

AGENDA

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

A MEETING OF THE OF THE SAN ANTONIO HOUSING TRUST
PUBLIC FACILITY CORPORATION BOARD OF DIRECTORS WILL BE HELD VIA ZOOM:

<https://us02web.zoom.us/j/81813806151?pwd=OEtWUkhmMUdBTHZXSUVQ4STUyelhHOT09>

DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 818 1380 6151 PASSWORD: 326108

ON TUESDAY, APRIL 27, 2021

AT 11:00 A.M. TO CONSIDER THE FOLLOWING MATTERS:

Briefing and Possible Action on:

1. Approval of minutes
2. Public Comment
3. Resolution authorizing **Hamilton Wolfe Lofts** 9% LIHTC transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Hamilton Wolfe Lofts GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith
4. Consideration and possible action approving the sale of the **Cevallos Lofts** and the amendment of the lease associated therewith.
5. Consideration and possible action to formally assign Rebecca Viagran, Roberto Trevino, and Shirley Gonzales to the Joint Transition Committee.

***Executive Session**

The Board reserves the right to enter into an Executive Session at any time to discuss any of the agenda items pursuant to Section 551.071 (Consultation with Attorney) or 551.072 (Deliberation Regarding Real Property).

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

BOARD MEMBERS:

Council Member Roberto C. Trevino (District 1), Council Member Rebecca J. Viagran (District 3), Council Member Dr. Adriana Rocha Garcia (District 4), Council Member Shirley Gonzales (District 5), Council Member John Courage (District 9)

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 1

Agenda Date: 4-27-2021

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Approval of minutes

SUMMARY:

This item includes the approval of minutes from the March 30, 2021 meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES
March 30,2021

- The Public Facility Corporation met in session at 1:06 p.m, via Zoom
- The meeting was called to order by Councilwoman Viagran and the roll was called by Maria Bradley.

PRESENT: Councilwoman Rebecca Viagran, Councilman Roberto Treviño, Councilwoman Adriana Rocha Garcia Councilwoman Shirley Gonzales, and Councilman John Courage

ABSENT:

Staff/Visitors Present:

Pedro Alanis-Executive Director San Antonio Housing Trust Public Facility Corporation; Nicole Collazo-Assistant Director San Antonio Housing Trust Public Facility Corporation; JD Hernandez –Asset Manager San Antonio Housing Trust Public Facility Corporation; Sharon Jennings-Contract Officer San Antonio Housing Trust Public Facility Corporation; Maria Bradley - Administrative Assistant, San Antonio Housing Trust Public Facility Corporation; James Plummer- Bracewell LLP; Summer Greathouse-Bracewell LLC; Allison Beaver- NHSD; Justin Renteria-D1; Edward Mungia-D4; Teresa Menendez Myers-D5; Ruben Lizalde-D3; Juan Valdez-Mayors Office; Cara Ross-Lincoln Property Co.; Barbara Hawkins-Echo East Project Representative; Carine Yhap-Atlantic Pacific; Maria Antonietta Berriozabal-D1; Debra Guerrero- NRP Group; Jean Latsha-Pedcor; Lizbeth Parra-Texas RioGrande Legal Aid

1. Approval of minutes for February 24, 2021

MINUTES COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilwoman Rocha Garcia for approval meeting minutes from February 24, 2021.

AYES: 5

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED.

2. PUBLIC COMMENT-

Rebecca Flores- She wanted to express her concern on the gentrification happening in her area. She pays about \$5,000 in property taxes and her plan is to gift her house her daughter. She would like for the PFC to be more transparent to the public. She would like to have information available to the public as to who are the partners involved and what are the total annual tax exemptions. She mentioned that she could not look up the tax values of the PFC properties on BCAD. She only found info on the Baldwin. She also asked if the City does inspection on the properties since she has read many residents complain about the Baldwin.

Monica Cruz- San Antonio Housing Trust should incorporate more transparency regarding the developments that benefit developers.

Rich Acosta- He wanted to express his excitement on the San Antonio Housing Trust for approving the tenant protection rights. He believes it is a fantastic move that the SAHT has voted

for. He wanted to highlight 2 of the rights that are very important to all tenants. One of which is the rights for tenants to access their tenant files. Allowing tenants request their files in case of an eviction process; or having accountability for any service repairs needed. Another right he wanted to highlight the source of income protection that all San Antonio Housing Trust properties including PFC will accept Section 8 vouchers.

Christina Trejo – She wanted to express her enthusiasm to the San Antonio Housing Trust on taking the initiative to help and protect tenants renters rights. The protection will make a huge impact on the San Antonio Community that are the most vulnerable.

- 3. Resolution authorizing the Echo East Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT Echo East Manager, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation serve as the general contractor; and other matters in connection therewith.**

Pete briefed on the final approval of the Echo East project by the George Gervin Foundation has partnered with Atlantic Pacific communities located in Council District 2. The project will be required to adopt the new Tenant Protection policy and will accept section 8 vouchers. The PFC will service as the general partner in the tax credit company partnership and will continue to own the land and lease it to the tax credit partnership. Currently the property does not pay property taxes and was owned by the City for several years prior to conveying it to the PFC. PFC will receive \$200,000 bond issuance fee at closing and \$92,160 annual bond fee over 15 years.

COMMISSION ACTION:

The motion was made by Councilwoman Viagran and seconded by Councilwoman Gonzales to approve item #3.

AYES: 5

NAYS: 0

ABSTAIN: 0

The MOTION CARRIED.

- 4. Resolution authorizing Longhorn Quarry II Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the financing for such transaction; and authorizing San Antonio Housing Public Facility Corporation to enter into a joint venture agreement to serve as a general contractor; and other matters in connection therewith.**

Pete Alanis briefing on the final approval of the Longhorn Quarry 2 project. The Morgan group is seeing to develop a multi-family apartment complex. It will have a unit mix of 1,2 and 3 bedroom units. The project will have 36 units available for tenants whose income is less than 60% of the area median income; 142 units are for tenants of whose income is less than 80% AMI and the remaining units will be market-rate units. This is not a tax credit project. It will be owned by the PFC and leased to the developer for a 99-year lease period.

The only change since inducement approval from back in November was the cost of the project was increased due to construction pricing and interest rate; however, the debt and equity were able to compensate due to the increase.

Councilwoman Viagran confirmed that the Council member from this district was in agreement with this project. Pete Alanis confirmed that is correct.

COMMISSION ACTION:

The motion was made by Councilwoman Gonzales and seconded by Councilwoman Rocha Garcia for approval of item #4.

AYES: 5

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED.

5. Consideration and possible action to approve a Resolution inducing the Cosmopolitan Apartments, a new 105-unit, PFC-structure affordable senior-housing project in partnership with Loopy Limited, located at 311 West Laurel in Council District 1.

Pete Alanis briefed on the Cosmopolitan Apartments. Loopy Limited is seeking partnership with a 75-year lease with the Public Facility Corporation. The new construction project will have a mix of 105-unit new construction and 5 two-bedroom units that will have a 20-year Housing Assistance Program contract extension with HUD. Which limits seniors to spend no more than 30% on rent. HUD will pay the difference between rent and what seniors can afford. The project will not be funded with tax credits.

The PFC will receive 20% of annual net cash flow rent after the first sale, and 2% of gross sale proceeds at any future sale of the life of the lease.

This is a Senior project and no families with children will live in this complex.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilwoman Rocha Garcia to approve item #5 as stated.

AYES: 5

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED.

6. Discussion and possible action regarding the election to accept rent instead of sales proceeds upon the sale of the Salado at Red Berry and authority to amend and restate the Lease Agreement.

Pete Alanis told the board that the Salado at Red Berry is selling their interest in the project to the Brice Real Estate Development Group. The PFC will continue to own the project subject to the lease conditions. Project will remain tax exempt. The PFC can elect to either accept a percentage of sales proceeds or receive a percentage of net operating income and accept annual fees for the remaining term of the lease. If the PFC agrees to cash out option, 10% share of the available proceeds after debt and equity are repaid. If the PFC elects to receive 10% of the cash flow and annual fees from the Property for the remaining 73 years in the lease.

COMMISSION ACTION:

The motion was made by Councilwoman Rocha Garcia and seconded by Councilwoman Gonzales for approval of item # 6 with recommendation #1 to elect the right to cash flow in admin fees.

AYES: 5
NAYS: 0
ABSTAIN: 0

THE MOTION CARRIED.

7. Consideration and possible action to approve the TIRZ grant for the Red Berry trail system.

Pete Alanis briefed on March 15th, the Inner City TIRZ Board has unanimously approved providing \$1.2 million grant to the PFC to complete the work. Once work is completed then the PFC shall convey all the trails, trailhead, lake, water well, and land back to the City. Staff is recommending acceptance of the TIRZ funding and to authorize the amendment to the master development agreement to include those funds.

COMMISSION ACTION:

The motion was made by Councilman Courage and seconded by Councilwoman Rocha Garcia for the approval and adoption of item #7.

AYES: 5
NAYS: 0
ABSTAIN: 0

THE MOTION CARRIED.

8. Consideration and possible action to approve the adoption of the Tenant Protection Policy.

Pete Alanis briefed on the Tenant Protection Policy. The process to developing this policy was to aim to improve tenant experience who were previously evicted or displaced. In 2016, there was a Princeton University report stating San Antonio has a higher eviction rate than both Los Angeles and Atlanta combined. Pete Alanis wanted the San Antonio Housing Trust that wanted to be a small part of a solution to lower the eviction rate.

On January 26, the Public Facility Corporation board approved the release of the proposed policy along with a 45-day engagement comment period.

On February 24th, Pete presented to the Housing Commission who also provided feedback.

COMMISSION ACTION:

The motion was made by Councilman Treviño and seconded by Councilwoman Gonzales to approval of the Tenants Protection Policy

AYES: 5
NAYS: 0
ABSTAIN: 0

THE MOTION CARRIED.

Councilwoman Viagran adjourned the meeting. There being no further business, the meeting adjourned at 2:39pm

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 2

Agenda Date: 4-27-2021

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Public Comment

SUMMARY:

This item will allow 3 minutes each for interested speakers to address the Board.

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 3

Agenda Date: 4-27-2021

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: District 8

SUBJECT:

Resolution authorizing the Hamilton Wolfe Lofts transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of a membership interest in SAHT Hamilton Wolfe Lofts GP, LLC; and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith

SUMMARY:

The NRP Group project is a 74-unit 9% multi-family housing tax credit project located at the northwest corner of Hamilton Wolfe Road and Princeton Place in District 8. All units will be rented to individuals whose incomes range from 30% to 60% of area median family income.

Unit Type	AMI	Units	Net Rent
1BR	30%	1	\$336
1BR	50%	3	\$614
1BR	60%	2	\$753
2BR	30%	5	\$404
2BR	50%	21	\$737
2BR	60%	22	\$904
3BR	30%	2	\$470
3BR	50%	6	\$855
3BR	60%	12	\$1048

The Project is expected to cost approximately \$19,602,595. The project does not have tax exempt bonds as this is not a requirement of the 9% LIHTC Program. The sources of funds are as follows: \$13,423,658 in tax credit equity; \$4,250,000 in permanent financing, \$1,200,000 in a Loan from the City of San Antonio, and \$728,837 in deferred developer fees.

The San Antonio Housing Trust Public Facility Corporation will be the 95% managing partner and MSTZO, LLC will be the 5% non-managing partner together acting as the General Partner. MSTZO is included to obtain Historically Underutilized Business points, which were required to get the tax credits. The NRP Group is a limited Partner.

The PFC will be the general contractor for the Project to obtain a sales tax exemption. The PFC will own the land and lease it to the tax credit partnership.

ALTERNATIVES:

If the PFC Board does not approve the resolution, the 74 units will not be built.

FISCAL IMPACT:

The 2021 ad valorem property tax is approximately \$55,673 on the existing property, which equates to \$835,095 not paid over 15 years due to the property tax exemption.

The PFC will receive a right of first refusal at the end of the 15-year tax credit compliance period to acquire the project for the outstanding debt plus exit taxes. Additionally, the PFC anticipates receiving the following estimated fees:

- \$170,130 in Developer Fee (Closing to Stabilization)
- \$232,911 in Deferred Fees (thru Year 15)

RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the Hamilton Wolfe Lofts transaction.

ATTACHMENTS:

Resolution

HAMILTON WOLFE LOFTS

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“SAHTPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the “Board”) held a meeting on April 27, 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 AUTHORIZING THE HAMILTON WOLFE LOFTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF MEMBERSHIP INTEREST IN SAHT HAMILTON WOLFE LOFTS GP LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF HAMILTON WOLFE LOFTS LTD.; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; 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 SAHTPFC.

SIGNED April 27, 2021.

Pedro A. Alanis, Assistant Secretary

RESOLUTION AUTHORIZING THE HAMILTON WOLFE LOFTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF MEMBERSHIP INTEREST IN SAHT HAMILTON WOLFE LOFTS GP LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF HAMILTON WOLFE LOFTS LTD.; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Hamilton Wolfe Lofts Ltd., a Texas limited partnership (the “Partnership”), and SAHT Hamilton Wolfe Lofts GP LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire and construct an approximately 74-unit multifamily housing facility (the “Housing Facility”) located at approximately the northwest corner of Hamilton Wolfe Road and Princeton Place, San Antonio, Texas and known as the Hamilton Wolfe Lofts (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) has agreed to (i) serve as the 95% member and manager of the General Partner in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and (iii) serve as the general contractor for the Project;

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

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

WHEREAS, in connection with the financing, the Partnership will also enter into a loan transaction with JPMorgan Chase Bank, N.A. for a construction and permanent loan (the “Loan”) in an amount not to exceed \$15,475,000;

WHEREAS, in connection with the execution of the Loan, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including, but not limited to, a Promissory Note, a Leasehold Deed of Trust, Security Agreement, Assignment of Leases and Rents, a Loan Agreement, an Environmental Indemnity Agreement, Certificates of Borrower, and a Subordination Agreement (collectively, the “Loan Documents”);

WHEREAS, in connection with the financing for the Project, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into a loan from the City of San Antonio (the “City Loan”) in the approximate amount of \$1,200,000, which will be documented in certain agreements, including, but not limited to, a Developer Agreement, a Real Estate Lien Note, a

Leasehold Deed of Trust, a Declaration of Restrictive Covenants, assignments of various contracts, various subordination and intercreditor agreements, and various closing documents and certificates relating to the City Loan (collectively, the “City Loan Documents”);

WHEREAS, the Partnership will contribute approximately \$13,423,658 of equity to the construction of the Project, which will be raised from the sale of tax credits (the “Equity Financing”);

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, and including the documents attached as exhibits thereto, and closing certificates (collectively, the “Equity Documents”);

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

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION, THAT:

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the Loan, the City Loan and the Equity Financing and the terms of the Loan Documents, the City Loan Documents, and the Equity Documents are hereby authorized and approved when such documents are executed by the officers provided below.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Loan Documents, the City Loan Documents, the Equity Documents, indemnity agreements and guaranties covering the Land or the Project, and all other documents relating to the Loan, the City Loan, and the Equity Financing, to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, the acquisition of membership interest in the General Partner by SAHTPFC and General Partner’s admission as the general partner of the Partnership, and the role of SAHTPFC as the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, the Executive Director, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and the Executive Director, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The

President, any Vice President, the Secretary, the Treasurer, the Executive Director, any assistant secretary or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. 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 8. 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 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

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

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San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 4

Agenda Date: 4-27-2021

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Consideration and possible action approving the sale of the Cevallos Lofts and the amendment of the lease associated therewith.

SUMMARY:

The NRP Group is selling their interest in the 252-unit, Cevallos Lofts. The project was a 4% tax credit transaction with 50% of the units available to tenants whose incomes are less than 80% of the median income and with 63 of those units restricted to 50% of the area median income. The appraised value of the project is \$37,500,000.

The sales price of the project is projected between \$37,000,000 and \$38,000,000. SAHTPFC has a right to 51% of the profit after the repayment of the project's debt. This would produce approximately \$2.4 to \$2.9 million in proceeds to SAHTPFC. These numbers are approximate because best and final negotiations are occurring as this memo is drafted.

The City of San Antonio has an outstanding Neighborhood Stabilization Program Loan in the amount of \$1,002,885 and an outstanding HOME Loan in the amount of \$2,613,000. Both loans would be paid off at closing. Funds would be immediately available to the City of San Antonio for reinvestment in other eligible projects.

The 63 tax credit units will continue to be restricted to individuals and families at 50% of area median income through December 2041.

The PFC shall continue as the landlord and the new buyer is the Tenant. As a condition of our agreement, the buyer must agree to:

- Place rent/income restrictions on the 80% AMI units for HH/BR Size
- Incorporate the new Tenant Protection Policy
- Incur the cost of an Annual Compliance Audit
- Pay the PFC annual rental fee of \$50,000 per year
- Pay a 1% transaction fee on all future sales

RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the sale of the Cevallos Lofts and the amendment of lease associated therewith.

ATTACHMENT:

Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“SAHTPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the “Board”) held a meeting on April 27, 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 AUTHORIZING THE SALE OF THE LEASEHOLD INTEREST IN THE CEVALLOS LOFTS PROJECT; AND AUTHORIZATION TO EXECUTE AN AMENDED AND RESTATED LEASE AGREEMENT IN CONNECTION THEREWITH; 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 San Antonio Housing Trust Public Facility Corporation.

SIGNED April 27, 2021.

Pedro A. Alanis, Assistant Secretary

RESOLUTION AUTHORIZING THE SALE OF THE LEASEHOLD INTEREST IN THE CEVALLOS LOFTS PROJECT; AND AUTHORIZATION TO EXECUTE AN AMENDED AND RESTATED LEASE AGREEMENT IN CONNECTION THEREWITH; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, SAHTPFC previously approved financing and participation in the Cevallos Lofts Project (the “Project”) and SAHTPFC is the sole member of Cevallos Lofts GP, LLC (the “General Partner”), which serves as the sole general partner of the Tenant (as defined below);

WHEREAS, under that certain Lease Agreement (the “Lease”) between SAHTPFC and Cevallos Lofts, Ltd. (the “Tenant”), Tenant has the right to sell or otherwise transfer the leasehold interest in the Project (a “Sale”), and Tenant currently has a contract for such a Sale;

WHEREAS, pursuant to the Lease and that certain Amended and Restated Limited Partnership Agreement of the Tenant (the “Partnership Agreement”), any Sale must be approved by the General Partner;

WHEREAS, SAHTPFC and the Tenant must amend and restate the Lease (the “Amended and Restated Lease”) in connection with the sale of the Project leasehold in order to (a) remove several provisions that are no longer applicable to the Project, (b) reflect a new tenant, and (c) make any other changes deemed necessary and appropriate to achieve the foregoing purposes;

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;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION, THAT:

Section 1. The Sale in an amount of at least \$37,000,000 in gross sale price and the Amended and Restated Lease are hereby authorized and approved.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the Project, including, but not limited to, consents of SAHTPFC and/or the General Partner related to the Sale, the Amended and Restated Lease, and all other documents relating to such documents.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC and or the General Partner, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, any Assistant

Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 5. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. 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 7. 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 8. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 9. This Resolution shall be in force and effect from and after its passage.

San Antonio Housing Trust Public Facility Corporation

Agenda Memorandum

File Number _____

Agenda Item Number: 5

Agenda Date: 4-27-2021

In Control: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT: San Antonio Housing Trust Public Facility Corporation

DEPARTMENT HEAD: Pedro Alanis

SUBJECT: Consideration and possible action to formally assign Rebecca Viagran, Roberto Trevino, and Shirley Gonzales to the Joint Transition Committee.

SUMMARY:

On September 24, 2020, the ad-hoc Joint Transition Committee met with three members of the Trust/Foundation Board and three members of the PFC/Finance Corporation Board to agree with a path forward with a governance re-alignment framework.

It was previously agreed to have the 3 senior members of the PFC and Finance Corporation represent the board in this committee, however there was not a formal resolution from the PFC and Finance Corporation Board.

FISCAL IMPACT: None

RECOMMENDATION:

Staff recommends formally assignment of Rebecca Viagran, Roberto Trevino, and Shirley Gonzales to the Joint Transition Committee on behalf of the PFC until the work of ad hoc committee is complete.

ATTACHMENT:

Resolution

CERTIFICATE FOR RESOLUTION

The undersigned officer of the San Antonio Housing Trust Public Facility Corporation (the "Corporation") hereby certifies as follows:

3. In accordance with the bylaws of the Corporation, the Board of Directors of the Corporation (the "Board") held a meeting on April 27, 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 APPOINTING REBECCA VIAGRAN, ROBERTO TREVINO AND SHIRLEY GONZALES TO THE SAN ANTONIO HOUSING TRUST JOINT TRANSITION COMMITTEE

(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.

4. 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 Corporation.

SIGNED AND SEALED April 27, 2021.

Pedro A. Alanis, Assistant Secretary

RESOLUTION APPOINTING REBECCA VIAGRAN, ROBERTO TREVINO AND SHIRLEY GONZALES TO THE SAN ANTONIO HOUSING TRUST JOINT TRANSITION COMMITTEE

WHEREAS, on September 24, 2020, the ad-hoc Joint Transition Committee (the “Committee”) met with members of the boards of directors of the San Antonio Housing Trust and its affiliated entities (collectively, the “SAHT Entities”) to discuss potential changes to the governance of the SAHT Entities and other matters related thereto (the “Committee’s Work”);

WHEREAS, it was agreed that Rebecca Viagran, Roberto Trevino and Shirley Gonzales (together, the “Appointees” and each individually, an “Appointee”) would represent the Corporation as members of the Committee;

WHEREAS, the Board desires to confirm and ratify by formal written resolution the assignment of the Appointees to the Committee to serve until such time as the Committee’s Work is complete;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION THAT:

Section 1. The Appointees are hereby assigned to serve on the Committee with the authority to act as representatives of the Corporation in their performance of the Committee’s Work.

Section 2. Each Appointee shall serve on the Committee until such time as the Committee’s Work is deemed complete by the Executive Director of the San Antonio Housing Trust, even if such Appointee is no longer a member of the Board.

Section 3. 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 4. 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 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. This Resolution shall be in force and effect from and after its passage.

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