



REAL ESTATE DEVELOPMENT COMMITTEE MEETING MAY 20, 2021

**BOARD OF COMMISSIONERS**Dr. Ana "Cha" Guzmán
ChairJessica Weaver
Vice ChairOlga Kauffman
CommissionerGabriel Lopez
CommissionerIgnacio Perez
CommissionerRuth Rodriguez
Commissioner**INTERIM PRESIDENT & CEO**

Ed Hinojosa, Jr.

SAN ANTONIO HOUSING AUTHORITY
REAL ESTATE DEVELOPMENT COMMITTEE or
****SPECIAL BOARD MEETING**
TELECONFERENCE

Call In Phone Number: (346) 248-7799
Meeting ID: 93839434337# Passcode: 654170#
2:00 p.m., Thursday, May 20, 2021

The Board of Commissioners will convene for a Committee, or Special Board meeting, by teleconference, for discussion on the following matters:

MEETING CALLED TO ORDER

1. 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.

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#** Passcode: **654170#**, prior to **2:00 p.m.** A Spanish/English translator will be available to citizens needing translation.

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.

INDIVIDUAL ITEMS

3. Public hearing and consideration and appropriate action regarding Resolution 6143, authorizing (i) the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Granada Apartments) Series 2021 (the "Bonds"); (ii) the Las Varas Public Facility Corporation (the "Issuer" or "LVPFC") to approve Resolution 21LVPFC-05-20 authorizing the bonds; and (iii) other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer)
4. Consideration and appropriate action regarding Resolutions 6145 and 21LVPFC-05-22, authorizing the Las Varas Public Facility Corporation to approve an inducement resolution for the proposed San Jose Apartments project (Timothy E. Alcott, Chief Legal and Real Estate Officer)

5. Consideration and appropriate action regarding Resolutions 6144, 21LVPFC-05-21, and 21FAC-05-20, authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for the proposed Palo Alto Apartments Project (Timothy E. Alcott, Chief Legal and Real Estate Officer)
6. Consideration and appropriate action regarding Resolutions 6146, 21LVPFC-05-23, and 21FAC-05-22, authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for the proposed Zarzamora Commons Apartments project (Timothy E. Alcott, Chief Legal and Real Estate Officer)

DISCUSSION ITEM

7. 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 Villa Hermosa

RESOURCES

- Schedule of Units Under Development

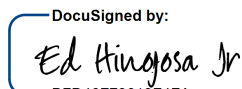
8. Adjournment


*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, when the Board determines there is a need and a closed meeting is permitted.

**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.

SAN ANTONIO HOUSING AUTHORITY**May 20, 2021****BOARD OF COMMISSIONERS
Real Estate Development Committee**

RESOLUTION 6143, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (GRANADA APARTMENTS) SERIES 2021 (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION (THE “ISSUER” OR “LVPFC”) TO APPROVE RESOLUTION 21LVPFC-05-20 AUTHORIZING THE BONDS; AND (III) OTHER MATTERS IN CONNECTION THEREWITH

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Ed Hinojosa, Jr.
Interim President and CEO

DocuSigned by:

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Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Public hearing and consideration and appropriate action regarding Resolution 6143, authorizing (i) the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Granada Apartments) Series 2021 (the “Bonds”); (ii) the Las Varas Public Facility Corporation (the “Issuer” or “LVPFC”) to approve Resolution 21LVPFC-05-20 authorizing the bonds; and (iii) other matters in connection therewith.

FINANCIAL IMPACT:

The total project cost is expected to be approximately \$62.8M or approximately \$237,000.00 per unit. The developers are Mission DG and Quincy Street Investors and they will give all required guarantees. The Issuer is expected to receive a fee of approximately \$300,000.00 in connection with the issuance of the Bonds.

SUMMARY:

Final approval of the issuance of the Bonds for the Granada Apartments Project (the “Project”), a rehabilitation project proposed by Mission Development Group and Quincy Street Investors, located at 311 South St. Mary’s Street. The Project will consist of 265 senior units, all of which will be low income housing tax credit units serving families whose incomes average 60% or less of area median income (AMI), with a substantial amount set at 50% AMI or below. All units will have restricted rent and must accept Section 8 vouchers. Additionally, HUD’s Office of Multifamily Housing has approved funding vouchers for 187 low-income households currently residing in the building, protecting these at-risk households from economic displacement.

Up to \$30,000,000.00 of tax-exempt bonds will be issued by LVPFC and purchased by IBC Bank, and equity contributions from an affiliate of 42 Equity Partners, LLC (“42 Equity”), as an investor limited partner, will be issued to finance the construction and long term operations. 42 Equity has issued a commitment to purchase the project tax credits. The land and existing improvements (together, the “Premises”) are owned by Granada Trades Council Housing, Inc., which will lease the Premises to the Project partnership; the San Antonio Housing Facility Corporation will not participate in the project as either ground lessor or as a general partner of the partnership.

We are targeting a closing date of July 8, 2021, and construction is expected to begin in August 2021. The rehabilitation will take place on approximately 30% of the units at a time to reduce

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

tenant relocation outside the building. It is intended for all resident relocation to be internal to the building, but there is a written plan for both internal and external relocation should it be absolutely necessary for some residents to temporarily live outside the building during the course of the renovation.

RESIDENT FOCUSED OUTCOMES:

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

ATTACHMENTS:

Resolution 6143

Resolution 21LVPFC-05-20

Presentation

CERTIFICATE FOR RESOLUTION 6143

The undersigned officer of the Housing Authority of the City of San Antonio, Texas (the "Authority") hereby certifies as follows:

1. In accordance with the bylaws of the Authority, the Board of Commissioners of the Authority (the "Board") held a meeting on June 3, 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 6143, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (GRANADA APARTMENTS) SERIES 2021 (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION (THE "ISSUER" OR "LVPFC) TO APPROVE RESOLUTION 21LVPFC-05-20 AUTHORIZING THE BONDS; AND (III) 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 state statutes and the Bylaws of the Authority.

SIGNED AND SEALED this 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim President and CEO

**San Antonio Housing Authority
Resolution 6143**

RESOLUTION 6143, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (GRANADA APARTMENTS) SERIES 2021 (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION (THE "ISSUER" OR "LVPFC) TO APPROVE RESOLUTION 21LVPFC-05-20 AUTHORIZING THE BONDS; AND (III) OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas (the "Authority") has created the Las Varas Public Facility Corporation (the "Issuer") to finance affordable housing on its behalf; and

WHEREAS, 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, rehabilitation 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 the City of 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 Governmental Note (Granada Apartments) Series 2021" in the aggregate principal amount not to exceed \$30,000,000.00 (the "Bonds"), the proceeds of which will be used to finance the cost of acquiring, rehabilitating, and equipping an existing 249-unit senior apartment facility to be known as the Granada Apartments, located at 311 South Saint Mary's Street, San Antonio, Bexar County, Texas (the "Project") for LIV Granada, LP, a Texas limited partnership (the "Borrower"); and

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Funding Loan Agreement (the "Funding Loan Agreement") between the Issuer and Wilmington Trust, National Association, as fiscal agent (the "Fiscal Agent"), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Project Loan Agreement (the "Project Loan Agreement") among the Issuer, the Fiscal Agent, and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") among the Issuer, the Fiscal Agent, and the Borrower; and

WHEREAS, the loan will be evidenced by Note issued under the Project Loan Agreement (the "Note"), and assignments of the Note (the "Assignments") from the Issuer in favor of the Fiscal Agent; and

WHEREAS, a Bond Purchase Agreement (the "Purchase Agreement"), setting forth certain terms and conditions upon which the Bond purchaser will purchase the Bonds and the Issuer will sell the Bonds to the Bond purchaser; 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, pursuant to 303.071 of the Texas Local Government Code, the Board of Commissioners of the Authority (the “Board”) must approve and authorize the issuance of the tax-exempt bonds by the Issuer; and

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

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the Issuer to enter into the transactions described above so that the Partnership may rehabilitate 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.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority hereby:

Section 1. The proposed development and the terms of the Bonds, the Funding Loan Agreement, the Project Loan Agreement, the Note, the Regulatory Agreement, the Assignments, and the Purchase Agreement are hereby authorized and approved.

Section 2. The Chairman, any Vice Chairman, the Secretary/Treasurer (or Interim Secretary/Treasurer), and each Assistant Secretary/Treasurer, or any of them, are authorized and directed to execute and deliver (or to accept, as the case may be) any documents and other instruments upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds and the financing of the Project or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 3. 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 set forth in Section 303.002 of 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 4. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds, and assets pledged under the Funding 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.

Section 5. 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 County of Bexar, the City of San Antonio,

the Authority, or any other political subdivision or governmental unit.

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 provision for payment shall have been made pursuant to the Funding Loan Agreement.

Section 7. The Board hereby approves Resolution 21LVPFC-05-20 and authorizes the Bonds to be issued in connection with the Project.

Section 8. 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 9. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

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.

Passed and approved the 3rd day of June 2021.

Ana M “Cha” Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO

CERTIFICATE FOR RESOLUTION 21LVPFC-05-20

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 June 3, 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-05-20, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING GOVERNMENTAL NOTE (GRANADA 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 3rd day of June 2021.

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 21LVPFC-05-20**

RESOLUTION 21LVPFC-05-20, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING GOVERNMENTAL NOTE (GRANADA 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 (Granada Apartments), Series 2021" in the aggregate principal amount not to exceed \$30,000,000.00 (the "Bonds"), the proceeds of which will be used to finance the cost of acquiring, rehabilitating, and equipping an existing 249-unit senior apartment facility into a 265 unit senior apartment facility to be known as the Granada Apartments, located at 311 South Saint Mary's Street, San Antonio, Texas (the "Project") for LIV Granada, LP, a Texas limited partnership (the "Borrower"); and

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Funding Loan Agreement (the "Funding Loan Agreement") between the Issuer and Wilmington Trust, National Association, as fiscal agent (the "Fiscal Agent"), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Project Loan Agreement (the "Project Loan Agreement") among the Issuer, the Fiscal Agent, and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") among the Issuer, the Fiscal Agent, and the Borrower; and

WHEREAS, the loan will be evidenced by a promissory note issued under the Project Loan Agreement (the "Note"), and assignments of the Note (the "Assignments") from the Issuer in favor of the Fiscal Agent; and

WHEREAS, the Issuer will be presented with a bond purchase agreement (the "Purchase Agreement"), setting forth certain terms and conditions upon which the Bond purchaser will purchase the Bonds and the Issuer will sell the Bonds to the Bond purchaser; 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, rehabilitating, and equipping the Project; and

WHEREAS, the Board of Directors of the Issuer (the "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.

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

Section 1. The terms of the Project Loan Agreement, the Funding Loan Agreement, the Note, the Regulatory Agreement, the Assignments, and the Purchase Agreement 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 Funding Loan Agreement, the Project Loan Agreement, the Regulatory Agreement, the Note, the Assignments, the Purchase Agreement, 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 \$30,000,000.00, with an interest rate (not including applicable premium) not to exceed [6%] as set forth in the Funding Loan Agreement, and with a maturity date not to exceed [December 31, 2041], in substantially the form and substance set forth in the Project 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 Funding Loan Agreement 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 Funding Loan Agreement, and the execution and delivery of the Funding Loan Agreement and any agreements relating to the purchase of the Bonds by the Bond Purchaser 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 Project Loan Agreement and the Funding Loan Agreement.

Section 4. The Fiscal Agent shall be Wilmington Trust, National Association.

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

Section 6. The President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, or any of them, are hereby authorized to execute and deliver to the Fiscal Agent the written request of the Issuer for the authentication and delivery of the Bonds by the Fiscal Agent in accordance with the Project Loan Agreement and the Funding Loan Agreement.

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 Project 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.

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

Passed and approved the 3rd day of June 2021.

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

Attested and approved as to form:

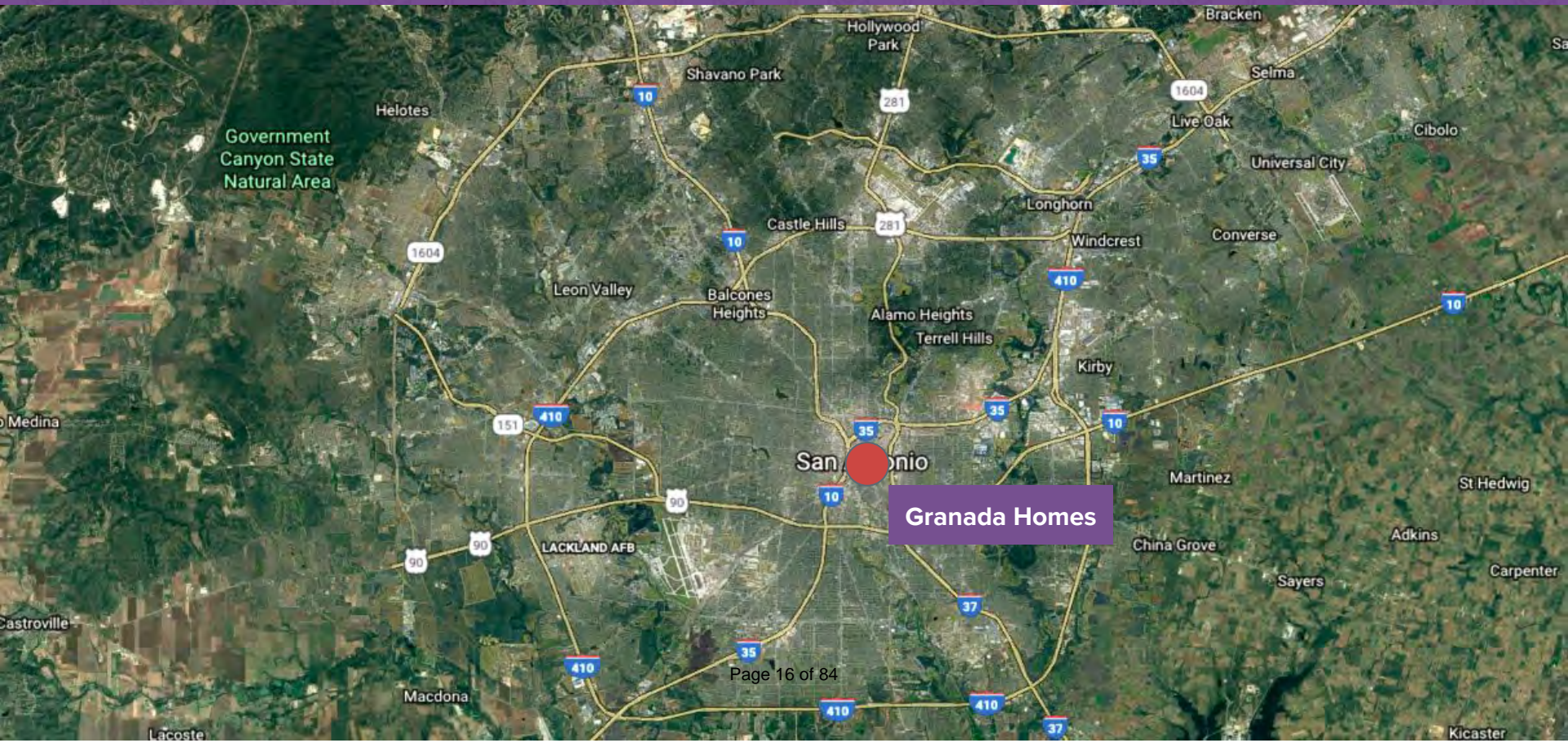
Ed Hinojosa, Jr.
Interim Secretary/Treasurer



Granada Homes

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

MAP

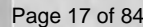


Granada Homes

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



GRANADA HOMES



- ❖ City Council District 1
- ❖ San Antonio ISD
- ❖ 265 Units
 - 30% AMI - 84
 - 60% AMI - 99
 - 80% AMI - 82
 - 187 Vouchers
- ❖ Bond Issuance
- ❖ Total Development Cost:
\$62,857,222.00

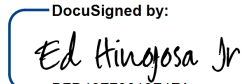
QUESTIONS?

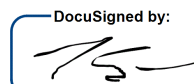
SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

BOARD OF COMMISSIONERS
Real Estate Development Committee

RESOLUTIONS 6145 AND 21LVPFC-05-22, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR PROPOSED TAX EXEMPT BOND FINANCING FOR THE SAN JOSE APARTMENTS PROJECT

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Ed Hinojosa, Jr.
 Interim President and CEO

DocuSigned by:

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Timothy E. Alcott
 Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and appropriate action regarding Resolutions 6145 and 21LVPFC-05-22, authorizing the Las Varas Public Facility Corporation to approve an inducement resolution for the proposed San Jose Apartments project.

FINANCIAL IMPACT:

None at this time. However, by authorizing us to submit applications early, this project has a greater chance of receiving a reservation which could mean millions of dollars in additional revenue.

SUMMARY:

Today we are seeking authority to file applications relating to our proposed San Jose Apartments 4% tax credit project. All 4% tax credit projects 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. We will apply for a volume cap, which may not be awarded until the end of the year, if any volume cap is available. We need to submit our applications as soon as we can. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to specifically approve or be bound to this project. These are non-binding Resolutions.*** This will enable us to move forward, make an application for volume cap, begin to put the financing together, and negotiate the specific terms of the deal, which we will bring back to you for approval.

The San Jose Apartments project is a 220-unit rehabilitation project proposed by The Related Companies, located at 2914 Roosevelt Avenue. It is proposed that all 220 units will be reserved for tenants earning 60% or less of median income, including approximately 22 Section 8 voucher units serving families whose incomes are 30% or less of area median income. The rehabilitation will include improvements to all of the units, including making WiFi available throughout the project. The total project cost is estimated to be approximately \$51.5 million.

Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The attached Resolution authorizes Las Varas Public Facility Corporation to approve and induce Resolutions for the above project.

You have previously authorized the Texas Housing Foundation, a housing authority from Marble Falls, to operate in SAHA's jurisdiction to rehabilitate this project. Las Varas will issue the bonds but no SAHA affiliate will serve as the general partner in this project.

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

RESIDENT FOCUSED OUTCOMES:

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

ATTACHMENTS:

Resolution 6145

Resolution 21LVPFC-05-22

Presentation

CERTIFICATE FOR RESOLUTION 6145

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

1. In accordance with its bylaws, the Board of Directors of SAHA (the "Board") held a meeting on June 3, 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 6145, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR THE PROPOSED TAX EXEMPT BOND FINANCING OF THE SAN JOSE APARTMENTS PROJECT

(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 SAHA.

SIGNED AND SEALED this 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim President and CEO

**San Antonio Housing Authority
Resolution 6145**

RESOLUTION 6145, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE AN INDUCEMENT RESOLUTION FOR THE PROPOSED TAX EXEMPT BOND FINANCING OF THE SAN JOSE APARTMENTS PROJECT

WHEREAS, two of the San Antonio Housing Authority's resident focused outcomes is that residents have a sufficient supply of affordable housing options and that they live in quality affordable housing; and

WHEREAS, a principal financing mechanism for new affordable housing is the 4% low income housing tax credit; and

WHEREAS, it is necessary to obtain volume cap allocations for tax-exempt bonds and applications for tax credits for the San Jose Apartments project (the "Project"); and

WHEREAS, it is proposed that Las Varas Public Facility Corporation ("LVPFC") apply for volume cap allocation for the Project; and

WHEREAS, LVPFC will pass a nonbinding resolution to induce the Project authorizing the applications needed to finance the Project and to negotiate the terms of such financing, which will be brought back to the Board for final consideration.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority hereby:

1. Approves Resolution 6145, inducing the proposed Project and authorizing the applications necessary and the negotiation of the terms of the financing therefore.
2. Authorize the Interim President and CEO, or designee, to execute all necessary documents associated therewith.

Passed and approved the 3rd day of June 2021.

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

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO

CERTIFICATE FOR RESOLUTION 21LVPFC-05-22

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 June 3, 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-05-22, CONCERNING THE APPLICATION OF THE RELATED COMPANIES RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000.00 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE SAN JOSE APARTMENTS, TO BE LOCATED AT APPROXIMATELY 2914 ROOSEVELT AVENUE, SAN ANTONIO, TEXAS; 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 3rd day of June 2021.

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 21LVPFC-05-22**

RESOLUTION 21LVPFC-05-22, CONCERNING THE APPLICATION OF THE RELATED COMPANIES RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000.00 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE SAN JOSE APARTMENTS, TO BE LOCATED AT APPROXIMATELY 2914 ROOSEVELT AVENUE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas (the “Housing Authority”), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”); and

WHEREAS, the 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 Related Companies, L.P. (the “User”), has filed an Application (the “Application”), requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of an existing 220-unit multifamily housing facility to be located at approximately 2914 Roosevelt Avenue and to be known as the San Jose Apartments (the “Project”); and (ii) the Issuer file a 2021 and/or 2022 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, rehabilitation, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the “Board”) of the Issuer to issue housing revenue bonds pursuant to the Act (the “Bonds”) to finance and pay any Development Costs, as defined in the Act, for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, rehabilitation, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer’s commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed \$40,000,000.00 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

WHEREAS, the Bonds are “private activity bonds” as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given; and

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds; and

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code; and

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" or a "Application for Carryforward for Private Activity Bonds" (the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application; and

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer; and

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, rehabilitation, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures; and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$40,000,000.00;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefore satisfactory to the User and the Issuer can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of

the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the Housing Authority (including legal and financial advisory expenses); acquisition, rehabilitation, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the Housing Authority, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, rehabilitation, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, rehabilitation, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas (the "State"), the Housing Authority, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the Housing Authority, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 2. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the Housing Authority against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including, but not limited to, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, rehabilitation, equipping, installation, operation, use, occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the Issuer or the Housing Authority) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the Housing Authority.

Section 3. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 5. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 6. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. **Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.**

Section 7. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file a 2021 and/or 2022 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 8. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 9. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000.00 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 10. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for

which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 11. 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 12. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed \$40,000,000.00. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the President, Vice President, Secretary, Treasurer, or any Assistant Secretary of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 14. 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 15. 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 16. 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 17. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 18. This Resolution shall be in force and effect from and after its passage.

Passed and approved the 3rd day of June 2021.

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

Attested and approved as to form:

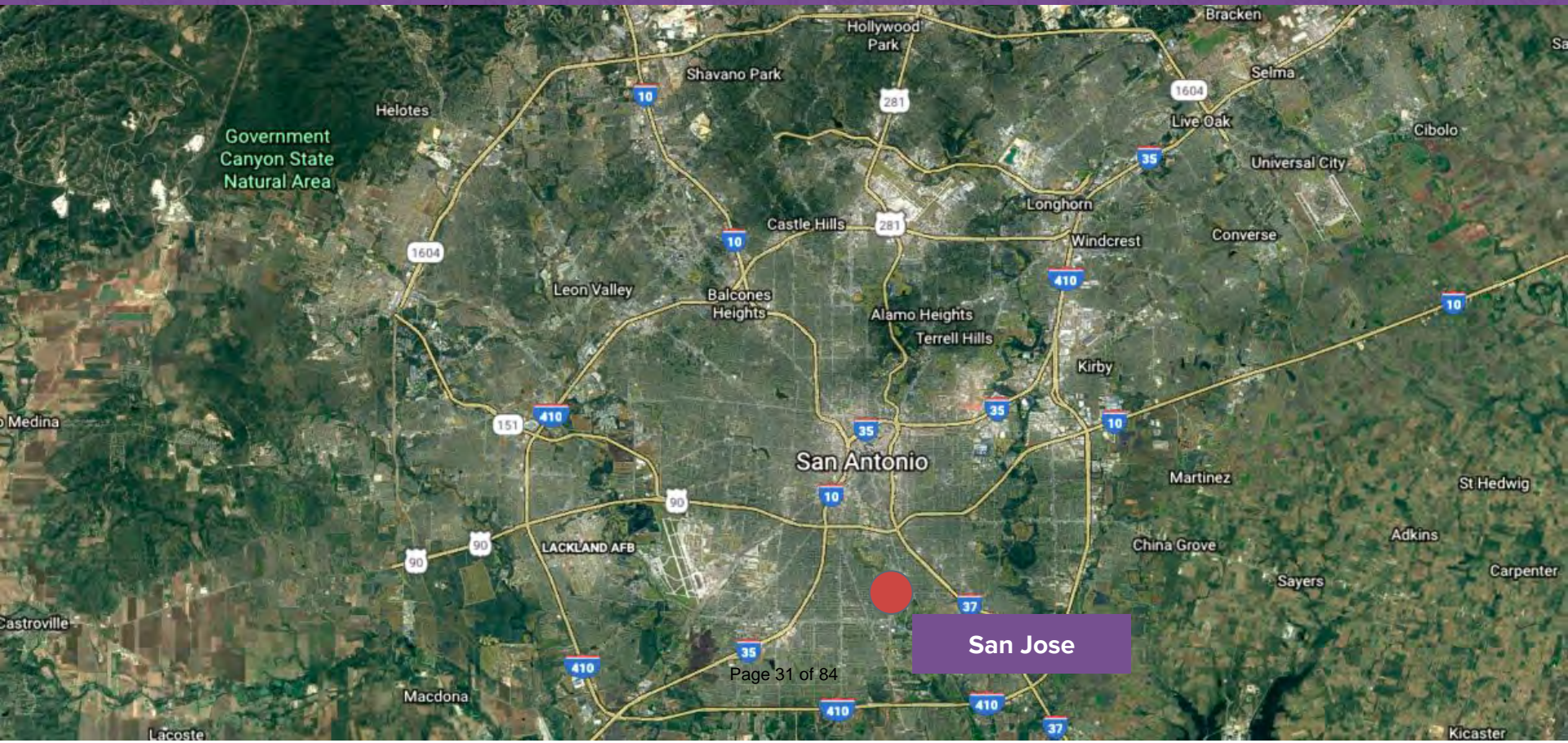
Ed Hinojosa, Jr.
Interim Secretary/Treasurer



San Jose Apartments

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

MAP



REGIONAL CENTERS

PHASE 1 CENTERS

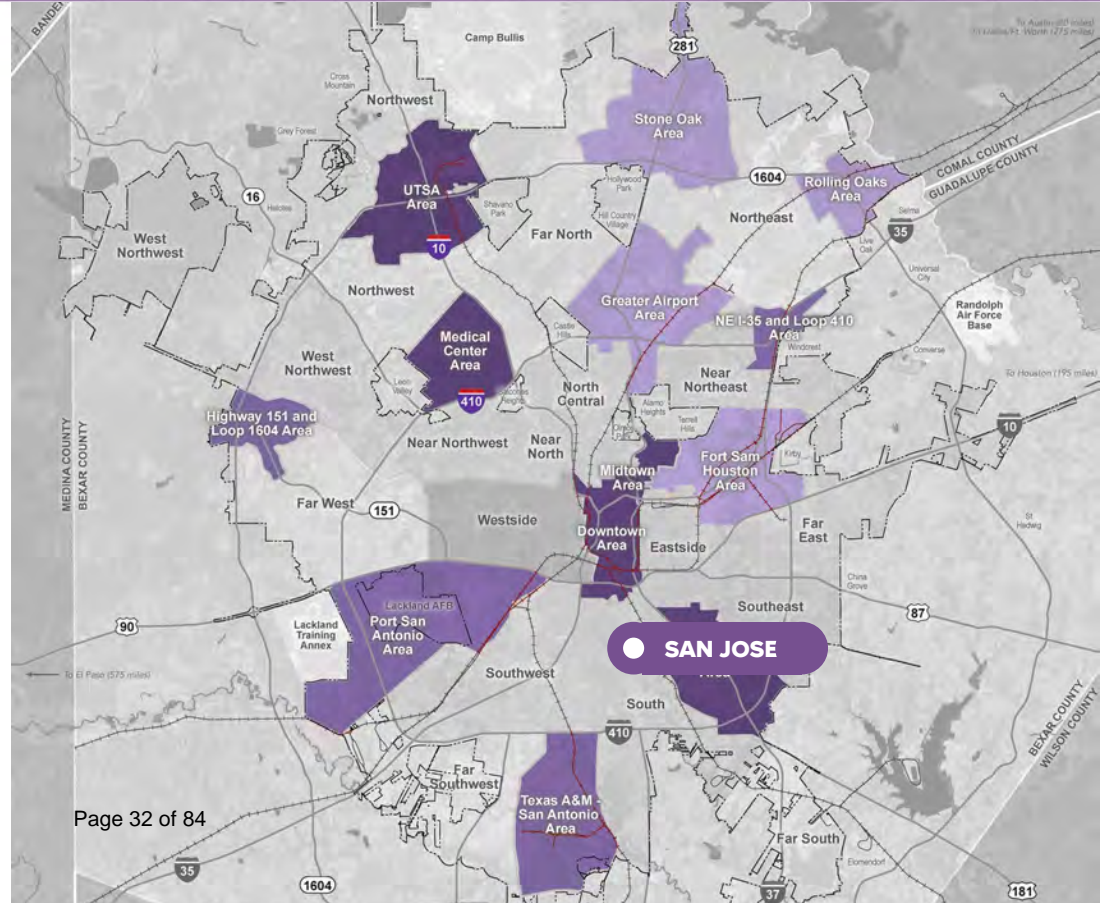
Downtown
Medical Center
UTSA
Midtown
Brooks

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



SAN JOSE



- ❖ City Council District 3
- ❖ Southside ISD
- ❖ 220 Units
 - 60% AMI -220
 - Section 8 Vouchers -22
- ❖ Bond Issuance
- ❖ Total Development Cost:
\$51.5 M

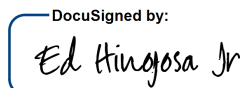
QUESTIONS?


SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

BOARD OF COMMISSIONERS
Real Estate Development Committee

RESOLUTIONS 6144, 21LVPFC-05-21, AND 21FAC-05-20, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE PALO ALTO APARTMENTS PROJECT

DocuSigned by:

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Ed Hinojosa, Jr.
 Interim President and CEO

DocuSigned by:

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Timothy E. Alcott
 Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and appropriate action regarding Resolutions 6144, 21LVPFC-05-21, and 21FAC-05-20 authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for the proposed Palo Alto Apartments Project.

FINANCIAL IMPACT:

None at this time. However, by authorizing us to submit applications early, this project has a greater chance of receiving a reservation, which could mean millions of dollars in additional revenue.

SUMMARY:

Today we are seeking authority to file applications relating to our proposed Palo Alto Apartments 4% tax credit projects. All 4% tax credit projects 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 developer received a 2019 carryforward for Pearsall Flats, which will not move forward. This carryforward is being reallocated to the Palo Alto Project, with some proceeds from the 2019 carryforward for Alazan. Accordingly, the Project will have the volume cap needed to proceed. ***We are not asking you to specifically approve or be bound to these projects. These are non-binding Resolutions.*** This will enable us to move forward, make applications for volume cap and tax credits, begin to put the financing together, and negotiate the specific terms of the deals, which we will bring back to you for approval.

The Palo Alto Apartments project is a 336-unit project proposed by Streamline Advisory Partners to be located at the southeast corner of Palo Alto Road and Loop 410. It is proposed that all 336 units will be reserved for tenants with incomes averaging 60% or less of median income. The total project cost is estimated to be approximately \$61 million.

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 Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement Resolutions for each of the above projects.

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

RESIDENT FOCUSED OUTCOMES:

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

ATTACHMENTS:

Resolution 6144

Resolution 21LVPFC-05-21

Resolution 21FAC-05-20

Presentation

CERTIFICATE FOR RESOLUTION 6144

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

1. In accordance with its bylaws, the Board of Directors of SAHA (the "Board") held a meeting on June 3, 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 6144, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR THE PROPOSED TAX CREDIT AND TAX EXEMPT BOND FINANCING OF THE PALO ALTO APARTMENTS PROJECT

(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 SAHA.

SIGNED AND SEALED this 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim President and CEO

San Antonio Housing Authority

Resolution 6144

RESOLUTION 6144, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR THE PROPOSED TAX CREDIT AND TAX EXEMPT BOND FINANCING OF THE PALO ALTO APARTMENTS PROJECT

WHEREAS, two of the San Antonio Housing Authority's resident focused outcomes is that residents have a sufficient supply of affordable housing options and that they live in quality affordable housing; and

WHEREAS, a principal financing mechanism for new affordable housing is the 4% low income housing tax credit; and

WHEREAS, it is necessary to obtain volume cap allocations for tax-exempt bonds and applications for tax credits for the Palo Alto Apartments project (the "Project"); and

WHEREAS, it is proposed that Las Varas Public Facility Corporation ("LVPFC") apply for volume cap allocation for the Project; and

WHEREAS, it is proposed that the San Antonio Housing Facility Corporation ("SAHFC") create a limited liability company to serve as the general partner of the partnership, which will own the tax credit Project; and

WHEREAS, LVPFC and SAHFC will pass non-binding resolutions to induce the Project authorizing the applications needed to finance the Project and to negotiate the terms of such financing, which will be brought back to the Board for final consideration.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority hereby:

1. Approves Resolution 6144, inducing the proposed Project and authorizing the applications necessary and the negotiation of the terms of the financing therefore.
2. Approves Resolution 21LVPFC-05-21 of LVPFC, inducing the proposed Project and authorizing the applications necessary therefore and the negotiation of the terms of the financing therefore.
3. Approves Resolution 21FAC-05-20 of SAHFC, inducing the proposed Project and authorizing the applications necessary therefore and the negotiation of the terms of the financing therefore.
4. Authorizes the President and CEO, or designee, to execute all necessary documents associated therewith.

Passed and approved the 3rd day of June 2021.

Ana M "Cha" Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.

Interim President and CEO

CERTIFICATE FOR RESOLUTION 21LVPFC-05-21

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 June 3, 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-05-21, CONCERNING THE APPLICATION OF SOSA AT PALO ALTO, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$31,000,000.00 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PALO ALTO APARTMENTS, TO BE LOCATED AT APPROXIMATELY THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; 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 3rd day of June 2021.

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 21LVPFC-05-21**

RESOLUTION 21LVPFC-05-21, CONCERNING THE APPLICATION OF SOSA AT PALO ALTO, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$31,000,000.00 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PALO ALTO APARTMENTS, TO BE LOCATED AT APPROXIMATELY THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas (the “Housing Authority”), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”); and

WHEREAS, the 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, SoSA at Palo Alto, LP, a Texas limited partnership (the “User”), has filed an Application (the “Application”), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed 336-unit multifamily housing facility to be located at approximately the southeast corner of Palo Alto Road and Loop 410 and to be known as the Palo Alto Apartments (the “Project”); and (ii) the Issuer file a 2021 and/or 2022 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the “Board”) of the Issuer to issue housing revenue bonds pursuant to the Act (the “Bonds”) to finance and pay any Development Costs, as defined in the Act, for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer’s commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed \$31,000,000.00 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

WHEREAS, the Bonds are “private activity bonds” as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given; and

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds; and

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code; and

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds", an "Application for Carryforward for Private Activity Bonds" or an "Application for Reassignment of Carryforward Designation" (the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application; and

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer; and

WHEREAS, the Issuer intends to reassign \$24,780,000.00 of the 2019 carryforward designation that it received from the Texas Bond Review Board for the Old Pearsall Flats project (19CF-004) and the remainder from the 2019 carryforward designation that it received from the Texas Bond Review Board for the Alazan Courts Apartments project (19CF-003) to the Project (the "Reassignment"); and

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures; and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$31,000,000.00;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefore satisfactory to the User and the Issuer can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the Housing Authority (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the Housing Authority, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas (the "State"), the Housing Authority, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the Housing Authority, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 2. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the Housing Authority against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, equipping, installation,

operation, use, occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the Issuer or the Housing Authority) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the Housing Authority.

Section 3. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 5. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 6. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. **Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.**

Section 7. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file a 2021 and/or 2022 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 8. The Issuer hereby approves the Reassignment.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000.00 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 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed \$31,000,000.00. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary/Treasurer (or Interim Secretary/Treasurer), or any Assistant Secretary/Treasurer of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 16. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

Passed and approved the 3rd day of June 2021.

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

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

CERTIFICATE FOR RESOLUTION 21FAC-05-20

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 (the "Board") held a meeting on June 3, 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 21FAC-05-20, INDUCING THE PALO ALTO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND 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 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 21FAC-05-20**

RESOLUTION 21FAC-05-20, INDUCING THE PALO ALTO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, SoSA at Palo Alto, LP, a Texas limited partnership (the “Partnership”), and SAHA Palo Alto GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), will be formed to acquire and construct an approximately 336-unit multifamily housing facility (the “Housing Facility”) to be located at approximately the southeast corner of Palo Alto Road and Loop 410, San Antonio, Texas (the “Land,” together with the Housing Facility, the “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 (the “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 (the “Ground Lease”), and (iii) will serve as the general contractor for the Project (the “General Contractor”); and

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (the “Issuer”) issue its Multifamily Housing Revenue Bonds (Palo Alto Apartments) Series 2021 (the “Bonds”) to finance the Project (the “Bond Financing”); and

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$31,000,000.00 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 (collectively, the “Bond Documents”); and

WHEREAS, the Partnership, will apply for low income housing tax credits (the “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 (the “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 (the “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 (collectively, the “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 (collectively, the “Subordinate Loan Documents”); and

WHEREAS, the members of the Board of Directors of SAHFC (collectively, the “Board”) and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana M. “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

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 by the Board of Directors of the San Antonio Housing Facility Corporation, that:

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.

Section 2. The President, any Vice President, the Secretary/Treasurer (or Interim Secretary/Treasurer), any Assistant Secretary/Treasurer, 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/Treasurer (or Interim Secretary/Treasurer), and any Assistant Secretary/Treasurer, or any of them, and, if required by the form of the document, the Secretary/Treasurer (or Interim Secretary/Treasurer) and any Assistant Secretary/Treasurer, 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/Treasurer (or Interim Secretary/Treasurer), any Assistant Secretary/Treasurer, 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 Streamline Advisory Partners, LLC (the "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 the 3rd day of June 2021.

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

Attested and approved as to form:

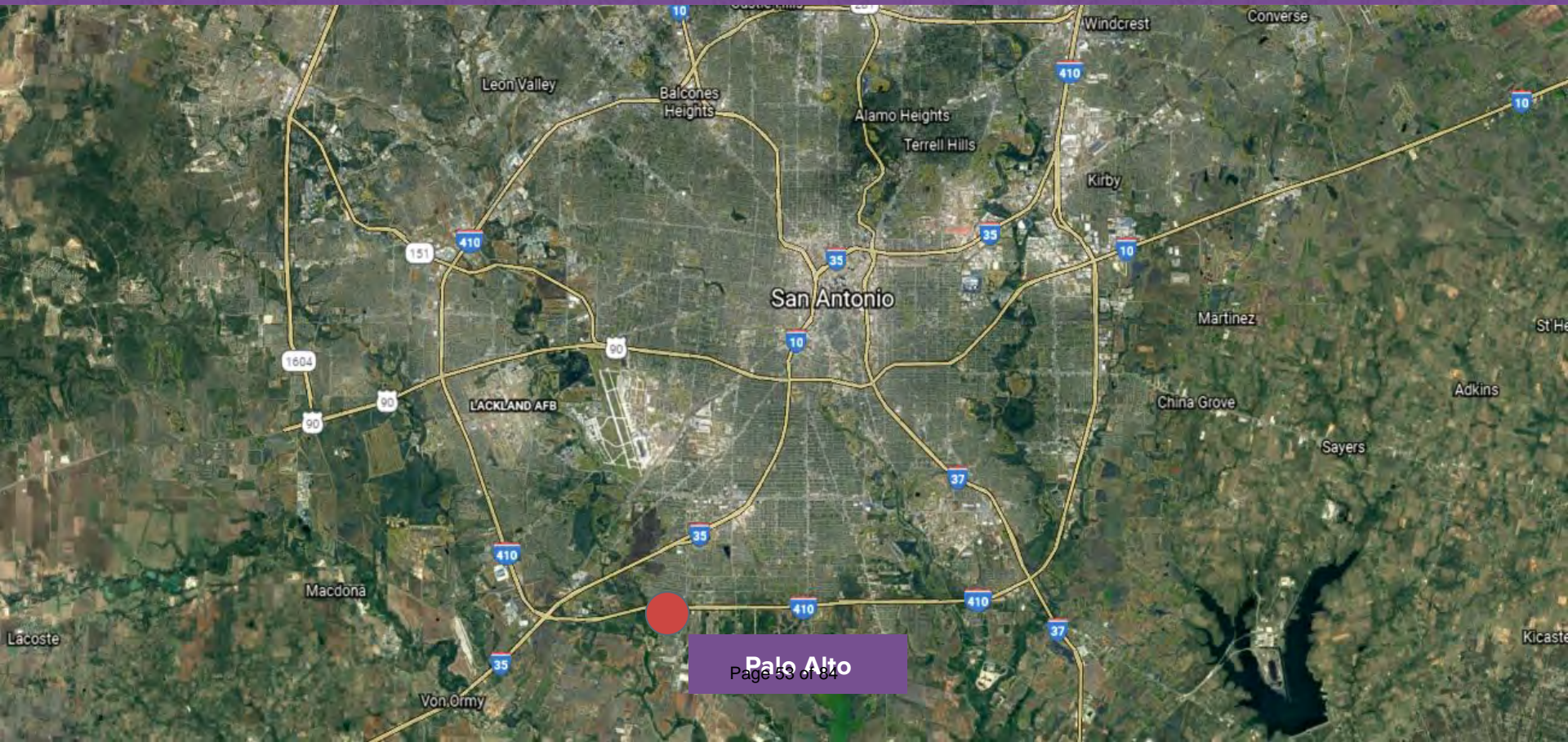
Ed Hinojosa, Jr.
Interim Secretary/Treasurer



Palo Alto

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

MAP



Palo Alto

Page 53 of 84

REGIONAL CENTERS

PHASE 1 CENTERS

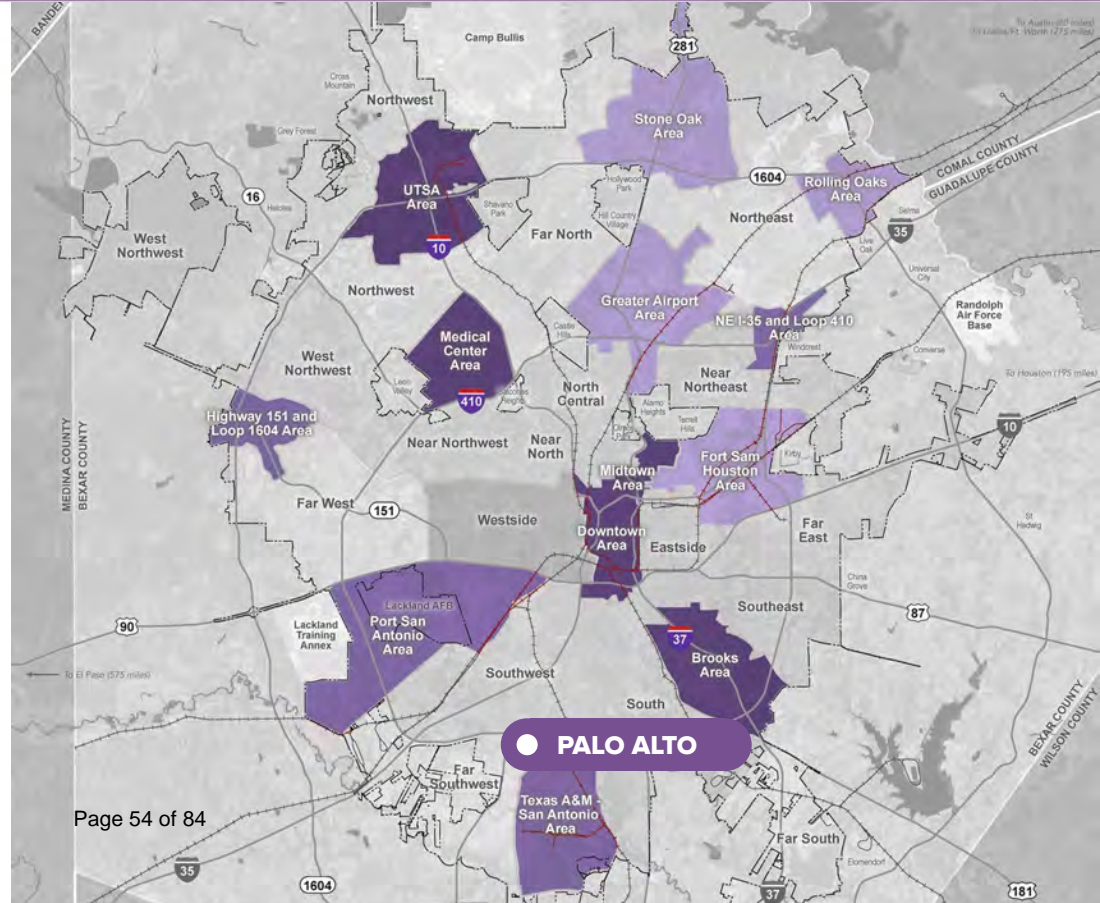
Downtown
Medical Center
UTSA
Midtown
Brooks

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



PALO ALTO



- ❖ City Council District 4
- ❖ South San Antonio ISD
- ❖ 366 Units
 - 30% AMI - 8
 - 40% AMI - 8
 - 50% AMI - 8
 - 60% AMI - 295
 - 80% AMI - 17
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost:
\$61,181,908.00

Palo Alto Apartments - Proforma Breakdown

Use of Funds	Permanent	
Acquisition Costs	\$4,546,357.00	
Construction Costs	\$39,688,682.00	
Architect/Engineering	\$780,600.00	
Permits & Fees	\$2,738,277.00	
Title & Survey	\$225,000.00	
Construction Period Expenses	\$85,000.00	
Financing Costs	\$2,257,849.00	
Professional Services	\$273,500.00	
Tax Credit Fees	\$215,782.00	
Development Fee	\$6,986,086.00	
Reserves & Other	\$3,384,774.00	
Total	\$61,181,908.00	

QUESTIONS?

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

BOARD OF COMMISSIONERS
Real Estate Development Committee

RESOLUTIONS 6146, 21LVPFC-05-23, AND 21FAC-01-22, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE ZARZAMORA COMMONS APARTMENTS PROJECT

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

DocuSigned by:



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Timothy E. Alcott**Real Estate and Legal Services Officer****REQUESTED ACTION:**

Consideration and appropriate action regarding Resolutions 6146, 21LVPFC-05-23, and 21FAC-01-22 authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for the proposed Zarzamora Commons Apartments project.

FINANCIAL IMPACT:

None at this time. However, by authorizing us to submit applications early, this project has a greater chance of receiving a reservation, which could mean millions of dollars in additional revenue.

SUMMARY:

Today we are seeking authority to file applications relating to our proposed Zarzamora Commons Apartments 4% tax credit projects. All 4% tax credit projects 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. We are proposing to reallocate the 2019 carryforward received for Alazan to this Project. Accordingly, the Project will have the volume cap needed to proceed. ***We are not asking you to specifically approve or be bound to these projects. These are non-binding Resolutions.*** This will enable us to move forward, make applications for volume cap and tax credits, begin to put the financing together, and negotiate the specific terms of the deals, which we will bring back to you for approval.

The Zarzamora Commons Apartments project is a 300-unit project proposed by Vaquero Ventures to be located at the southwest corner of South Zarzamora Street and Loop 410. It is proposed that all 300 units will be reserved for tenants earning 60% or less of median income. The total project cost is estimated to be approximately \$64.5 million.

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 Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement Resolutions for each of the above projects.

SAN ANTONIO HOUSING AUTHORITY

May 20, 2021

RESIDENT FOCUSED OUTCOMES:

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

ATTACHMENTS:

Resolution 6146

Resolution 21LVPFC-05-23

Resolution 21FAC-01-22

Presentation

CERTIFICATE FOR RESOLUTION 6146

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

1. In accordance with its bylaws, the Board of Directors of SAHA (the "Board") held a meeting on June 3, 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 6146, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR THE PROPOSED TAX CREDIT AND TAX EXEMPT BOND FINANCING OF THE ZARZAMORA COMMONS APARTMENTS PROJECT

(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 SAHA.

SIGNED AND SEALED this 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim President and CEO

**San Antonio Housing Authority
Resolution 6146**

RESOLUTION 6146, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR THE PROPOSED TAX CREDIT AND TAX EXEMPT BOND FINANCING OF THE ZARZAMORA COMMONS APARTMENTS PROJECT

WHEREAS, two of the San Antonio Housing Authority's resident focused outcomes is that residents have a sufficient supply of affordable housing options and that they live in quality affordable housing; and

WHEREAS, a principal financing mechanism for new affordable housing is the 4% low income housing tax credit; and

WHEREAS, it is necessary to obtain volume cap allocations for tax-exempt bonds and applications for tax credits for the Zarzamora Commons Apartments project (the "Project"); and

WHEREAS, it is proposed that Las Varas Public Facility Corporation ("LVPFC") apply for volume cap allocation for the Project; and

WHEREAS, it is proposed that the San Antonio Housing Facility Corporation ("SAHFC") create a limited liability company to serve as the general partner of the partnership, which will own the tax credit Project; and

WHEREAS, LVPFC and SAHFC will pass non binding resolutions to induce the Project authorizing the applications needed to finance the Project and to negotiate the terms of such financing, which will be brought back to the Board for final consideration.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Antonio Housing Authority hereby:

1. Approves Resolution 6146, inducing the proposed Project and authorizing the applications necessary and the negotiation of the terms of the financing therefore.
2. Approves Resolution 21LVPFC-05 of LVPFC, inducing the proposed Project and authorizing the applications necessary and the negotiation of the terms of the financing therefore.
3. Approves Resolution 21FAC-01-22 of SAHFC, inducing the proposed Project and authorizing the applications necessary and the negotiation of the terms of the financing therefore.
4. Authorizes the Interim President and CEO, or designee, to execute all necessary documents associated therewith.

Passed and approved the 3rd day of June 2021.

**Ana M "Cha" Guzman
Chair, Board of Commissioners**

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim President and CEO

CERTIFICATE FOR RESOLUTION 21LVPFC-05-23

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 June 3, 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-05-23, CONCERNING THE APPLICATION OF VAQUERO ZARZAMORA MULTIFAMILY, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000.00 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE ZARZAMORA COMMONS APARTMENTS, TO BE LOCATED AT APPROXIMATELY THE SOUTHWEST CORNER OF SOUTH ZARZAMORA STREET AND LOOP 410, SAN ANTONIO, TEXAS; 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 3rd day of June 2021.

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 21LVPFC-05-23**

RESOLUTION 21-LVPFC-05-23 CONCERNING THE APPLICATION OF VAQUERO ZARZAMORA MULTIFAMILY, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000.00 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE ZARZAMORA COMMONS APARTMENTS, TO BE LOCATED AT APPROXIMATELY THE SOUTHWEST CORNER OF SOUTH ZARZAMORA STREET AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas (the “Housing Authority”), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”); and

WHEREAS, the 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, Vaquero Zarzamora Multifamily, LP, a Texas limited partnership (the “User”), has filed an Application (the “Application”), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed 300-unit multifamily housing facility to be located at approximately the southwest corner of South Zarzamora Street and Loop 410 and to be known as the Zarzamora Commons Apartments (the “Project”); and (ii) the Issuer file a 2021 and/or 2022 Allocation Application (defined hereafter), and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the “Board”) of the Issuer to issue housing revenue bonds pursuant to the Act (the “Bonds”) to finance and pay any Development Costs, as defined in the Act, for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer’s commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed \$35,000,000.00 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

WHEREAS, the Bonds are “private activity bonds” as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules

promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8 (together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code requires that the applicable elected official of the City approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given; and

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds; and

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code; and

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds", an "Application for Carryforward for Private Activity Bonds", or an "Application for Reassignment of Carryforward Designation" (the "Allocation Application") to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application; and

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer; and

WHEREAS, the Issuer intends to reassign \$35,000,000.00 of the 2019 carryforward designation that it received from the Texas Bond Review Board for its Alazan Courts Apartments project (19CF-003) to the Project (the "Reassignment"); and

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures; and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

Section 1. Subject to the terms hereof, the Issuer agrees that it will

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds in an amount not to exceed \$35,000,000.00;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefore satisfactory to the User and the Issuer can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the Housing Authority (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the Housing Authority, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas (the "State"), the Housing Authority, nor any political issuer, subdivision, or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the Housing Authority, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

Section 2. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds, indemnify and hold harmless the Issuer and the Housing Authority against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, equipping, installation,

operation, use, occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the Issuer or the Housing Authority) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer; and

(c) no Bonds will be issued without the approval of the Housing Authority.

Section 3. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

Section 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

Section 5. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 6. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. **Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.**

Section 7. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file a 2021 and/or 2022 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer's Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

Section 8. The Issuer hereby approves the Reassignment.

Section 9. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

Section 10. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000.00 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 11. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 12. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

Section 13. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed \$35,000,000.00. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 14. The Board authorizes the President, Vice President, Secretary/Treasurer (or Interim Secretary/Treasurer) or any Assistant Secretary/Treasurer of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

Section 15. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 16. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 17. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

Passed and approved the 3rd day of June 2021.

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

Attested and approved as to form:

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

CERTIFICATE FOR RESOLUTION 21FAC-05-22

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 (the "Board") held a meeting on June 3, 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 21FAC-05-22, INDUCING THE ZARZAMORA COMMONS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND 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 3rd day of June 2021.



Ed Hinojosa, Jr.
Interim Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 21FAC-05-22**

RESOLUTION 21FAC-05-22, INDUCING THE ZARZAMORA COMMONS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Vaquero Zarzamora Multifamily, LP, a Texas limited partnership (the “Partnership”), and SAHA Zarzamora Multifamily GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), will be formed to acquire and construct an approximately 300-unit multifamily housing facility (the “Housing Facility”) to be located at approximately the southwest corner of South Zarzamora Street and Loop 410, San Antonio, Texas (the “Land,” together with the Housing Facility, the “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 (the “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 (the “Ground Lease”), and (iii) will serve as the general contractor for the Project (the “General Contractor”); and

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (the “Issuer”) issue its Multifamily Housing Revenue Bonds (Zarzamora Commons Apartments) Series 2021 (the “Bonds”) to finance the Project (the “Bond Financing”); and

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$35,000,000.00 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 (collectively, the “Bond Documents”); and

WHEREAS, the Partnership, will apply for low income housing tax credits (the “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 (the “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 (the “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 (collectively, the “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 (collectively, the “Subordinate Loan Documents”); and

WHEREAS, the members of the Board of Directors of SAHFC (collectively, the “Board”) and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana M. “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

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 the San Antonio Housing Facility Corporation, hereby:

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.

Section 2. The President, any Vice President, the Secretary/Treasurer (or Interim Secretary/Treasurer), any Assistant Secretary/Treasurer, 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/Treasurer (or Interim Secretary/Treasurer), and any Assistant Secretary/Treasurer, or any of them, and, if required by the form of the document, the Secretary/Treasurer (or Interim Secretary/Treasurer) and any Assistant Secretary/Treasurer, 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/Treasurer (or Interim Secretary/Treasurer), any Assistant Secretary/Treasurer, 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 Vaquero Ventures (the "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 the 3rd day of June 2021.

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

Attested and approved as to form:

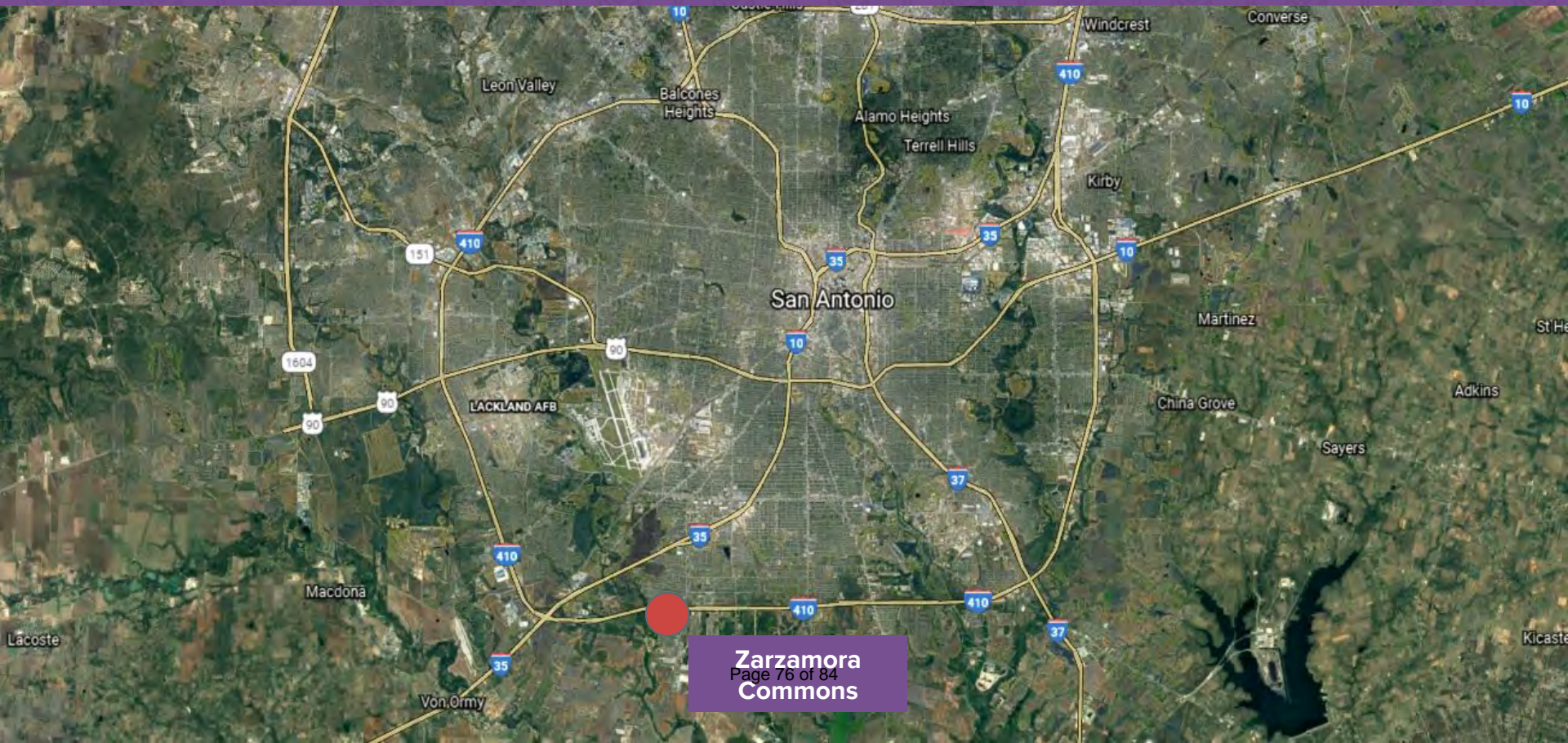
Ed Hinojosa, Jr.
Interim Secretary/Treasurer



Zarzamora Commons

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

MAP



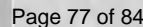
Zarzamora
Commons

Page 76 of 84

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



ZARZAMORA COMMONS



- ❖ City Council District 4
- ❖ South San Antonio ISD
- ❖ 300 Units
 - 60% AMI - 300
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost:
\$64,524,538.00

Zarzamora Commons - Proforma Breakdown

Use of Funds	Permanent	
Acquisition Costs	\$4,250,000.00	
Construction Hard Cost Contingency (Outside Contract)	\$1,750,000.00	
Construction Costs	\$40,305,000.00	
Architect/Engineering	\$765,000.00	
Permits & Fees	\$2,593,662.00	
Title & Survey	\$197,000.00	
Construction Period Expenses	\$177,582.00	
Financing Costs	\$3,372,525.00	
Professional Services	\$480,000.00	
Tax Credit Fees	\$263,351.00	
Development Fee	\$6,778,353.00	
Reserves & Other	\$3,592,067.00	
Total	\$64,524,538.00	

QUESTIONS?

								SALES PROFILE							
#	Address	House Plan	Sq. Ft	BR/B	Final Building Costs 1-26-2018 [1]	Bldng Cost Sq Ft	"AS IF" Appraisal [2]	List Price	Sales Price	SAHA Closing Costs & Fees	SAHA Net	Subsidy [3]	Closing Date	Post Appraisal Value	Days On Market [4]
#	Address	House Plan	Sq. Ft	BR/B	Final Building Costs 1-26-2018 [1]	Bldng Cost Sq Ft	"AS IF" Appraisal [2]	List Price	Sales Price	SAHA Closing Costs & Fees	SAHA Net	Subsidy [3]	Closing Date	Post Appraisal Value	Days On Market [4]
HOPE VI MIRASOL-VILLAS DE FORTUNA (28)															
1	402 PRECIOUS	E Plan 1481	1,481	3BR/2B	\$ 160,489.00	\$ 108.37									
2	410 PRECIOUS	A Plan 1104	1,104	2BR/2B	\$ 143,023.00	\$ 129.55									
3	411 PRECIOUS	D Plan 1358	1,358	3BR/2B	\$ 158,195.00	\$ 116.49									
4	418 PRECIOUS	B Plan 1145	1,145	2BR/2B	\$ 144,243.00	\$ 125.98									
5	423 PRECIOUS	C Plan 1268	1,268	3BR/2B	\$ 151,557.00	\$ 119.52									
6	427 PRECIOUS	D Plan 1358	1,358	3BR/2B	\$ 158,195.00	\$ 116.49									
7	439 PRECIOUS	E Plan 1481	1,481	3BR/2B	\$ 160,489.00	\$ 108.37									
8	440 PRECIOUS	C Plan 1268	1,268	3BR/2B	\$ 151,557.00	\$ 119.52									
9	443 PRECIOUS														
10	444 PRECIOUS	A Plan 1104	1,104	2BR/2B	\$ 143,023.00	\$ 129.55									
11	447 PRECIOUS														
12	448 PRECIOUS														
13	452 PRECIOUS														
14	455 PRECIOUS														
15	458 PRECIOUS														
16	459 PRECIOUS														
17	462 PRECIOUS														
18	463 PRECIOUS														
19	467 PRECIOUS														
20	470 PRECIOUS														
21	471 PRECIOUS														
22	475 PRECIOUS														
23	503 PRECIOUS														
24	506 PRECIOUS														
25	507 PRECIOUS														
26	514 PRECIOUS														
27	518 PRECIOUS														
28	519 PRECIOUS														
HOPE VI MIRASOL-PALM LAKE (11)															
1	602 VILLA LINDA														
2	606 VILLA LINDA														
3	610 VILLA LINDA														
4	611 VILLA LINDA														
5	614 VILLA LINDA														
6	615 VILLA LINDA														

								SALES PROFILE							
#	Address	House Plan	Sq. Ft	BR/B	Final Building Costs 1-26-2018 [1]	Bldng Cost Sq Ft	"AS IF" Appraisal [2]	List Price	Sales Price	SAHA Closing Costs & Fees	SAHA Net	Subsidy [3]	Closing Date	Post Appraisal Value	Days On Market [4]
7	618 VILLA LINDA														
8	619 VILLA LINDA														
9	623 VILLA LINDA														
10	311 VILLA ROSA														
11	315 VILLA ROSA														
		HOPE VI MIRASOL-SUNFLOWER (9)													
1	1502 VILLA FLORES														
2	1506 VILLA FLORES														
3	1507 VILLA FLORES														
4	1515 VILLA FLORES														
5	1518 VILLA FLORES														
6	1519 VILLA FLORES														
7	1523 VILLA FLORES														
8	1710 VILLA PLACER														
9	1714 VILLA PLACER														

[1] Based on David Casso Final Draw for PSWR#1 spreadsheet "Blueridge Cost Sheet ref PSWR#1 from Contract Exhibit CO #1-2-14-18"

[2] Prepared by Noble & Associates in Aug 2017.

[3] Closing Costs & Fees were budgeted in the HOPE VI Amendment to the Grant. This represents Construction costs minus Sales Price.

[4] Day the property was listed minus the date of closing.