



**LAS VARAS PUBLIC FACILITY  
CORPORATION MEETING  
OCTOBER 7, 2021**



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BOARD OF DIRECTORS					
Dr. Ana "Cha" Guzmán Chair	Olga Kauffman Vice Chair	Gilbert Casillas Director	Loren D. Dantzler Director	Gabriel Lopez Director	Ignacio Perez Director

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

**Call In Phone Number: (346) 248-7799**  
**Meeting ID: 93839434337# Passcode: 654170#**  
**818 S. Flores St., San Antonio, TX 78204**  
**1:00 p.m., Thursday, October 7, 2021**

The Board of Directors will convene for a Board meeting for discussion on the following matters (Note: A quorum of the Board will be physically present at this location, but up to three other Commissioners may attend by videoconferencing, as permitted by Tex. Gov't Code Section 551.127):

**MEETING CALLED TO ORDER**

1. The Board of Directors may hold a closed meeting pursuant to Texas Government Code § 551.071-076 for consultation concerning attorney-client matters, real estate, litigation, personnel, and security matters. The Board reserves the right to enter into closed meeting at any time, during the course of the meeting.

**PUBLIC COMMENT**

2. **Public Comment at approximately 1:00 p.m.** (may be heard after this time) Citizens are provided up to three minutes each to speak to any agenda item. Citizens wishing to speak to items posted on the agenda should personally request to be placed on the Public Comment roster prior to 12:45 p.m. at 818 S. Flores St., San Antonio, TX 78204 or register online and access Phone Number: **(346) 248-7799** and enter Meeting ID: **93839434337#** and Passcode: **654170#**, prior to 12:45 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.

**MINUTES**

3. Minutes
  - Approval of the September 2, 2021, Las Varas Public Facility Corporation Meeting minutes

**CONSENT ITEMS**

4. Consideration and approval regarding Resolution 21LVPFC-09-23, authorizing Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Horizon Pointe Apartments) Series 2021; and other matters in connection therewith (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)

5. Consideration and approval regarding Resolution 21LVPFC-09-24, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for Rosemont at University Park (the “Bonds”); (ii) the Las Varas Public Facility Corporation to approve Resolution 21LVPFC-09-24, authorizing the bonds and authorizing its participation in the Rosemont at University Park project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire the Rosemont at University Park, and apply for new 4% tax credits to finance the rehabilitation of the Rosemont at University Park project, and (iv); and other matters in connection therewith (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)
6. Consideration and approval regarding Resolution 21LVPFC-09-25, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for Rosemont at Bethel Place (the “Bonds”); (ii) the Las Varas Public Facility Corporation to approve Resolution 21LVPFC-09-25, authorizing the bonds and authorizing its participation in the Rosemont at Bethel Place project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire the Rosemont at Bethel Place, and apply for new 4% tax credits to finance the rehabilitation of the Rosemont at Bethel Place project, and (iv); and other matters in connection therewith (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)
7. Consideration and approval regarding Resolution 21LVPFC-09-26, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for The Sorento (the “Bonds”); (ii) the Las Varas Public Facility Corporation to approve resolution 21LVPFC-09-26, authorizing the bonds and authorizing its participation in The Sorento project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire The Sorento, and apply for new 4% tax credits to finance the rehabilitation of The Sorento project, and (iv); and other matters in connection therewith (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)
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 the convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting on any other item, whether it has an asterisk, when the Board determines there is a need and a closed meeting is permitted.

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

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

**MINUTES**  
**LAS VARAS PUBLIC FACILITY CORPORATION**  
**REGULAR BOARD MEETING - HYBRID TELECONFERENCE**  
**Call In Phone Number: (346) 248-7799**  
**Meeting ID: 93839434337# Passcode: 654170#**  
**818 S. Flores St., San Antonio, TX 78204**  
**1:00 p.m., Thursday, September 2, 2021**

**SCHEDULED: 1:00 p.m. - Hybrid Teleconference**

**DIRECTORS PRESENT:**

Dr. Ana “Cha” Guzman, Chair  
Loren D. Dantzler, Director  
Olga Kauffman, Director  
Gabriel Lopez, Director  
Ignacio Perez, Director

**DIRECTORS ABSENT:**

Ruth Rodriguez, Director

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

**TRANSLATOR:** BCC Communications

**STAFF:**

Ed Hinojosa, Jr., President and CEO  
Muriel Rhoder, Chief Administrative Officer  
Brandee Perez, Chief Operating Officer  
Jo Ana Alvarado, Director of Innovative  
Technology  
George Ayala, Director of Procurement  
Kristi Baird, Director of Beacon Communities  
Diana Kollodziej Fiedler, Director of Finance  
and Accounting  
Domingo Ibarra, Director of Security  
Aiyana Longoria, Director of Internal Audit  
and Interim Director of Human Resources

Hector Martinez, Director of Construction  
Services and Sustainability  
Richard Milk, Director of Policy and Planning  
Michael Reyes, Director of Communications  
and Public Affairs  
Lorraine Robles, Director of Development  
Services and Neighborhood Revitalization  
Tom Roth, Director of Asset Management  
Joel Tabar, Director of Community  
Development Initiatives  
Zachariah Woodard, Director of Federal  
Housing Programs

**Item 1: Meeting called to order**

Dr. Ana “Cha” Guzman, Board Chair, called the meeting to order at 1:48 p.m.

**Item 2: Public Comment**

Citizens are provided three minutes each to speak to any agenda item. There were no citizens who spoke to the agenda.

**Item 3: Minutes**

- Approval of the June 3, 2021, Las Varas Public Facility Corporation Meeting minutes

**Motion:** Director Lopez moved to approve the June 3, 2021, Las Varas Public Facility Corporation Meeting minutes. Director Perez seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana “Cha” Guzman, Chair	X			
Loren D. Dantzler, Director	X			
Olga Kauffman, Director	X			
Gabriel Lopez, Director	X			
Ignacio Perez, Director	X			

## CONSENT ITEMS

**Item 4:** Consideration and approval regarding Resolution 21LVPFC-08-19, authorizing Las Varas Public Facility Corporation to declare its intent to issue bonds up to \$20,000,000.00 to provide financing for a multifamily residential rental development for persons of low and moderate income (Aurora Apartments); prescribing certain terms and conditions of such bonds; authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)

Consent

**Item 5:** Consideration and approval regarding Resolution Resolution 21LVPFC-08-20, concerning the application of North Pond Apartments LTD. relating to the proposed financing of up to \$20,000,000.00 of the costs of the acquisition, construction, and equipping of the North Pond Apartments, to be located within Victoria Commons west of the IH 37 frontage road in downtown San Antonio, Texas; and other matters in connection therewith (Timothy E. Alcott, Chief Real Estate and Asset Management Officer)

Consent

**Motion:** Director Lopez moved to approve items #4-5. Director Perez seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana “Cha” Guzman, Chair	X			
Loren D. Dantzler, Director	X			
Olga Kauffman, Director	X			
Gabriel Lopez, Director	X			
Ignacio Perez, Director	X			

## Item 6: Adjournment

With no objections, Chair Guzman adjourned the meeting at 1:50 p.m.

## ATTEST:

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

\_\_\_\_\_  
Date

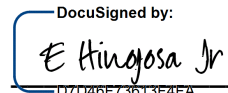
\_\_\_\_\_  
**Ed Hinojosa, Jr.**  
**Secretary/Treasurer**

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

**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021**

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

**RESOLUTION 21LVPFC-09-23, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION  
MULTIFAMILY HOUSING REVENUE BONDS (HORIZON POINTE APARTMENTS) SERIES 2021;  
AND OTHER MATTERS IN CONNECTION THEREWITH**

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

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**Timothy E. Alcott**  
**Chief Real Estate and Asset  
Management Officer**

**REQUESTED ACTION:**

Public hearing and consideration and approval regarding Resolution 21LVPFC-09-23, authorizing Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Horizon Pointe Apartments) Series 2021; and other matters in connection therewith.

**FINANCIAL IMPACT:**

Final approval of the transaction for Horizon Pointe Apartments for the development of a new tax credit project. To request authority to enter a development agreement with Integrated Realty, as well as, authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 312 multifamily units, all of which will be low income housing tax credit units serving families whose incomes average 60% AMI, located on the east side of San Antonio. There are currently 20 units at 30% AMI, 35 units at 40% AMI, 106 units at 50% AMI, and 151 units at 70% AMI. Construction is projected to begin October of 2021, with completion in June of 2023. The Board is being asked to authorize all of the actions necessary to finance and construct the project.

The total project cost is expected to be approximately \$58,904,982.00 or \$189,000.00 per unit. The developer is Integrated. Integrated will give all required guarantees. At the end of the tax credit compliance period, SAHFC (SAHA) will have the right to buy the property by assuming the outstanding debt, paying any exit taxes, and paying the limited partner the value of its 10% share in the project ("Bargain Purchase Right"). SAHA will earn a developer fee and share the cash flow.

**SUMMARY:**

The land will be purchased by SAHFC, which will lease it to Horizon Pointe Apartments, LP, who will pay SAHFC an upfront lease payment sufficient to acquire the land. Up to \$35,000,000.00 of tax-exempt bonds will be issued by LVPFC. Additionally, equity contributions from an affiliate of Affordable Housing Partners, Inc. ("AHP"), as an investor limited partner, will be used to finance the construction and long-term operations. AHP has issued a commitment to purchase the project tax credits, for a total projected equity contribution of \$22,502,278.00. The Project will be permanently financed with a HUD loan in the approximate amount of \$35,000,000.00, taken out at the same time as the bonds are issued. Each month, as construction progresses, there will be a draw on the HUD loan. The HUD loan draw will be deposited into a trust securing the Bonds and a like amount of Bond proceeds will be used to pay the contractor. In this way the Bonds are always 100% secured. The interest rate on the bonds will be set at closing, but cannot exceed 3.00%.

**LAS VARAS PUBLIC FACILITY CORPORATION**

**October 7, 2021**

We are targeting a closing date of October 20, 2021, as funding must close by October 26, 2021, or we will lose the allocated volume cap from the Texas Bond Review Board.

**RESIDENT FOCUSED OUTCOMES:**

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

**ATTACHMENTS:**

Resolution 21LVPFC-09-23

Presentation



**CERTIFICATE FOR RESOLUTION  
Resolution 21LVPFC-09-23**

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 October 7, 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-09-23, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (HORIZON POINTE 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 7th day of October 2021.**

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

**Las Varas Public Facility Corporation  
Resolution 20LVPFC-09-23**

**RESOLUTION 21LVPFC-09-23, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (HORIZON POINTE 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 (Horizon Pointe Apartments) Series 2021” (the “Bonds”) in the aggregate principal amount not to exceed \$35,000,000.00, the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 312-unit multifamily apartment facility to be known as Horizon Pointe Apartments, to be located on 12.899 acres at approximately 2411 Woodlake Parkway and 2410 Woodlake Parkway, San Antonio, Bexar County, Texas 78244 (the “Project”) for Horizon Pointe Apartments, LP, a Texas limited partnership (the “Borrower”); and

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

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

**WHEREAS**, the Issuer will be presented with a Preliminary Official Statement and an Official Statement (collectively, the “Official Statement”) and 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, constructing, and equipping the Project; and

**WHEREAS**, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the Bonds and the above-described instruments, including without limitation the

dates, interest rates, maturities, redemption terms, and sales price of the Bonds and the manner of disbursing the proceeds thereof are advisable; and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Ana M. "Cha" Guzman	Chair and Director
Olga Kauffman	Vice Chair and Director
Loren D. Dantzler	Director
Gabriel Lopez	Director
Ignacio Perez	Director
Dalia Contreras	Director
Gilbert Casillas	Director
Ed Hinojosa, Jr.	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary/Treasurer
Muriel Rhoder	Assistant Secretary/Treasurer
Brandee Perez	Assistant Secretary/Treasurer

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

Section 1. The terms of the Loan Agreement, the Trust Indenture, the Note, the Regulatory Agreement, the Assignments, the Official Statement 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 Loan Agreement, the Trust Indenture, the Regulatory Agreement, the Note, the Assignments, the Purchase Agreements, and any and all certificates (including tax certificates), applications (including volume cap and carry-over applications with the TBRB) 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 each such instrument and any required amendments thereto during the operation of the Project 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 \$35,000,000.00, with an interest rate (not including applicable premium) not to exceed 3.00% as set forth in the Loan Agreement, and with a maturity date not to exceed December 31, 2030, in substantially the form and substance set forth in the Loan Agreement, are hereby approved, and

the President, the Vice President, the Secretary/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Bonds or have their facsimile signatures placed upon them, and such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Issuer is hereby authorized and directed to be affixed or placed by facsimile on the Bonds. Authentication of the Bonds upon the terms and conditions and in the manner described in the 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 Loan Agreement, and the execution and delivery of the Purchase Agreement by the President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, or any of them, shall constitute approval of the agreed final principal amounts of, interest rates on the Bonds, maturity dates of the Bonds, and the final redemption dates and prices for the Bonds. The proceeds of the Bonds are hereby authorized to be utilized as set forth herein and in the Loan Agreement and the Trust Indenture.

Section 4. The trustee shall be Wilmington Trust, N.A.

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

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

Section 7. All action and resolutions, not inconsistent with provisions of this Resolution heretofore taken by this Board and the officers of the Issuer directed toward the financing of the Project and the issuance of the Bonds shall be and the same hereby is extended, ratified, approved, and confirmed. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the instruments approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 8. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes in the Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City to obtain decent, safe, and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City, and to reduce public expenditures for crime prevention and control, public health, welfare, and safety and for other valid public purposes.

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

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

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

Section 12. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution. In case any obligation of the Issuer authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

Section 13. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

**Passed and approved the 7th day of October 2021.**

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

**Attested and approved as to form:**

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

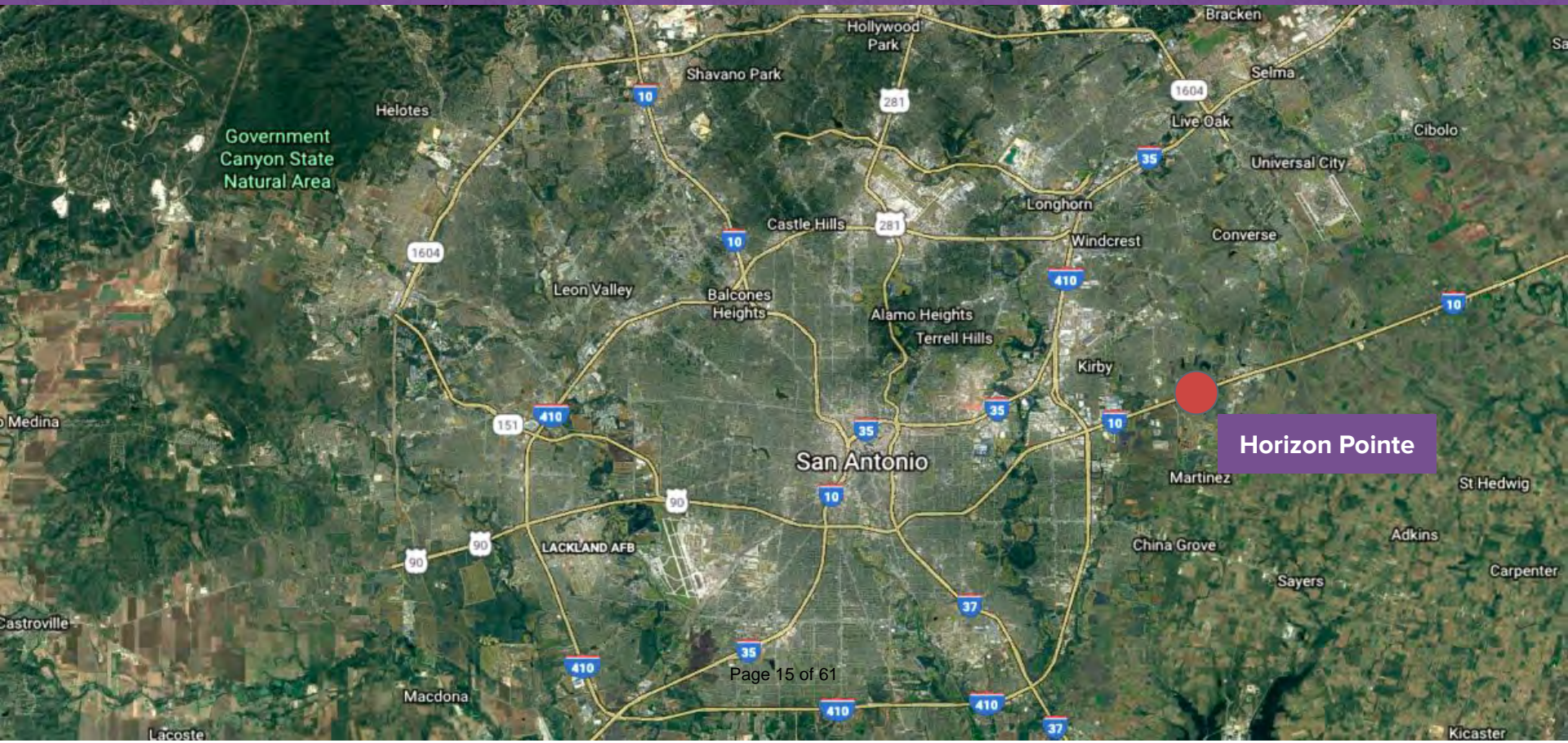


# Horizon Pointe

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



# MAP





# REGIONAL CENTERS

## PHASE 1 CENTERS

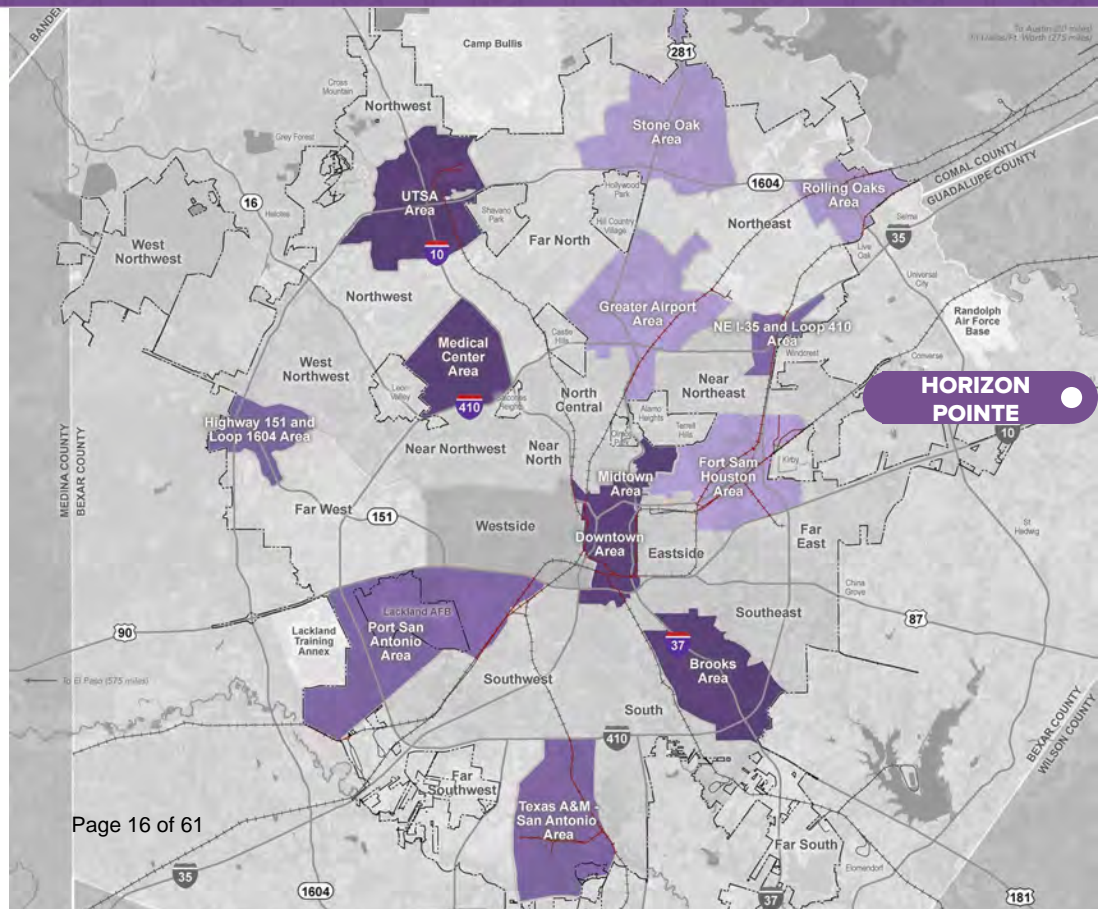
Downtown  
Medical Center  
UTSA  
Midtown  
Brooks

## 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





# HORIZON POINTE



- ❖ City Council District 2
- ❖ Judson ISD
- ❖ 312 Units
  - 30% AMI - 20
  - 40% AMI - 35
  - 50% AMI - 106
  - 70% AMI - 151
- ❖ 4% Tax Credits & Bonds
- ❖ Total Development Cost:  
\$58,904,982.00

Horizon Pointe - Proforma Breakdown	
Use of Funds	Permanent
Acquisition Costs	\$ 2,528,462.00
Construction Hard Cost Contingency	-
Construction Costs	\$ 39,277,776.00
Architect/Engineering	\$ 513,058.00
Permits & Fees	\$ 3,542,530.00
Title & Survey	\$ 215,000.00
Construction Period Expenses	\$ 150,000.00
Financing Costs	\$ 1,859,222.00
Professional Services	\$ 402,500.00
Tax Credit Fees	\$ 120,505.00
Development Fee	\$ 6,969,769.00
Reserves & Other	\$ 3,326,160.00
<b>Total</b>	<b>\$ 58,904,982.00</b>

# QUESTIONS?

**LAS VARAS PUBLIC FACILITY CORPORATION**

October 7, 2021

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

**RESOLUTION 21LVPFC-09-24, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT UNIVERSITY PARK (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-24, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT UNIVERSITY PARK PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT UNIVERSITY PARK, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT UNIVERSITY PARK PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

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

DocuSigned by:



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**Timothy E. Alcott**  
**Chief Real Estate and Asset**  
**Management Officer**

**REQUESTED ACTION:**

Consideration and approval regarding Resolution 21LVPFC-09-24, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for Rosemont at University Park (the “Bonds”); (ii) the Las Varas Public Facility Corporation to approve Resolution 21LVPFC-09-24, authorizing the bonds and authorizing its participation in the Rosemont at University Park project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire the Rosemont at University Park, and apply for new 4% tax credits to finance the rehabilitation of the Rosemont at University Park project, and (iv); and other matters in connection therewith.

**FINANCIAL IMPACT:**

None at this time. However, in order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board, which is time sensitive and competitive. By authorizing SAHA staff to submit applications early for the aforementioned projects, SAHA increases its chance to obtain the volume cap to complete the projects and benefit from additional revenue.

**SUMMARY:**

SAHA is seeking authority to file applications relating to our proposed 2022 4% tax credit projects and the following years. 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. SAHA will be applying for a volume cap, which will not be awarded until the end of the year, if any

**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021**

volume cap is available. Certain state agencies have the right to use the available volume cap before local agencies, and last year the state agencies used almost all of the volume cap and only seven local agency projects received a volume cap. Volume cap available to local agencies is awarded on a first come, first served basis, according to when the application is submitted. Therefore, SAHA would need to submit applications as soon as possible. SAHA must also apply for tax credits to the Texas Department of Housing and Community Development. Accordingly, Staff is requesting that the Board authorize these actions so that SAHA may begin the process, but SAHA is not asking 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, and begin to coordinate the financing and negotiate the specific terms of the deals, which will be brought back for Board approval.

The projects we intend to seek volume cap for are listed below:

1. Rosemont at University Park apartments, an approximately 240-unit multifamily project located at 102 Emerald Ash, San Antonio, Texas 78221, requesting \$36,000,000.00 of volume cap; and
2. Rosemont at Bethel Place apartments, an approximately 250-unit multifamily project located at 535 South Acme Road, San Antonio, Texas 78237, requesting \$41,000,000.00 of volume cap; and
3. The Sorento apartments, an approximately 248-unit multifamily project located at 2803 Fredericksburg Road, San Antonio, Texas 78201, requesting \$38,000,000.00 of volume cap.

Each of the projects will be rehabilitation of an existing facility and each will have 50% of the units set aside for families at 50% of the area median income ("AMI"), with the remaining 50% of the units to be set aside for families at 60% AMI. Currently, Rosemont at University Park has 0 units at 50% AMI and 240 units at 60% AMI; Rosemont at Bethel Place has 0 units at 50% AMI and 250 units at 60% AMI; and The Sorento has 4 units at 50% AMI and 244 units at 60% AMI, so this will create deeper affordability requirements, while maintaining 100% affordability.

In each of these transactions, Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The Las Varas Public 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 to approve an inducement Resolution for Rosemont at University Park apartments.

**STRATEGIC OUTCOMES:**

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

**LAS VARAS PUBLIC FACILITY CORPORATION**

**October 7, 2021**

**ATTACHMENTS:**

Resolution 21LVPFC-09-24

Presentation: Maps and Photos

**CERTIFICATE FOR RESOLUTION**  
**Resolution 21LVPFC-09-24**

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

1. In accordance with its bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 7, 2021 (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-09-24, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT UNIVERSITY PARK (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-24, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT UNIVERSITY PARK PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT UNIVERSITY PARK, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT UNIVERSITY PARK PROJECT, AND (IV); 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 LVPFC.

**SIGNED this 7th day of October 2021.**

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

**Las Varas Public Facility Corporation  
Resolution 21LVPFC-09-24**

**RESOLUTION 21LVPFC-09-24, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT UNIVERSITY PARK (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-24, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT UNIVERSITY PARK PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT UNIVERSITY PARK, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT UNIVERSITY PARK PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, the Housing Authority of the City of San Antonio, Texas (Housing Authority), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (Act), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (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**, Rosemont at University Park LP, a to-be-formed Texas limited partnership (User), has filed an Application (Application), requesting that (i) the Issuer finance the acquisition, construction, rehabilitation, improvement, and equipping of an approximately 240-unit multifamily housing facility located at 102 Emerald Ash, San Antonio, Texas, and known as the Rosemont at University Park Apartments (Project); and (ii) the Issuer file a 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 (Board) of the Issuer to issue housing revenue bonds pursuant to the Act (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 \$36,000,000.00 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 (Allocation Act), and various provisions of the Internal Revenue Code of 1986, as amended (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 an “Application for Carryforward for Private Activity Bonds” (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 requires 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, construction, equipping, and improvement of the Project (Expenditures) and expects to reimburse the Expenditures with proceeds of the Bonds; and

**WHEREAS**, in order to allocate under Treasury Regulation §1.150-2 (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 Las Varas Public Facility Corporation hereby approves:

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 \$36,000,000.00;

(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 (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 an 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 \$36,000,000.00. 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 Board hereby authorizes the filing and any resubmission of an Application with the Texas Bond Review Board, that Locke Lord LLP be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution.

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 this 7th day of October 2021.**

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

**Attested and approved as to form:**

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



# **FAIRFIELD PARTNERSHIP TRANSACTION**

October 7, 2021

# ROSEMONT AT UNIVERSITY PARK

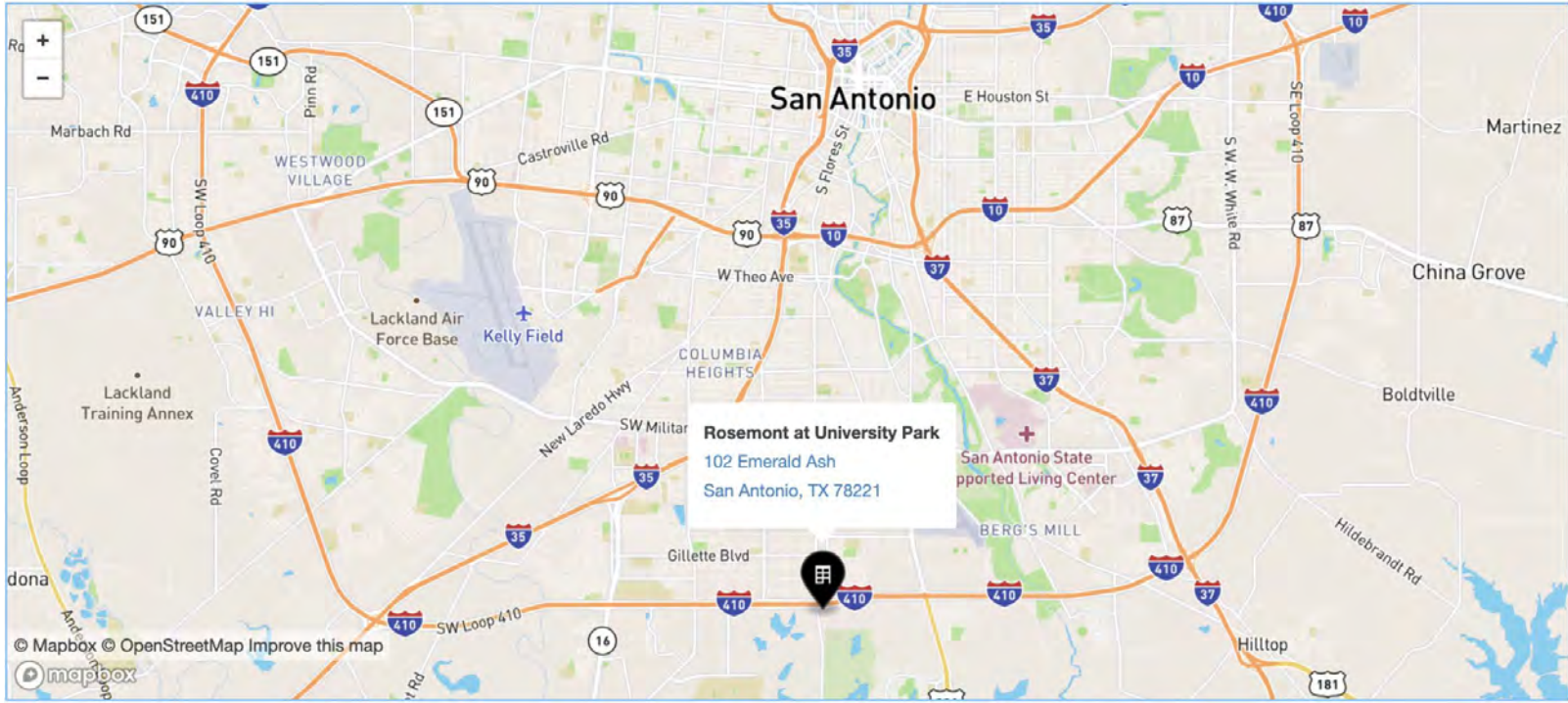
102 Emerald Ash





# ROSEMONT AT UNIVERSITY PARK

102 Emerald Ash



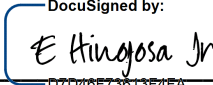


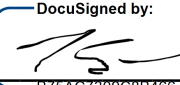
# QUESTIONS?

**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021**

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

**RESOLUTION 21LVPFC-09-25, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT BETHEL PLACE (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-25, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT BETHEL PLACE PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT BETHEL PLACE, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT BETHEL PLACE PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

DocuSigned by:  
  
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**Ed Hinojosa, Jr.**  
**President and CEO**

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**Timothy E. Alcott**  
**Chief Real Estate and Asset**  
**Management Officer**

**REQUESTED ACTION:**

Consideration and approval regarding Resolution 21LVPFC-09-25, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for Rosemont at Bethel Place (the “Bonds”); (ii) the Las Varas Public Facility Corporation to approve Resolution 21LVPFC-09-25, authorizing the bonds and authorizing its participation in the Rosemont at Bethel Place project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire the Rosemont at Bethel Place, and apply for new 4% tax credits to finance the rehabilitation of the Rosemont at Bethel Place project, and (iv); and other matters in connection therewith.

**FINANCIAL IMPACT:**

None at this time. However, in order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board, which is time sensitive and competitive. By authorizing SAHA staff to submit applications early for the aforementioned projects, SAHA increases its chance to obtain the volume cap to complete the projects and benefit from additional revenue.

**SUMMARY:**

SAHA is seeking authority to file applications relating to our proposed 2022 4% tax credit projects and the following years. 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. SAHA will be applying for a volume cap, which will not be awarded until the end of the year, if any

**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021**

volume cap is available. Certain state agencies have the right to use the available volume cap before local agencies, and last year the state agencies used almost all of the volume cap and only seven local agency projects received a volume cap. Volume cap available to local agencies is awarded on a first come, first served basis, according to when the application is submitted. Therefore, SAHA would need to submit applications as soon as possible. SAHA must also apply for tax credits to the Texas Department of Housing and Community Development. Accordingly, Staff is requesting that the Board authorize these actions so that SAHA may begin the process, but SAHA is not asking 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, and begin to coordinate the financing and negotiate the specific terms of the deals, which will be brought back for Board approval.

The projects we intend to seek volume cap for are listed below:

1. Rosemont at University Park apartments, an approximately 240-unit multifamily project located at 102 Emerald Ash, San Antonio, Texas 78221, requesting \$36,000,000.00 of volume cap; and
2. Rosemont at Bethel Place apartments, an approximately 250-unit multifamily project located at 535 South Acme Road, San Antonio, Texas 78237, requesting \$41,000,000.00 of volume cap; and
3. The Sorento apartments, an approximately 248-unit multifamily project located at 2803 Fredericksburg Road, San Antonio, Texas 78201, requesting \$38,000,000.00 of volume cap.

Each of the projects will be rehabilitation of an existing facility and each will have 50% of the units set aside for families at 50% of the area median income ("AMI"), with the remaining 50% of the units to be set aside for families at 60% AMI. Currently, Rosemont at University Park has 0 units at 50% AMI and 240 units at 60% AMI; Rosemont at Bethel Place has 0 units at 50% AMI and 250 units at 60% AMI; and The Sorento has 4 units at 50% AMI and 244 units at 60% AMI, so this will create deeper affordability requirements, while maintaining 100% affordability.

In each of these transactions, Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The Las Varas Public 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 to approve an inducement Resolution for Rosemont at Bethel Place apartments.

**STRATEGIC OUTCOMES:**

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

**LAS VARAS PUBLIC FACILITY CORPORATION**

**October 7, 2021**

**ATTACHMENTS:**

Resolution 21LVPFC-09-25

Presentation: Maps and Photos

**CERTIFICATE FOR RESOLUTION  
Resolution 21LVPFC-09-25**

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

1. In accordance with its bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 7, 2021 (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-09-25, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT BETHEL PLACE (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-25, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT BETHEL PLACE PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT BETHEL PLACE, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT BETHEL PLACE PROJECT, AND (IV); 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 LVPFC.

**SIGNED this 7th day of October 2021.**

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

**Las Varas Public Facility Corporation  
Resolution 21LVPFC-09-25**

**RESOLUTION 21LVPFC-09-25, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR ROSEMONT AT BETHEL PLACE (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-25, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE ROSEMONT AT BETHEL PLACE PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE ROSEMONT AT BETHEL PLACE, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE ROSEMONT AT BETHEL PLACE PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, the Housing Authority of the City of San Antonio, Texas (Housing Authority), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (Act), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (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**, Rosemont at Bethel Place LP, a to-be-formed Texas limited partnership (User), has filed an Application (Application), requesting that (i) the Issuer finance the acquisition, construction, rehabilitation, improvement, and equipping of an approximately 250-unit multifamily housing facility located at 535 South Acme Road, San Antonio, Texas, and known as the Rosemont at Bethel Place Apartments (Project); and (ii) the Issuer file a 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 (Board) of the Issuer to issue housing revenue bonds pursuant to the Act (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 \$41,000,000.00 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 (Allocation Act), and various provisions of the Internal Revenue Code of 1986, as amended (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 an “Application for Carryforward for Private Activity Bonds” (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 requires 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, construction, equipping, and improvement of the Project (Expenditures) and expects to reimburse the Expenditures with proceeds of the Bonds; and

**WHEREAS**, in order to allocate under Treasury Regulation §1.150-2 (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 Las Varas Public Facility Corporation hereby approves:

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 \$41,000,000.00;

(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 (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 an 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 \$41,000,000.00. 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 Board hereby authorizes the filing and any resubmission of an Application with the Texas Bond Review Board, that Locke Lord LLP be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution.

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 7th day of October 2021.**

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

**Attested and approved as to form:**

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



# **FAIRFIELD PARTNERSHIP TRANSACTION**

October 7, 2021

# ROSEMONT AT BETHEL PLACE

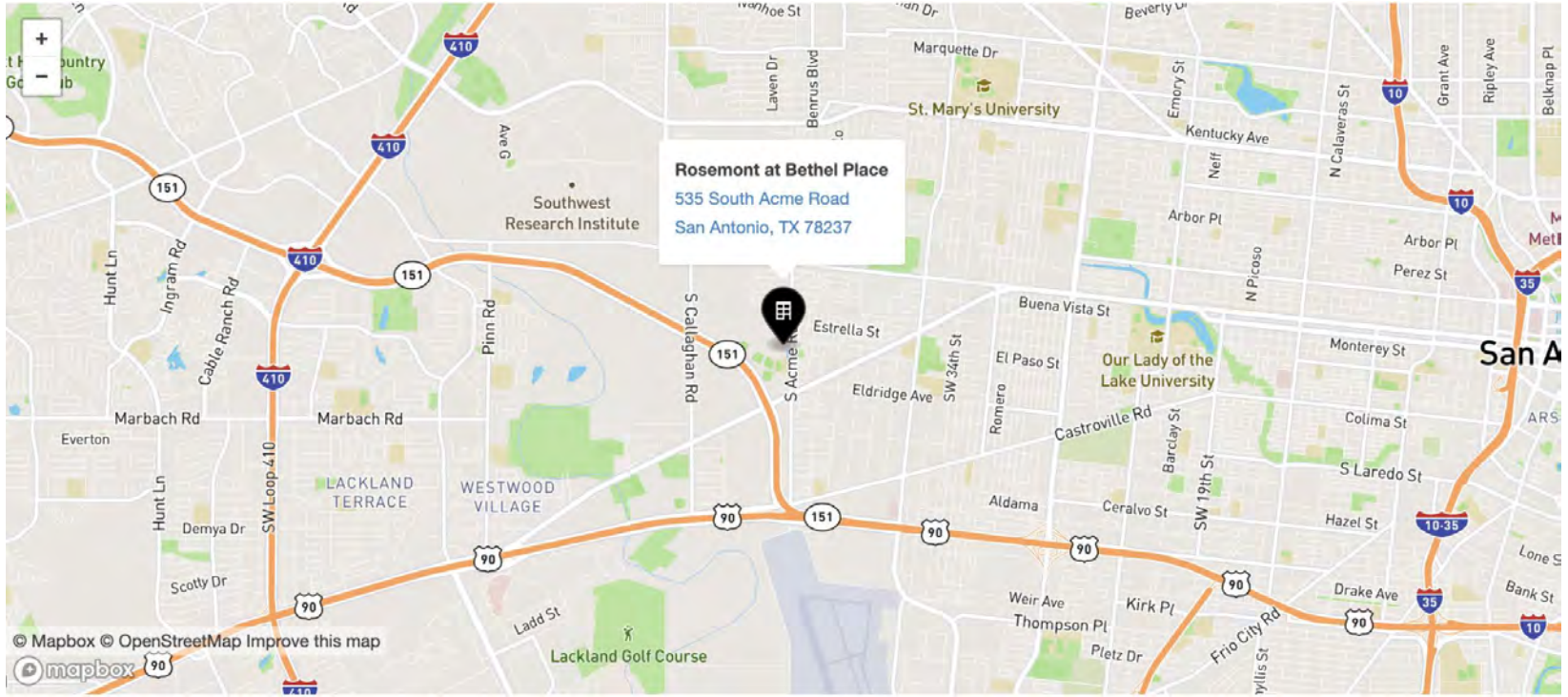
535 S. Acme Road





# ROSEMONT AT BETHEL PLACE

535 S. Acme Road

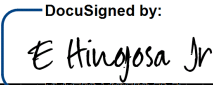


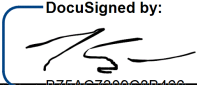
# QUESTIONS?



**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021****BOARD OF DIRECTORS  
Las Varas Public Facility Corporation Meeting**

**RESOLUTION 21LVPFC-09-26, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR THE SORENTO (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-26, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE SORENTO PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE SORRENTO, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE SORENTO PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

DocuSigned by:  
  
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**Ed Hinojosa, Jr.**  
**President and CEO**

DocuSigned by:  
  
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**Timothy E. Alcott**  
**Chief Real Estate and Asset  
Management Officer**

**REQUESTED ACTION:**

Consideration and approval regarding Resolution 21LVPFC-09-26, concerning (i) the Las Varas Public Facility Corporation approval of an inducement resolution for proposed tax credits and tax exempt multifamily housing revenue bonds for The Sorento (the "Bonds"); (ii) the Las Varas Public Facility Corporation to approve resolution 21LVPFC-09-26, authorizing the bonds and authorizing its participation in The Sorento project, (iii) Las Varas Public Facility Corporation partnering with Fairfield Residential to acquire The Sorrento, and apply for new 4% tax credits to finance the rehabilitation of The Sorento project, and (iv); and other matters in connection therewith.

**FINANCIAL IMPACT:**

None at this time. However, in order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board, which is time sensitive and competitive. By authorizing SAHA staff to submit applications early for the aforementioned projects, SAHA increases its chance to obtain the volume cap to complete the projects and benefit from additional revenue.

**SUMMARY:**

SAHA is seeking authority to file applications relating to our proposed 2022 4% tax credit projects and the following years. 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. SAHA will be applying for a volume cap, which will not be awarded until the end of the year, if any volume cap is available. Certain state agencies have the right to use the available volume cap before local agencies, and last year the state agencies used almost all of the volume cap and

**LAS VARAS PUBLIC FACILITY CORPORATION****October 7, 2021**

only seven local agency projects received a volume cap. Volume cap available to local agencies is awarded on a first come, first served basis, according to when the application is submitted. Therefore, SAHA would need to submit applications as soon as possible. SAHA must also apply for tax credits to the Texas Department of Housing and Community Development. Accordingly, Staff is requesting that the Board authorize these actions so that SAHA may begin the process, but SAHA is not asking 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, and begin to coordinate the financing and negotiate the specific terms of the deals, which will be brought back for Board approval.

The projects we intend to seek volume cap for are listed below:

1. Rosemont at University Park apartments, an approximately 240-unit multifamily project located at 102 Emerald Ash, San Antonio, Texas 78221, requesting \$36,000,000.00 of volume cap; and
2. Rosemont at Bethel Place apartments, an approximately 250-unit multifamily project located at 535 South Acme Road, San Antonio, Texas 78237, requesting \$41,000,000.00 of volume cap; and
3. The Sorento apartments, an approximately 248-unit multifamily project located at 2803 Fredericksburg Road, San Antonio, Texas 78201, requesting \$38,000,000.00 of volume cap.

Each of the projects will be rehabilitation of an existing facility and each will have 50% of the units set aside for families at 50% of the area median income ("AMI"), with the remaining 50% of the units to be set aside for families at 60% AMI. Currently, Rosemont at University Park has 0 units at 50% AMI and 240 units at 60% AMI; Rosemont at Bethel Place has 0 units at 50% AMI and 250 units at 60% AMI; and The Sorento has 4 units at 50% AMI and 244 units at 60% AMI, so this will create deeper affordability requirements, while maintaining 100% affordability.

In each of these transactions, Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The Las Varas Public 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 to approve an inducement Resolution for The Sorento apartments.

**STRATEGIC OUTCOMES:**

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

**ATTACHMENTS:**

**LAS VARAS PUBLIC FACILITY CORPORATION**

**October 7, 2021**

Resolution 21-LVPFC-09-26

Presentation: Maps and Photos

**CERTIFICATE FOR RESOLUTION**  
**Resolution 21LVPFC-09-26**

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

1. In accordance with its bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 7, 2021 (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-09-26, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR THE SORENTO (THE "BONDS"); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-26, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE SORENTO PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE SORRENTO, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE SORENTO PROJECT, AND (IV); 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 LVPFC.

**SIGNED this 7th day of October 2021.**

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

**Las Varas Public Facility Corporation  
Resolution 21LVPFC-09-26**

**RESOLUTION 21LVPFC-09-26, CONCERNING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION APPROVAL OF AN INDUCEMENT RESOLUTION FOR PROPOSED TAX CREDITS AND TAX EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR THE SORENTO (THE “BONDS”); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 21LVPFC-09-26, AUTHORIZING THE BONDS AND AUTHORIZING ITS PARTICIPATION IN THE SORENTO PROJECT, (III) LAS VARAS PUBLIC FACILITY CORPORATION PARTNERING WITH FAIRFIELD RESIDENTIAL TO ACQUIRE THE SORENTO, AND APPLY FOR NEW 4% TAX CREDITS TO FINANCE THE REHABILITATION OF THE SORENTO PROJECT, AND (IV); AND OTHER MATTERS IN CONNECTION THEREWITH**

**WHEREAS**, the Housing Authority of the City of San Antonio, Texas (Housing Authority), has, pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, as amended (Act), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (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 Sorento LP, a to-be-formed Texas limited partnership (User), has filed an Application (Application), requesting that (i) the Issuer finance the acquisition, construction, rehabilitation, improvement, and equipping of an approximately 248-unit multifamily housing facility located at 2803 Fredericksburg Road, San Antonio, Texas, and known as The Sorento Apartments (Project); and (ii) the Issuer file a 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 (Board) of the Issuer to issue housing revenue bonds pursuant to the Act (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 \$38,000,000.00 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 (Allocation Act), and various provisions of the Internal Revenue Code of 1986, as amended (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 an “Application for Carryforward for Private Activity Bonds” (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 requires 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, construction, equipping, and improvement of the Project (Expenditures) and expects to reimburse the Expenditures with proceeds of the Bonds; and

**WHEREAS**, in order to allocate under Treasury Regulation §1.150-2 (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 Las Varas Public Facility Corporation hereby approves:

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 \$38,000,000.00;

(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 (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 an 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 \$38,000,000.00. 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 Board hereby authorizes the filing and any resubmission of an Application with the Texas Bond Review Board, that Locke Lord LLP be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution.

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 7th day of October 2021.**

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

**Attested and approved as to form:**

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



# **FAIRFIELD PARTNERSHIP TRANSACTION**

October 7, 2021

# THE SORRENTO

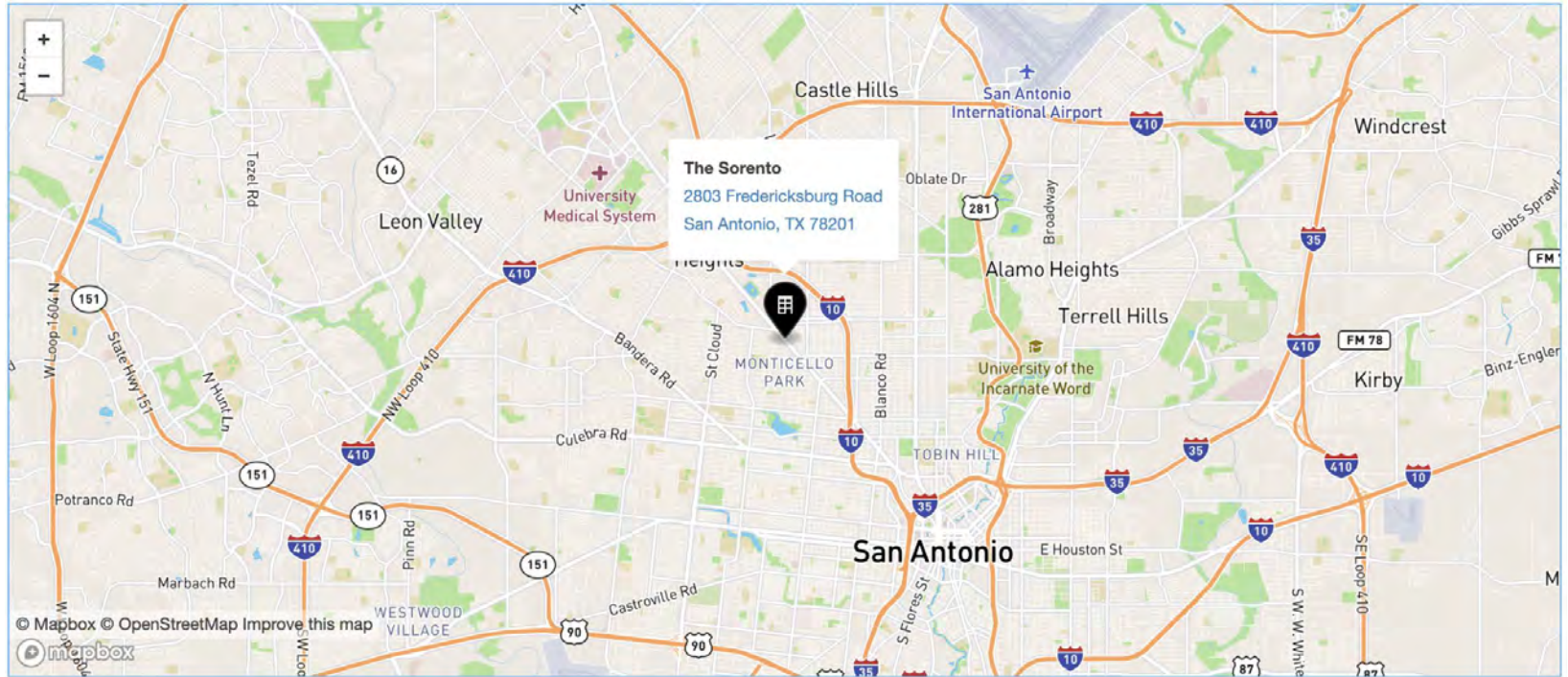
2803 Fredericksburg





# THE SORRENTO

2803 Fredericksburg



# QUESTIONS?