_\_\_  
**Date**

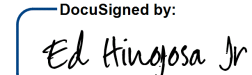
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**Ed Hinojosa, Jr.**  
**Interim Secretary/Treasurer**

\_\_\_\_\_  
**Date**

**LAS VARAS PUBLIC FACILITY CORPORATION****April 1, 2021**

**BOARD OF DIRECTORS**  
**Las Varas Public Facility Corporation**

**RESOLUTION 21LVPFC-03-18, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COPERNICUS APARTMENTS) SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

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**Ed Hinojosa, Jr.**  
**Interim President and CEO**

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**Timothy E. Alcott**  
**Chief Legal and Real Estate Officer**

**REQUESTED ACTION:**

Consideration and approval regarding Resolution 21LVPFC-03-18, authorizing Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Copernicus Apartments) Series 2021; and other matters in connection therewith.

**FINANCIAL IMPACT:**

The project will consist of 318 units, with 17 units at 40% of the median income and below, 17 units at 50% of the median income, 267 units at 60% of the median income, and 17 units at 70% of median income. Construction is projected to begin April 2021, with completion in April 2023. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

The total project cost is expected to be approximately \$55,345,264.00 or approximately \$174,042.00 per unit. The developer is NRP. NRP will give all required guarantees. At the end of the tax credit compliance period, SAHFC (SAHA) will have the right to buy the property by assuming the outstanding debt and paying any exit taxes.

The total developer fee is \$6,044,000.00 and subsequent cash flow will be shared between SAHA and NRP. SAHA will have the right to buy the project at the end of 15 years by assuming the outstanding debt.

**SUMMARY:**

The land will be purchased by SAHFC, which will lease it to Copernicus Apartments Ltd., who will pay SAHFC an upfront lease payment sufficient to acquire the land. Up to \$38,000,000.00 of tax-exempt Bonds will be issued by LVPFC and purchased by KeyBank during construction and as the permanent lender, and equity contributions from an affiliate of PNC Bank, N.A. (PNC), as an investor limited partner, will be used to finance the construction and long-term operations. PNC has issued a commitment to purchase the project tax credits at an equity price of .909 cents per credit dollar, for a total projected equity contribution of \$21,726,967.00.

We are targeting a closing date of April 8, 2021, as funding must close by May 2, 2021, or we will lose the allocated volume cap from the Texas Bond Review Board.

**RESIDENT FOCUSED OUTCOMES:**

- SAHA residents have a sufficient supply of affordable housing options.

**LAS VARAS PUBLIC FACILITY CORPORATION**

**April 1, 2021**

- SAHA residents live in quality affordable housing.

**ATTACHMENTS:**

Resolution 21LVPFC-03-18

Map and Photo of Site Location

## **CERTIFICATE FOR RESOLUTION**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the Board) held a meeting on April 1, 2021, (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 21LVPFC-03-18, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COPERNICUS APARTMENTS) SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

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

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

**SIGNED this 1st day of April 2021.**

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**Ed Hinojosa, Jr.**  
**Interim Secretary/Treasurer**

**Las Varas Public Facility Corporation  
Resolution 21LVPFC-03-18**

**RESOLUTION 21LVPFC-03-18, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COPERNICUS APARTMENTS) SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, the Las Varas Public Facility Corporation (the Issuer) has developed a program of issuing bonds and loaning their proceeds to defray, in whole or in part, all reasonable or necessary costs incidental to the acquisition, renovation, construction, and improvement of land, improvements, and related property, which is intended to be occupied by persons of low or moderate income, as determined by the Issuer, all in order to alleviate a shortage of affordable rental housing within San Antonio, Texas, for such persons of low or moderate income, and to refund such bonds; and

**WHEREAS**, the Issuer has been requested to issue its “Multifamily Housing Revenue Bonds (Copernicus Apartments) Series 2021” in an aggregate principal amount not to exceed \$38,000,000.00 (the Bonds), the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 318-unit multifamily apartment facility to be known as the Copernicus Apartments, to be located at approximately 707 SE Loop 410, San Antonio, Texas 78220 (the Project) for Copernicus Apartments Ltd., a Texas limited partnership (the Borrower); and

**WHEREAS**, the Issuer desires to issue the Bonds pursuant to a Trust Indenture (the Indenture) between the Issuer and BOKF, NA, as Trustee (the Trustee), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Loan Agreement (the Loan Agreement) among the Issuer, the Trustee, and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the Regulatory Agreement) among the Issuer, the Trustee, and the Borrower; and

**WHEREAS**, the loan will be evidenced by a Promissory Note (the Note), and assignments of the Note (the Assignments) from the Issuer in favor of the Trustee; and

**WHEREAS**, KeyBank National Association (the Bond Purchaser), will be the initial purchaser of the Bonds; and

**WHEREAS**, the Issuer is authorized to issue the Bonds pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended; and

**WHEREAS**, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, constructing, and equipping the Project; and

**WHEREAS**, this Board 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

**WHEREAS**, the members of the Board of Directors of Las Varas Public Facility Corporation (collectively, the Board) and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana "Cha" Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Gabriel Lopez	Director
Ignacio Perez	Director
Ed Hinojosa, Jr.	Interim Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary/Treasurer
Muriel Rhoder	Assistant Secretary/Treasurer
Brandee Perez	Assistant Secretary/Treasurer

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

Section 1. The terms of the Loan Agreement, the Indenture, the Note, the Regulatory Agreement, and the Assignments, are hereby authorized and approved, when such documents are approved by the officer designated as the signatory on such document(s).

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, and each Assistant Secretary, or any of them, are 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) the Indenture, the Loan Agreement, the Regulatory Agreement, the Note, the Assignment, and any and all certificates (including tax certificates), applications (including volume cap and carry-over applications with the TBRB) and other instruments described therein (including a bond purchase agreement) upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds and the loan of the proceeds thereof to the Borrower, all upon the terms herein approved, and the President, the Vice President, the Secretary, the Treasurer, and each Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in the terms of each such instrument as such officers shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The Bonds, in an aggregate principal amount of not to exceed \$38,000,000.00, with an interest rate (not including applicable premium) with interest at a variable rate during construction of the Secured Overnight Funding Rate (with such rate having a floor of 50 basis points) plus 250 basis points and permanent debt with an interest rate (not including applicable premium) not to exceed 6% as set forth in the Indenture, and with a maturity date not to exceed December 31, 2052, is hereby approved, and the President, the Vice President, the Secretary, the Treasurer, and each Assistant Secretary, 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 such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Issuer (if applicable) is hereby authorized and directed to

be affixed or placed by 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 is authorized by this Resolution. The final principal amounts, interest rates, maturity dates (not to exceed the amounts, the rates, and the maximum term set forth above), and final redemption dates and prices for the Bonds shall be set forth in the final form of the Indenture, and the execution and delivery of the any agreements relating to the purchase of the Bonds by the Bond Purchaser by the President, the Vice President, the Secretary, the Treasurer, each Assistant Secretary, or any of them, shall constitute approval of the agreed final principal amount of, interest rate on the Bonds, maturity date of the Bonds, and the final redemption date and price for the Bonds. The proceeds of the Bonds are hereby authorized to be utilized as set forth herein and in the Loan Agreement and the Indenture.

Section 4. The Trustee shall be BOKF, NA.

Section 5. Coats Rose, as Bond Counsel, is hereby appointed and ratified as the hearing officer for purposes of the public TEFRA hearing regarding the Project.

Section 6. The President, the Vice President, the Secretary, the Treasurer, 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 Loan Agreement and the Indenture.

Section 7. All action and resolutions, not inconsistent with provisions of this Resolution heretofore taken by this Board 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 extended, 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. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes in the Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City of San Antonio, Texas, to obtain decent, safe, and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City of San Antonio, Texas, and to reduce public expenditures for crime prevention and control, public health, welfare, and safety and for other valid public purposes.

Section 9. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds, and assets pledged under the Loan Agreement to secure payment of the Bonds, and under no circumstances shall the Bonds be payable from any other revenues, funds, assets, or income of the Issuer. No bonds may be issued unless the San Antonio Housing Facility Corporation controls the general partner of the Borrower.

Section 10. The Bonds shall not constitute an indebtedness, liability, general, special, or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City of San Antonio, or any other political subdivision or governmental unit.

Section 11. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Loan Agreement.

Section 12. If any section, paragraph, clause, or provision 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. In case any obligation of the Issuer authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

Section 13. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions in the form of the documents hereby approved as, in the opinion of Bond Counsel, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes shall be conclusively evidenced by such officers' execution of the documents.

Section 14. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

**Passed and approved the 1st day of April 2021.**

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

**Attested and approved as to form:**

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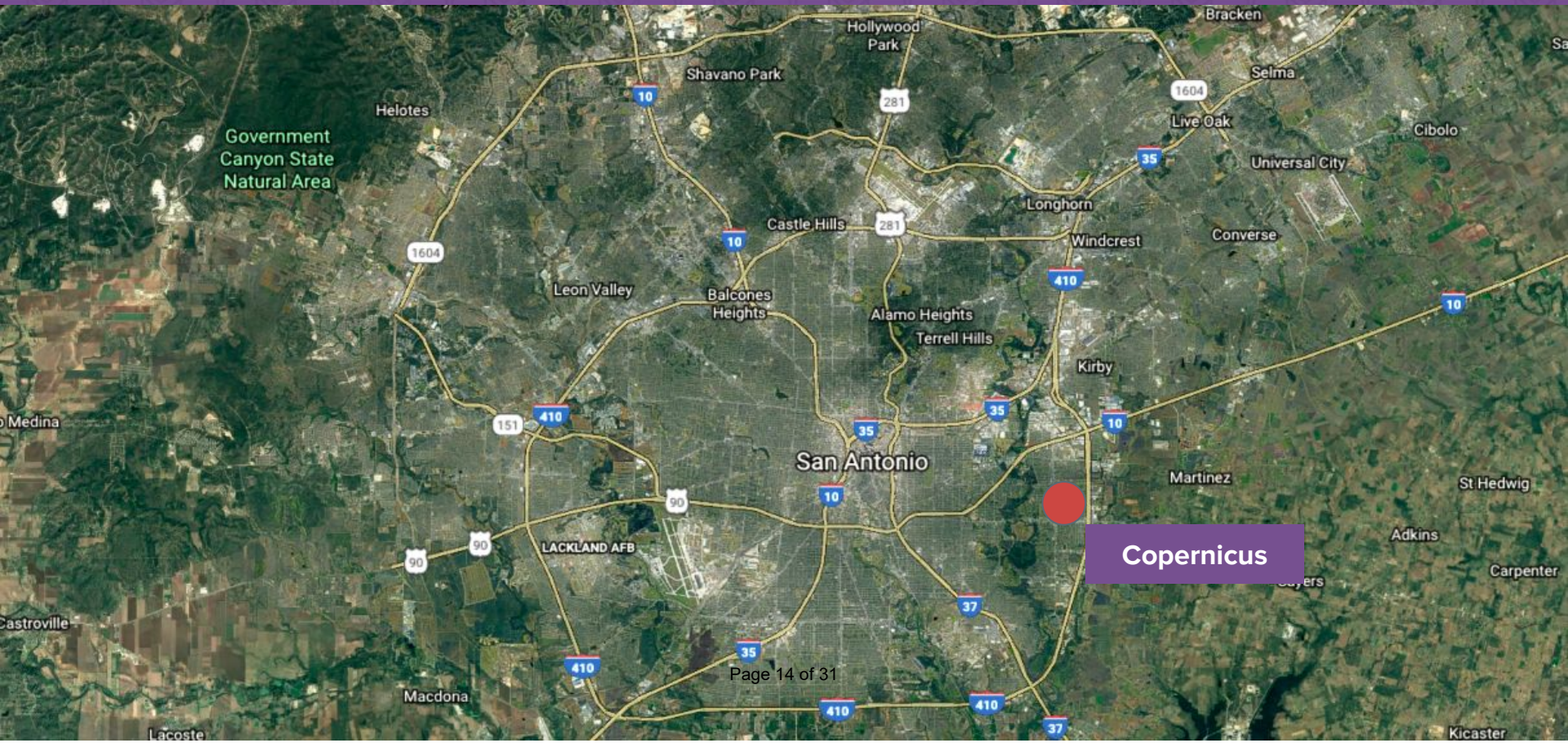
**Ed Hinojosa, Jr.**  
**Interim Secretary/Treasurer**



# Copernicus Apartments

Timothy E. Alcott, Chief Legal and Real Estate Officer  
Lorraine Robles, Director of Development Services and Neighborhood  
Revitalization

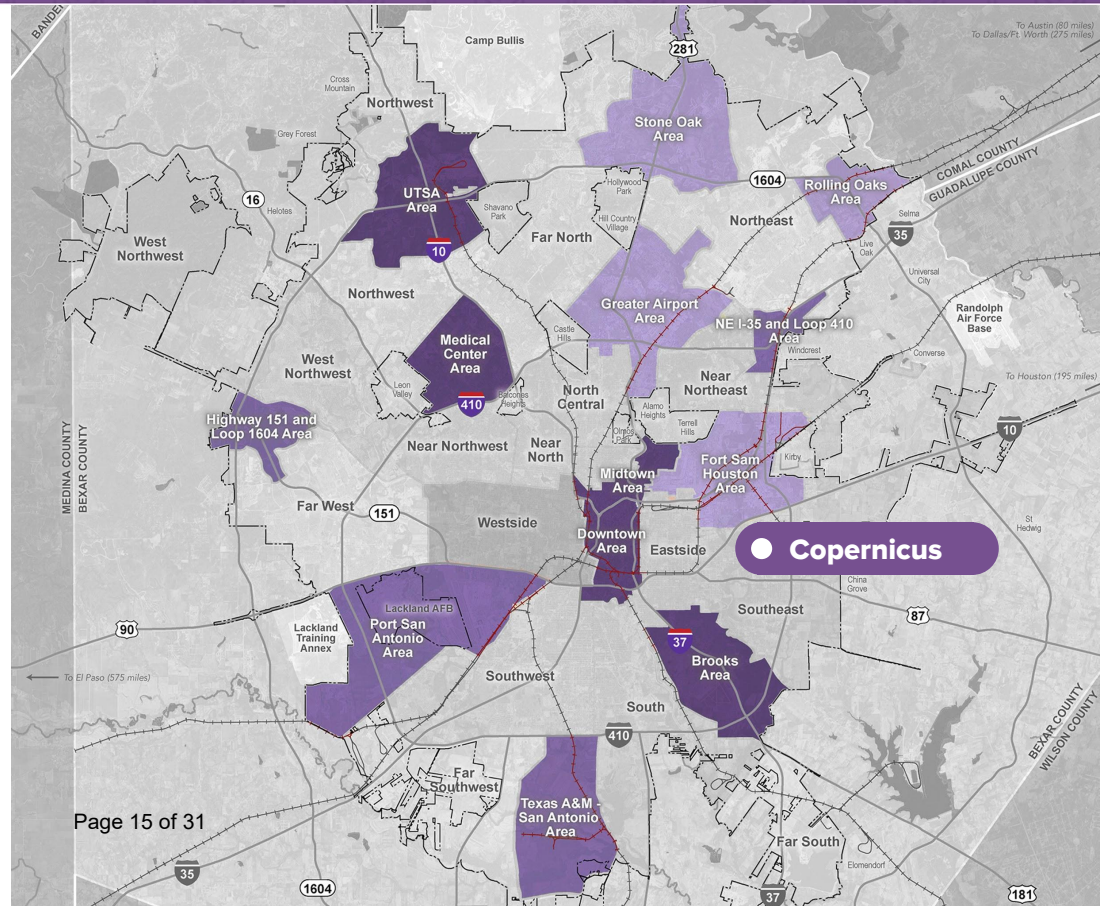
# MAP



Downtown  
Medical Center  
UTSA  
Midtown  
Brooks

NE I-35 and Loop 410  
Highway 151 and Loop 1604  
Texas A&M — San Antonio  
Port San Antonio

Greater Airport Area  
Fort Sam Houston  
Rolling Oaks  
Stone Oak



# COPERNICUS



- ❖ City Council District 2
- ❖ San Antonio ISD
- ❖ 318 Units
  - 40% AMI - 17
  - 50% AMI - 17
  - 60% AMI - 267
  - 70% AMI - 17
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost:  
\$55,345,264.00

# PROFORMA BREAKDOWN

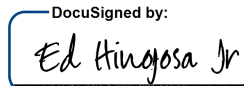
Total Development Cost <b>\$55,345,264.00</b>	
Construction Costs	<b>\$33,744,503.00</b>
A&E	<b>\$1,371,000.00</b>
Other Soft Costs, etc.	<b>\$15,793,278.00</b>
Per Unit Cost	<b>\$174,042.00</b>
Rentable per Square Foot Cost	<b>\$169.23</b>
Acquisition Costs	<b>\$2,956,460.00</b>
Construction Contingency	<b>\$1,480,022.00</b>


# QUESTIONS?

**LAS VARAS PUBLIC FACILITY CORPORATION****April 1, 2021**

**BOARD OF DIRECTORS**  
**Las Varas Public Facility Corporation**

**RESOLUTION 21LVPFC-03-19, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (WATSON ROAD APARTMENTS), SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

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**Ed Hinojosa, Jr.**  
**Interim President and CEO**

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**Timothy E. Alcott**  
**Chief Legal and Real Estate Officer**

**REQUESTED ACTION:**

Consideration and approval regarding Resolution 21LVPFC-03-19, authorizing the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Watson Road Apartments), Series 2021; and other matters in connection therewith.

**FINANCIAL IMPACT:**

The project will consist of 348 family units, all of which will be low income housing tax credit units serving families whose incomes average 60% AMI, located at 13139 Watson Road. There will be 18 units at 40% AMI, 18 units at 50% AMI, 294 units at 60% AMI, and 18 units at 70% AMI. Construction is projected to begin April 2021, with completion in April 2023. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

The total project cost is expected to be approximately \$59,959,932.00 or approximately \$172,299.00 per unit. The developer is NRP. NRP will give all required guarantees. At the end of the tax credit compliance period, SAHFC (SAHA) will have the right to buy the property by assuming the outstanding debt and paying any exit taxes.

The total developer fee is \$6,612,000.00 and subsequent cash flow will be shared between SAHA and NRP. SAHA will have the right to buy the project at the end of 15 years by assuming the outstanding debt.

**SUMMARY:**

The land will be purchased by SAHFC, which will lease it to Watson Road Apartments Ltd., who will pay SAHFC an upfront lease payment sufficient to acquire the land. Up to \$38,000,000.00 of tax-exempt bonds will be issued by LVPFC and purchased by US Bank during construction and KeyBank as the permanent lender, and equity contributions from an affiliate of U.S. Bancorp Community Development Corporation (USBCDC), as an investor limited partner, will be used to finance the construction and long-term operations. USBCDC will purchase the project tax credits at an equity price of 93 cents per credit dollar, for a total projected equity contribution of \$24,314,124.00. The interest rate on the bonds will be a floating rate for the construction period and a rate not to exceed 5.5% for the permanent period.

We are targeting a closing date of April 15, 2021, as funding must close by April 28, 2021, or we will lose the allocated volume cap from the Texas Bond Review Board.

**LAS VARAS PUBLIC FACILITY CORPORATION**

**April 1, 2021**

**RESIDENT FOCUSED OUTCOMES:**

- SAHA residents have a sufficient supply of affordable housing options.
- SAHA residents live in quality affordable housing.

**ATTACHMENTS:**

Resolution 21LVPFC-03-19

Map and Photo of Site Location

## **CERTIFICATE FOR RESOLUTION**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the Board) held a meeting on April 1, 2021, (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 21LVPFC-03-19, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (WATSON ROAD APARTMENTS), SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

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

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

**SIGNED this 1st day of April 2021.**

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**Ed Hinojosa, Jr.**  
**Interim Secretary/Treasurer**

**Las Varas Public Facility Corporation  
Resolution 21LVPFC-03-19**

**RESOLUTION 21LVPFC-03-19, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (WATSON ROAD APARTMENTS), SERIES 2021; AND OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, the Las Varas Public Facility Corporation (the Issuer) has developed a program of issuing bonds and loaning their proceeds to defray, in whole or in part, all reasonable or necessary costs incidental to the acquisition, renovation, construction, and improvement of land, improvements, and related property, which is intended to be occupied by persons of low or moderate income, as determined by the Issuer, all in order to alleviate a shortage of affordable rental housing within San Antonio, Texas, for such persons of low or moderate income, and to refund such bonds; and

**WHEREAS**, the Issuer has been requested to issue its “Multifamily Housing Revenue Bonds (Watson Road Apartments), Series 2021” in the aggregate principal amount not to exceed \$38,000,000.00 (the Bonds), the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 348-unit multifamily apartment facility to be known as the Watson Road Apartments, to be located at 13139 Watson Road, San Antonio, Texas (the Project) for Watson Road Apartments Ltd., a Texas limited partnership (the Borrower); and

**WHEREAS**, the Issuer desires to issue the Bonds pursuant to a Trust Indenture (the Indenture) between the Issuer and BOKF, N.A., as trustee (the Trustee), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Loan Agreement (the Loan Agreement) between the Issuer and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the Regulatory Agreement) among the Issuer, the Trustee, and the Borrower; and

**WHEREAS**, the loan will be evidenced by a Promissory Note issued under the Loan Agreement (the Note), and assignments of the Note (the Assignments) from the Issuer in favor of the Trustee; and

**WHEREAS**, the Issuer will be presented with Bond Purchase Agreements (the Purchase Agreements), setting forth certain terms and conditions upon which U.S. Bank National Association, and KeyBank National Association (the Bond Purchasers) will purchase the Bonds and the Issuer will sell the Bonds to the Bond Purchasers; and

**WHEREAS**, the Issuer is authorized to issue the Bonds pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended; and

**WHEREAS**, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, constructing, and equipping the Project; and

**WHEREAS**, this Board 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

**WHEREAS**, the members of the Board of Directors of Las Varas Public Facility Corporation (collectively, the Board) and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana "Cha" Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Gabriel Lopez	Director
Ignacio Perez	Director
Ed Hinojosa, Jr.	Interim Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary/Treasurer
Muriel Rhoder	Assistant Secretary/Treasurer
Brandee Perez	Assistant Secretary/Treasurer

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

Section 1. The terms of the Loan Agreement, the Indenture, the Note, the Regulatory Agreement, the Assignments, and the Purchase Agreements are hereby authorized and approved, when such documents are approved by the officer designated as the signatory on such document(s).

Section 2. The President, any Vice President, the Secretary/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are 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) the Indenture, the Loan Agreement, the Regulatory Agreement, the Note, the Assignments, the Purchase Agreements, 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 and the loan of the proceeds thereof to the Borrower, all upon the terms herein approved, and the President, the Vice President, the Secretary/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are authorized to negotiate and approve such changes in the terms of or amendment to each such instrument as such officers shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The Bonds, in the aggregate principal amount of not to exceed \$38,000,000.00, with interest at a variable rate during construction of LIBOR plus 200 basis points and permanent debt with an interest rate (not including applicable premium) not to exceed 5.5% as set forth in the Indenture, and with a maturity date not to exceed December 31, 2041, in substantially the form and substance set forth in the Loan Agreement, 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 such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Issuer is hereby authorized and directed to be affixed or placed by facsimile on the Bonds, if required. Authentication of the Bonds upon the terms and conditions and in the manner described in the Indenture as the same may be modified is authorized by this Resolution. The final principal amounts, interest rates, maturity dates (not to exceed the amounts, the rates, and the maximum term set forth above), and final redemption dates and prices for the Bonds shall be set forth in the final form of the Indenture, and the execution and delivery of the Indenture and any agreements relating to the purchase of the Bonds by the Bond Purchasers by the President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, or any of them, shall constitute approval of the agreed final principal amounts of, interest rates on the Bonds, maturity dates of the Bonds, and the final redemption dates and prices for the Bonds. The proceeds of the Bonds are hereby authorized to be utilized as set forth herein and in the Loan Agreement and the Indenture.

Section 4. The Trustee shall be BOKF, N.A.

Section 5. Bracewell LLP, as Bond Counsel, is hereby appointed and ratified as the hearing officer for purposes of the public TEFRA hearing regarding the Project.

Section 6. The President, the Vice President, the Secretary, the Treasurer, 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 Loan Agreement and the Indenture.

Section 7. All action and resolutions, not inconsistent with provisions of this Resolution heretofore taken by this Board 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 extended, 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. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes in the Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City to obtain decent, safe, and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City, and to reduce public expenditures for crime prevention and control, public health, welfare, and safety and for other valid public purposes.

Section 9. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds, and assets pledged under the Loan Agreement to secure payment of the Bonds, and under no circumstances shall the Bonds be payable from any other revenues, funds, assets, or income of the Issuer. No bonds may be issued unless the San Antonio Housing Facility Corporation controls the general partner of the Borrower.

Section 10. The Bonds shall not constitute an indebtedness, liability, general, special, or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of

any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, or any other political subdivision or governmental unit.

Section 11. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Loan Agreement.

Section 12. If any section, paragraph, clause, or provision 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. In case any obligation of the Issuer authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

Section 13. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions in the form of the documents hereby approved as, in the opinion of Bond Counsel, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes shall be conclusively evidenced by such officers' execution of the documents.

Section 14. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

**Passed and approved the 1st day of April 2021.**

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

**Attested and approved as to form:**

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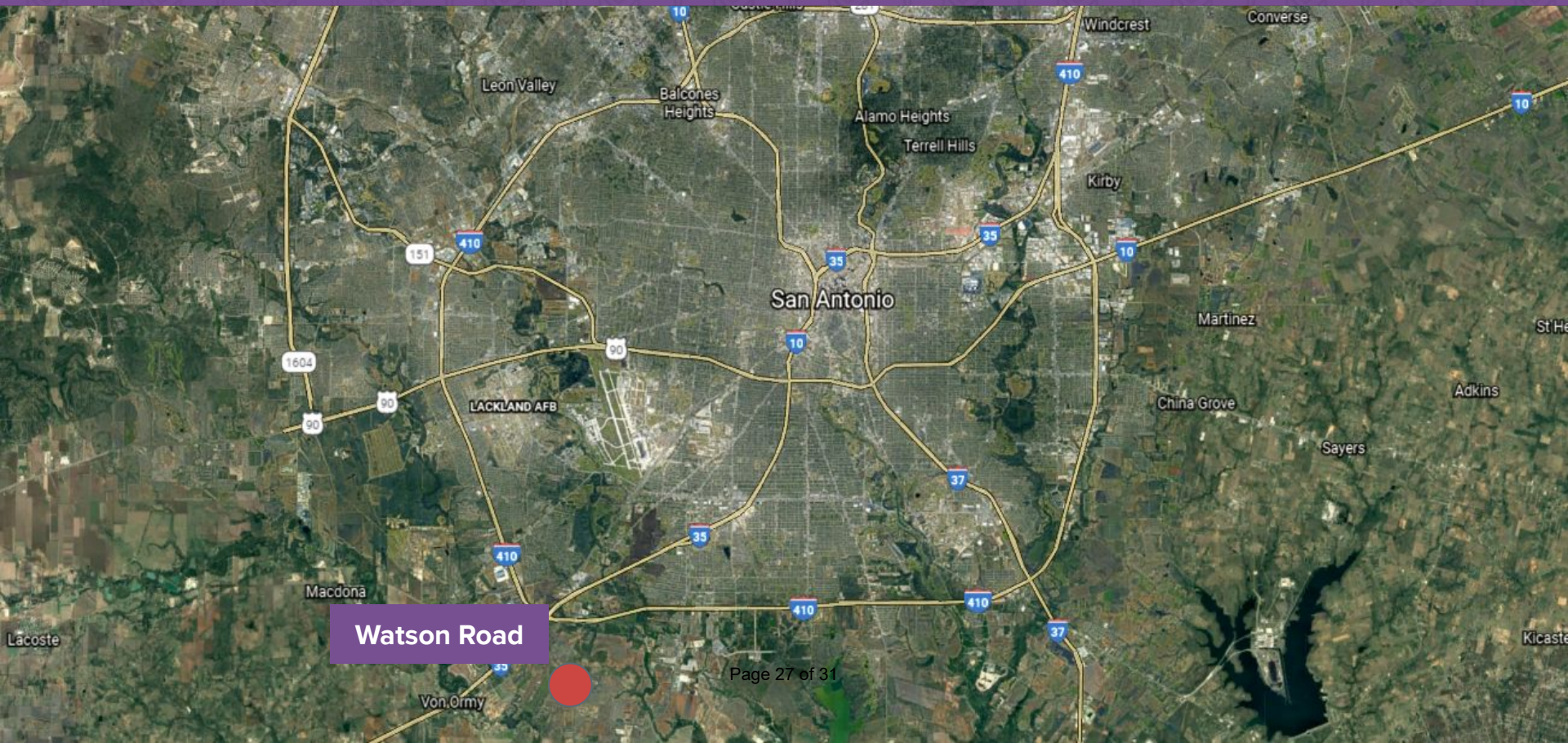
**Ed Hinojosa, Jr.**  
**Interim Secretary/Treasurer**



# Watson Road Apartments

Timothy E. Alcott, Chief Legal and Real Estate Officer  
Lorraine Robles, Director of Development Services and Neighborhood  
Revitalization

# MAP



Watson Road

# REGIONAL CENTERS

## PHASE 1 CENTERS

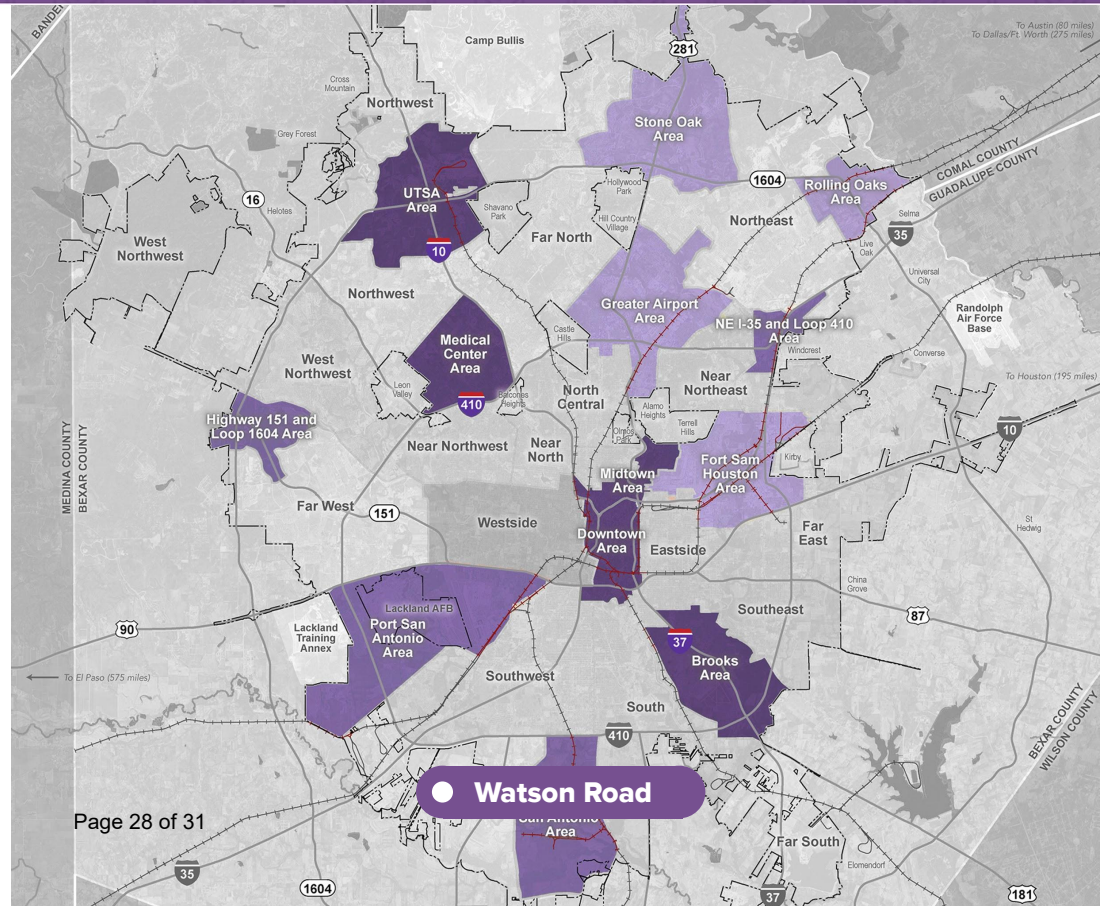
Downtown  
Medical Center  
UTSA  
Midtown  
Brooks

## PHASE 2 CENTERS

NE I-35 and Loop 410  
Highway 151 and Loop 1604  
Texas A&M — San Antonio  
Port San Antonio

## PHASE 3 CENTERS

Greater Airport Area  
Fort Sam Houston  
Rolling Oaks  
Stone Oak



# WATSON ROAD



- ❖ City Council District 4
- ❖ Southwest ISD
- ❖ 348 Units
  - 40% AMI - 18
  - 50% AMI - 18
  - 60% AMI - 294
  - 70% AMI - 18
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost:  
\$59,959,932.00

# PROFORMA BREAKDOWN

Total Development Cost <b>\$59,959,932.00</b>	
Construction Costs	<b>\$37,893,517.00</b>
A&E	<b>\$1,419,105.00</b>
Other Soft Costs, etc.	<b>\$17,172,805.00</b>
Per Unit Cost	<b>\$172,299.00</b>
Rentable per Square Foot Cost	<b>\$168.41</b>
Acquisition Costs	<b>\$1,812,509.00</b>
Construction Contingency	<b>\$1,661,996.00</b>

# QUESTIONS?