



City of San Antonio

Legislation Details (With Text)

File #: 14-1947

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 9/18/2014

Title: An Ordinance approving an increase to the San Antonio Housing Trust Finance Corporation loan for the Cevallos Lofts Apartment project from \$3,200,000 that was previously approved by City Council to an amount not to exceed \$3,700,000. [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]

Sponsors:

Indexes: HOME Program

Code sections:

Attachments: 1. Draft Ordinance, 2. Ordinance 2014-09-18-0712

Date	Ver.	Action By	Action	Result
9/18/2014	1	City Council A Session	adopted	Pass

DEPARTMENT: Department of Planning and Community Development

DEPARTMENT HEAD: John M. Dugan

COUNCIL DISTRICTS IMPACTED: District 5

SUBJECT:

Authorizing an increase in the fixed rate loan for the Cevallos Lofts Apartment project to an amount not to exceed \$3,700,000.00.

SUMMARY:

Authorizing an amendment to increase the Cevallos Lofts Apartment project loan amount to an amount not to exceed \$3,700,000.

BACKGROUND INFORMATION:

On June 10, 2014, San Antonio Housing Trust Finance Corporation approved a resolution authorizing the conversion of the San Antonio Housing Trust Finance Corporation (SAHTFC) variable rate demand Multifamily Housing Revenue Bonds, Series 2010 to a fixed rate for fourteen (14) years and authorized the new loan. On June 19th the City Council, through Ordinance 2014-06-19-0469 also approved the new loan for the

staff recommended amount of \$3,200,000. After approval, the Texas Department of Housing and Community Affairs demanded that its loans associated with the Cevallos Lofts project, separate and apart from the SAHTFC loan, be paid down by \$500,000. This necessitates increasing the new loan to an amount not to exceed \$3,700,000 and requires re-approval.

ISSUE:

This item will authorize an amendment to increase the San Antonio Housing Trust Finance Corporation City Council prior-approved loan amount for the Cevallos Lofts Apartment project from an amount of \$3,200,000 to an amount not to exceed \$3,700,000.

ALTERNATIVES:

The Council may elect to reject the recommendation which would result in a loss of \$753,500 in payment to the San Antonio Housing Trust Public Facility Corporation, limit the share of cash flow to only 25% and no payments on the HOME and NSP loans for another six (6) years.

FISCAL IMPACT:

There is no impact to the General Fund. The project is currently tax exempt and will remain tax exempt. The San Antonio Housing Trust Finance Corporation and San Antonio Housing Trust Public Facility Corporation are self-supporting entities through program income and the rate change will be a positive impact to the PFC.

RECOMMENDATION:

Staff recommends authorizing an amendment to increase the fixed rate loan for the Cevallos Lofts Apartment project loan amount to an amount not to exceed \$3,700,000.