



REAL ESTATE DEVELOPMENT COMMITTEE MEETING JULY 22, 2021



BOARD OF COMMISSIONERS

Dr. Ana "Cha" Guzmán Chair	Jessica Weaver Vice Chair	Loren D. Dantzler Commissioner	Olga Kauffman Commissioner	Gabriel Lopez Commissioner	Ignacio Perez Commissioner	Ruth Rodriguez Commissioner
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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, July 22, 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. Consideration and appropriate action regarding Resolution 6163, authorizing a capital contribution of \$1,000,000.00 in Moving to Work (MTW) funds for the Bristol at Somerset project; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)
4. Consideration and appropriate action regarding Resolution 6164, in support of placing Land Use Restriction Agreements (LURA) on Stablewood Farms Apartments (Timothy E. Alcott, Chief Legal and Real Estate Officer)

DISCUSSION ITEM

5. 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 Development Services and Neighborhood Revitalization Real Estate Transactions

RESOURCES

- Schedule of Units Under Development

6. Adjournment

*Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For 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**July 22, 2021****BOARD OF COMMISSIONERS
Real Estate Development Committee****RESOLUTION 6163, AUTHORIZING A CAPITAL CONTRIBUTION OF \$1,000,000.00 IN MOVING TO WORK (MTW) FUNDS FOR THE BRISTOL AT SOMERSET PROJECT; AND OTHER MATTERS IN CONNECTION THEREWITH**

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Ed Hinojosa Jr

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Ed Hinojosa, Jr.
President and CEO

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Lorraine Robles

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

Consideration and appropriate action regarding Resolution 6163, authorizing a capital contribution of \$1,000,000.00 in Moving to Work (MTW) funds for the Bristol at Somerset project; and other matters in connection therewith.

FINANCIAL IMPACT:

The San Antonio Housing Authority (SAHA) will put \$1,000,000.00 in the project as a construction loan. SAHA will be repaid within approximately 6 months with 1% interest. After closing, the \$1,000,000.00 will be held by the San Antonio Housing Facility Corporation (SAHFC) for liquidity in the event SAHFC committed certain delineated bad acts, such as wilful breach of contract documents, fraud, or misappropriation of funds.

SUMMARY:

Bristol at Somerset project received final Board approval on May 6, 2021. The project will consist of 348 family units, all of which will be low income housing tax credit units serving families who are at or below 60% AMI. The project is located at approximately the southwest corner of Somerset Road and Fischer Road. Construction is projected to begin August 2021, with completion in June 2023.

SAHA is a MTW agency. As part of its obligations as such an agency, SAHA is credited for creating more affordable housing units and it must meet its baseline of having the same number of affordable housing units as when it became a MTW agency. For new units to be counted as affordable housing units, SAHA must contribute financially towards the creation of those units. Originally, this project had no funds allocated to it. However, for SAHA's benefit, SAHA will contribute \$1,000,000.00 to the project during construction and will be immediately repaid by closing.

It is common in banking transactions to have "bad boy" carve outs. This means that the loans are non-recourse towards the borrower, unless certain acts that would be made in bad faith in relation to the loan that are criminal or fraudulent. The lender is requiring the borrowing entity to have \$1,000,000.00 in liquidity in case a bad boy provision is violated. It does not negatively impact San Antonio Housing Authority, because it already maintains that liquidity amount.

RESIDENT FOCUSED OUTCOMES:

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

ATTACHMENTS:

Resolution 6163

Resolution 21FAC-07-22

Presentation

**San Antonio Housing Authority
Resolution 6163**

RESOLUTION 6163, AUTHORIZING A CAPITAL CONTRIBUTION OF \$1,000,000.00 IN MOVING TO WORK (MTW) FUNDS FOR THE BRISTOL AT SOMERSET PROJECT; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the SAHA Board of Commissioners approved Resolution 6135, authorizing the Bristol at Somerset (Project), with Louis Poppoon Development and Consulting; and

WHEREAS, SAHA, a MTW agency, is credited for creating more affordable housing units and must meet its baseline of having the same number of affordable housing units, as when it became an MTW agency; and

WHEREAS, SAHA must contribute financially towards the creation of new units in order for them to be counted as affordable housing units; and

WHEREAS, SAHA will contribute \$1,000,000.00 to the San Antonio Housing Facility Corporation so it may loan it to the project during construction and will be immediately repaid by stabilization.

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

- 1) Approves Resolution 6163, authorizing a capital contribution of \$1,000,000.00 in Moving to Work funds to the Bristol at Somerset project; and other matters in connection therewith.
- 2) Authorizes the President and CEO, or designee, to execute all necessary documents and extensions.

Passed and approved the 5th day of August 2021.

Ana M “Cha” Guzman
Chair, Board of Commissioners

Attested and approved as to form:

Ed Hinojosa, Jr.
President and CEO

**San Antonio Housing Facility Corporation
Resolution 21FAC-07-22**

RESOLUTION 21FAC-07-22, AUTHORIZING A CAPITAL CONTRIBUTION OF \$1,000,000.00 IN MOVING TO WORK (MTW) FUNDS FOR THE BRISTOL AT SOMERSET PROJECT; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the SAHFC Board of Directors approved Resolution 21FAC-04-15, authorizing the Bristol at Somerset (Project), with Louis Poppoon Development and Consulting; and

WHEREAS, SAHA, a MTW agency, is credited for creating more affordable housing units and must meet its baseline of having the same number of affordable housing units, as when it became an MTW agency; and

WHEREAS, SAHA must contribute financially towards the creation of new units in order for them to be counted as affordable housing units; and

WHEREAS, SAHA will contribute \$1,000,000.00 to the San Antonio Housing Facility Corporation so that it may loan it to the project during construction and will be immediately repaid by stabilization.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Antonio Housing Facility Corporation, hereby:

- 1) Approves Resolution 21FAC-07-22, authorizing a capital contribution of \$1,000,000.00 in Moving to Work funds for the Bristol at Somerset project; and other matters in connection therewith.
- 2) Authorizes the Secretary/Treasurer or designee to execute all necessary documents and extensions.

Passed and approved the 5th day of August 2021.

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

Attested and approved as to form:

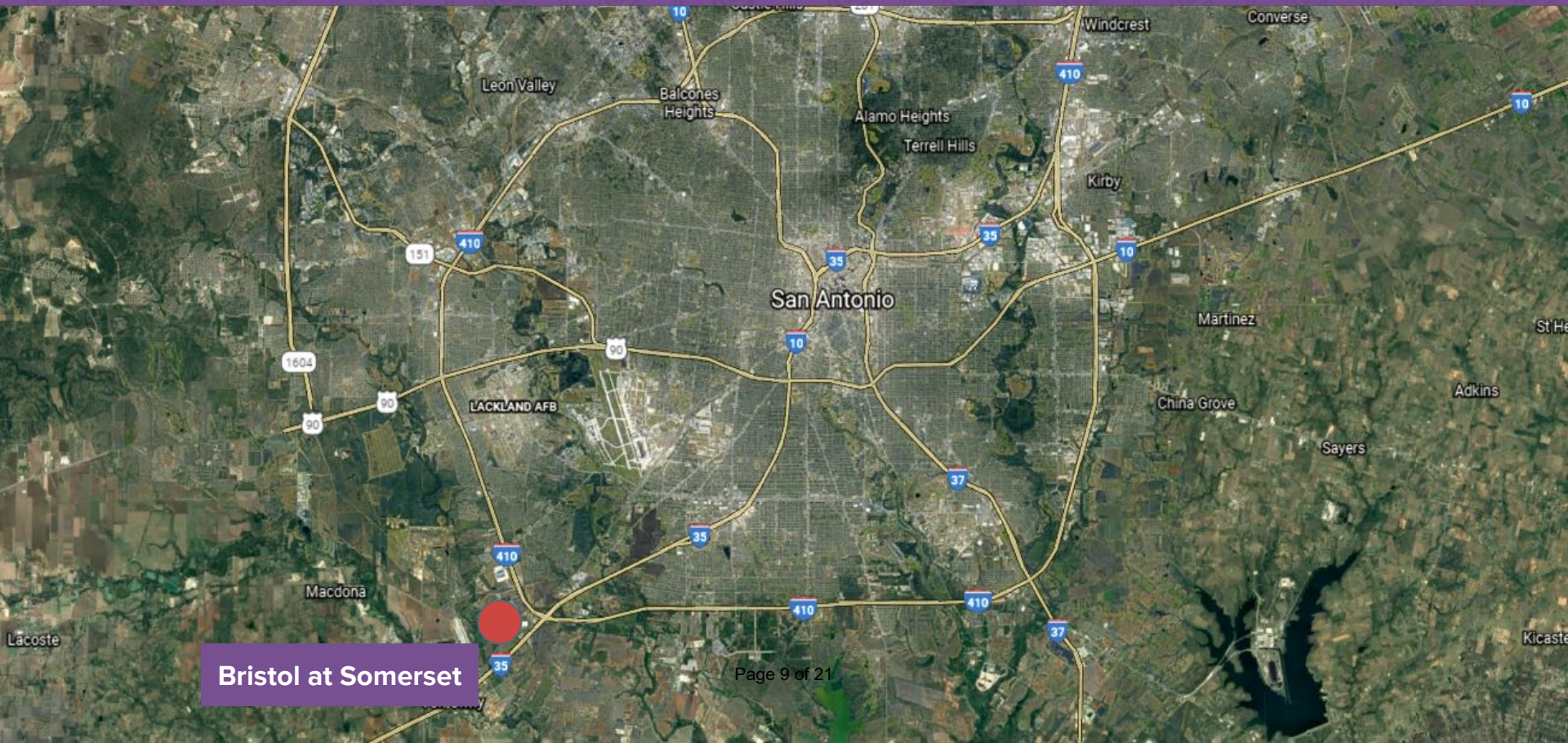
**Ed Hinojosa, Jr.
Secretary/Treasurer**



Bristol at Somerset

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

MAP



Bristol at Somerset

REGIONAL CENTERS

PHASE 1 CENTERS

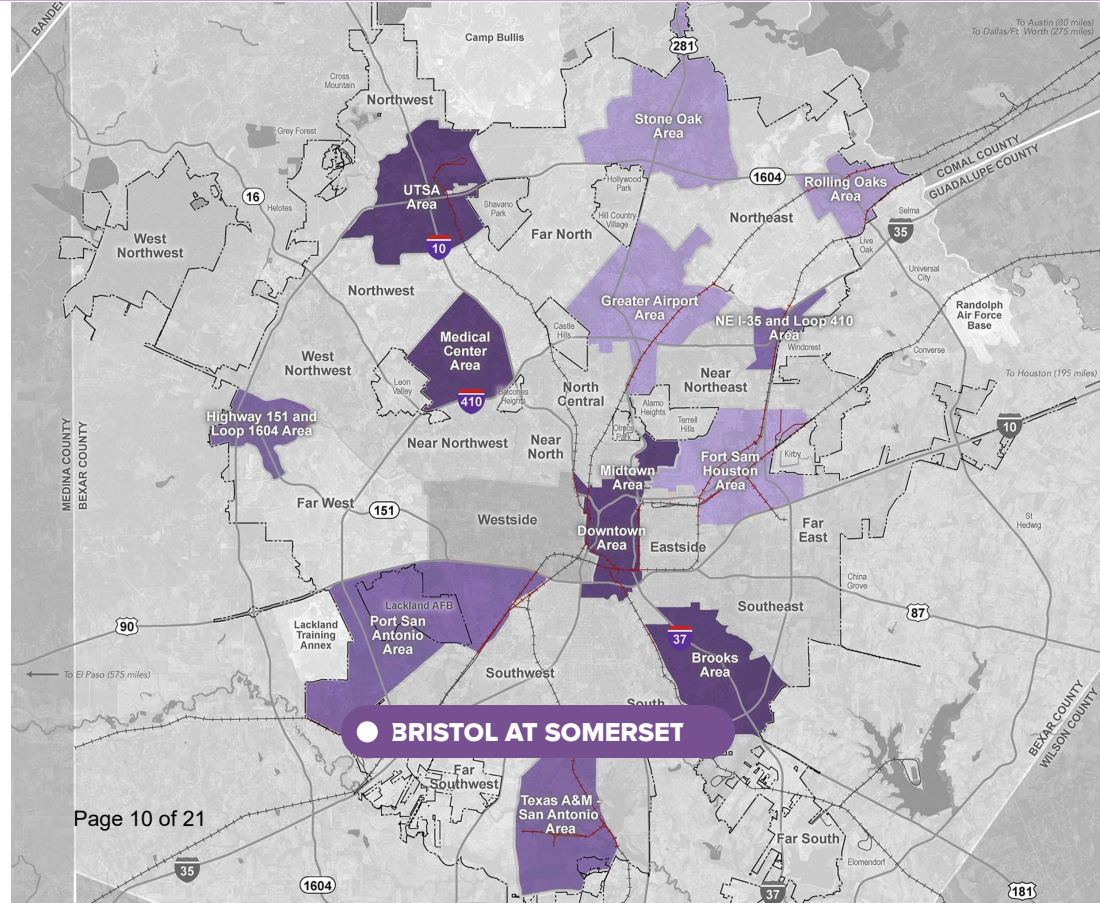
Downtown
Medical Center
UTSA
Midtown
Brooks

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



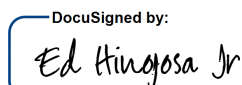
BRISTOL AT SOMERSET



- ❖ City Council District 4
- ❖ Southwest ISD
- ❖ 348 Units
 - 60% AMI - 348
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost: \$59,554,244.00

QUESTIONS?

SAN ANTONIO HOUSING AUTHORITY**July 22, 2021****BOARD OF COMMISSIONERS
Real Estate Development Committee****RESOLUTION 6164, IN SUPPORT OF PLACING LAND USE RESTRICTION AGREEMENTS (LURA) ON STABLEWOOD FARMS APARTMENTS**

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Ed Hinojosa, Jr.
President and CEO

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Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 6164, in support of placing Land Use Restriction Agreements (LURA) on Stablewood Farms Apartments.

FINANCIAL IMPACT:

SAHA will receive \$10,000.00 plus an annual fee of \$1,000.00 per year for the term of the LURA.

SUMMARY:

Merced Housing Texas contacted the San Antonio Housing Authority (SAHA) regarding the following apartments that it has an ownership interest in:

Stablewood Farms Apartments

8301 Lake Vista Drive, San Antonio, Texas, 78227

Units: 252

In reviewing the appraisals for the properties, the apartments are considered to be in average condition for their age and serve low- to moderate-income families in San Antonio. Merced Housing Texas is seeking to refinance the properties with a HUD 223(f) loan. The loan requires a certain percentage of the units be set aside as affordable.

SAHA will place a LURA on the property requiring that seventy-five percent (75%) of the units be set aside for families whose income is eighty percent (80%) or less of Area Median Income and rental restrictions equal to not less than seventy-five percent (75%) of units set aside as follows: no less than twenty percent (20%), or fifty one (51) units, for very low-income (50% AMI) and no less than seventy-five percent (75%), or one hundred eighty nine (189) units, for low-income (80% AMI). With this restriction, Merced Housing Texas will qualify for the HUD loan, which has better interest rates than other commercially available loan products.

SAHA will not own or manage the property. SAHA's only relationship with the property will be the LURA filed on the property requiring that a portion of units be set-aside as affordable units. This serves SAHA's mission of preserving affordable housing in San Antonio.

STRATEGIC OUTCOMES:

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

SAN ANTONIO HOUSING AUTHORITY

July 22, 2021

ATTACHMENTS:

Resolution 6164

Presentation

**San Antonio Housing Authority
Resolution 6164**

RESOLUTION 6164, IN SUPPORT OF PLACING LAND USE RESTRICTION AGREEMENTS (LURA) ON STABLEWOOD FARMS APARTMENTS

WHEREAS, San Antonio Housing Authority (“SAHA”), a Texas housing authority, has the desire to ensure there is an adequate number of affordable housing units in San Antonio; and

WHEREAS, Merced Housing Texas (“Merced Housing”) owns an apartment complex in San Antonio called Stablewood Farms Apartments (the “Apartments”); and

WHEREAS, Merced Housing approached SAHA requesting that Land Use Restriction Agreements be placed on the Apartments, so that it may qualify for a lower interest rate FHA loan; and

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

- 1) Approves Resolution 6164, in support of placing Land Use Restriction Agreements (LURA) on Stablewood Farms Apartments; and
- 2) Authorizes the President and CEO, or designee, to execute all necessary documents associated with this Resolution.

Passed and approved on the 5th day of August 2021.

Ana M. “Cha” Guzman
Chair, Board of Commissioners

Attested and approved as to form:

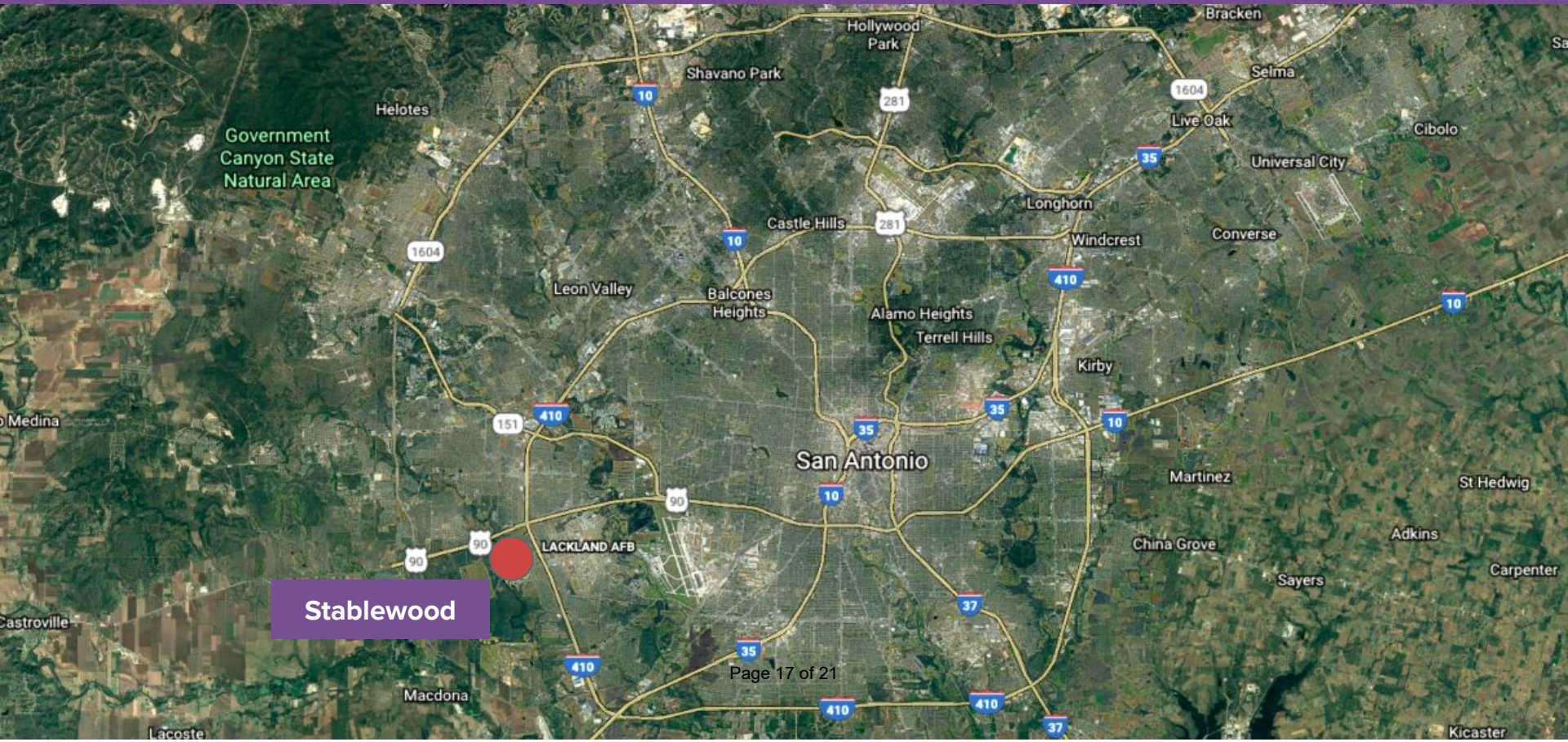
Ed Hinojosa Jr.
President and CEO



Stablewood

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

MAP



Stablewood

REGIONAL CENTERS

PHASE 1 CENTERS

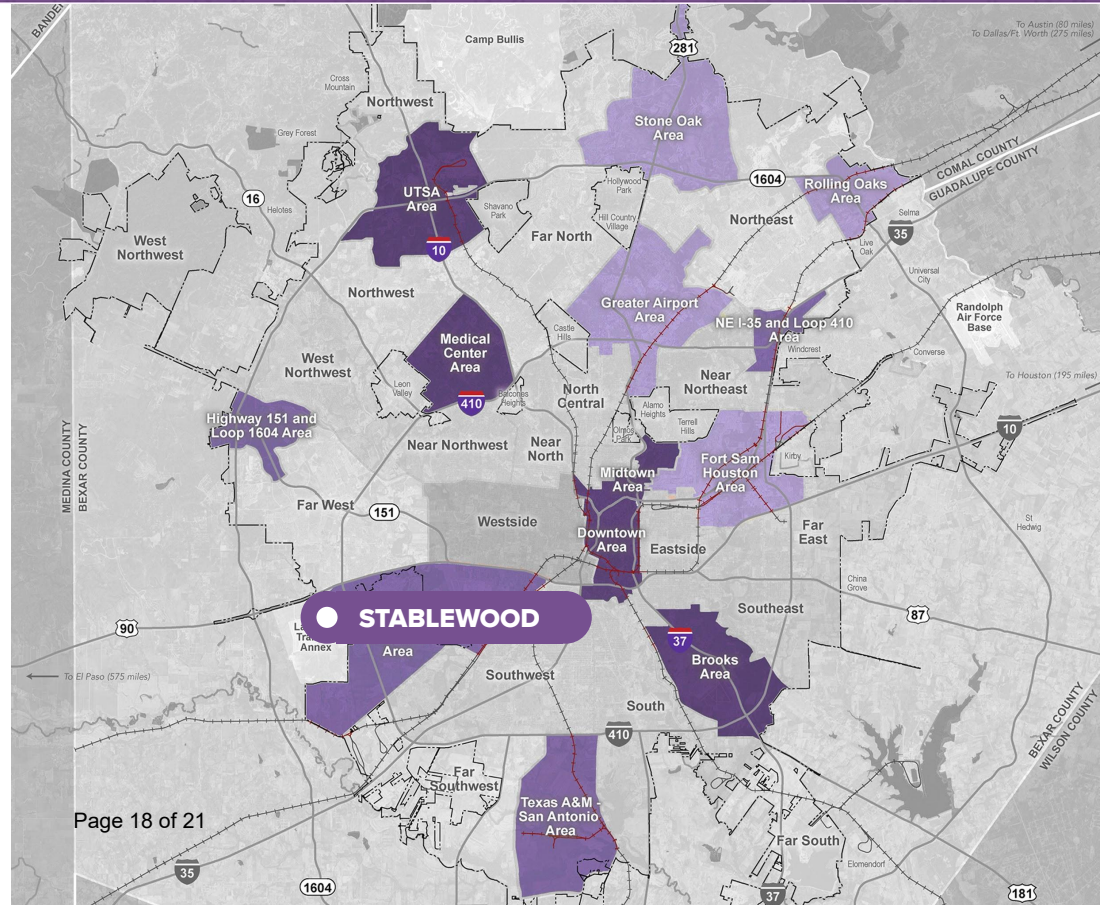
Downtown
Medical Center
UTSA
Midtown
Brooks

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



STABLEWOOD



- City Council District 7
- Northside ISD
- 252 Units

QUESTIONS?

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