



**REAL ESTATE DEVELOPMENT
COMMITTEE MEETING**
Sept. 17, 2020



BOARD OF COMMISSIONERS

Dr. Ana "Cha" Guzmán Chair	Jessica Weaver Vice Chair	Charles Clack Commissioner	Jo-Anne Kaplan Commissioner	Olga Kauffman Commissioner	Ruth Rodriguez Commissioner
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PRESIDENT & CEO

David Nisivoccia

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

Call In Phone Number: (267) 753-6289

PIN Number: 479234413#

2:00 p.m., Thursday, September 17, 2020

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

MEETING CALLED TO ORDER

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

PUBLIC COMMENT

2. Public Comment - Citizens are provided three minutes each to speak to any agenda items. Citizens wishing to speak to items posted on the agenda should access Phone Number: **(267) 753-6289** and enter PIN Number: **479234413#**, prior to **2:00 p.m.**

INDIVIDUAL ITEMS FOR CONSIDERATION

3. Review and/or finalize Real Estate Development Policy (Timothy E. Alcott, Chief Legal and Real Estate Officer and Lorraine Robles, Director of Development Services and Neighborhood Revitalization)
4. Public hearing and consideration and appropriate action regarding Resolution 6071, authorizing (i) the Las Varas Public Facility Corporation Multifamily Housing Revenue Note (Kitty Hawk Flats Apartments) Series 2020 (Bonds); (ii) the Las Varas Public Facility Corporation to approve Resolution 20LVPFC-09-10 authorizing the bonds; (iii) the San Antonio Housing Facility Corporation to approve Resolution 20FAC-09-10 authorizing its participation in the Kitty Hawk Flats Apartments; and (iv) other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)
5. Consideration and appropriate action regarding Resolutions SAHA 6072, 20LVPFC-09-11 and 20FAC-09-11, authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for proposed tax credits and tax exempt bond

financing for the proposed Granada Apartments rehabilitation Project (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

6. Consideration and appropriate action regarding Resolutions SAHA 6073, 20LVPFC-09-12 and 20FAC-09-12 authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for proposed tax credits and tax exempt bond financing for the Somerset Ranch Apartments Project (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

RESOURCES PROVIDED

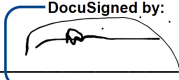
- Schedule of Units Under Development
- Real Estate Development Policy (most updated version)

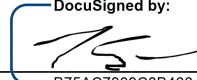
7. Adjournment

*Note: Whenever the Texas Open Meetings Act (Section 551.001 et seq. of the Texas Government Code) provides for a closed meeting in matters concerning legal advice, real estate, contracts, personnel matters, or security issues, the Board may find a closed meeting to be necessary. For convenience of the citizens interested in an item preceded by an asterisk, notice is given that a closed meeting is contemplated. However, the Board reserves the right to go into a closed meeting on any other item, whether it has an asterisk, when the Board determines there is a need and a closed meeting is permitted.

**Note: If a quorum of the Board of Commissioners attends the Committee Meeting, this meeting becomes a Special Meeting of the Board, but no Board action will be taken other than recommendations to the full Board, unless the full Board is present.

SAN ANTONIO HOUSING AUTHORITY**September 17, 2020****BOARD OF COMMISSIONERS
Real Estate Development Committee****RESOLUTION 6031, ADOPTING THE AFFORDABLE HOUSING PRESERVATION AND
EXPANSION POLICY TO GUIDE THE SELECTIVE REDEVELOPMENT, ACQUISITION AND NEW
DEVELOPMENT ACTIVITIES OF THE SAN ANTONIO HOUSING AUTHORITY**

DocuSigned by:

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David Nisivocchia
 President and CEO

DocuSigned by:

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Timothy E. Alcott
 Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and appropriate action regarding Resolution 6031, adopting the Affordable Housing Preservation and Expansion Policy to guide the selective redevelopment, acquisition and new development activities of the San Antonio Housing Authority.

FINANCIAL IMPACT:

The policy includes requirements for evaluating the fiscal impacts of proposed projects and the requirement that administrative guidelines be established for underwriting criteria on all new and refinanced projects. In addition, the policy may require the funds for capital to be invested strategically, to extend the remaining useful life of properties and to add value to the neighborhood and community at large.

SUMMARY:

The Affordable Housing Preservation and Expansion Policy will accomplish two key objectives:

1. Provide a guide for the work undertaken in development and redevelopment regarding partnerships, standards for development and construction and the implementation of a community development approach; and
2. Provide a framework of all partners, including non-profit and private sector organizations, to understand the outcomes expected by SAHA in all of its projects.

There is a critical need for more affordable housing units in San Antonio and the need continues to grow. One third of people in San Antonio spend more than 30% of their income on housing, which is over the recommended maximum amount a family should spend on housing expenses. The City of San Antonio created a Housing Policy Task Force to address this issue by recommending that there should be an increase in the production, rehabilitation and preservation of affordable housing.

Our policy should assist the Housing Policy Task Force to help address affordable housing issues in San Antonio. It provides a framework whereby SAHA can bring new developments to the Board of Commissioners that are aligned with the policy. For example, we have a goal that new developments have at least 10% of units of a new development at 30% of the Area Median Income (AMI). This currently works with most of the transactions that have been brought to the Board, nearly all of the 9% and 4% tax credit and bond transactions, have been the majority of the

SAN ANTONIO HOUSING AUTHORITY**September 17, 2020**

new developments. With the 9% transactions, the income mix, location and many other factors are also determined by the Texas Department of Housing and Community Affairs (TDHCA). It is important that SAHA align its policies with its funders in order to meet the organization's mission to provide quality affordable housing.

SAHA has worked with financial providers to achieve the goal of producing more deeply affordable units by being creative. For example, it also considered and approved developments that have much more than 10% of the units at 30% AMI. Alazan Lofts, a 9% transaction, has nearly 50% of the units with either public housing subsidy or 30% AMI with 80, of the 88 units, being designated affordable. Because of the Public Housing subsidy, SAHA had to contribute financially to the transaction. With our 4% tax credit and bond deals, nearly all of these transactions have 10% of the units at 30% AMI, by using income averaging without a capital outlay of the agency. Finally, in another transaction, 50% of the units were at 80% AMI. The goal of this project was to create more affordable housing, but also to create revenue for the agency to be able to develop more deeply affordable units at other locations (100 Labor St., a new downtown development) and have funds to preserve existing affordable housing in SAHA's portfolio. Mechanisms and flexibility to be able to develop both mission oriented and capital generation developments, must exist, because they go hand-in-hand.

This Policy is not made in a vacuum and should be read in conjunction with the SAHA's strategic plan. The Strategic Plan discusses matters such as goals for the number of units to be constructed, acquired and preserved at various incomes over the next five years.

STRATEGIC GOAL:

Strategically expand the supply of affordable housing.

ATTACHMENTS:

Resolution 6031

Affordable Housing Preservation and Expansion Policy

**San Antonio Housing Authority
Resolution 6031**

RESOLUTION 6031, ADOPTING THE AFFORDABLE HOUSING PRESERVATION AND EXPANSION POLICY TO GUIDE THE SELECTIVE REDEVELOPMENT, ACQUISITION AND NEW DEVELOPMENT ACTIVITIES OF THE SAN ANTONIO HOUSING AUTHORITY

WHEREAS, SAHA recognizes the significant unmet need for quality housing affordable to lower income individuals and families in San Antonio; and

WHEREAS, SAHA will work actively to preserve and expand quality affordable housing to fill this need by pursuing rehabilitation, acquisition, new construction, or asset repositioning projects that address unmet community need; and

WHEREAS, SAHA will assist residents in making socio-economic progress so their families can transition from government support and ultimately sustain themselves; and

WHEREAS, SAHA will catalyze economic development through the creation of financially, socially, and environmentally inclusive communities that are healthy and sustainable; and

WHEREAS, SAHA will transparently plan and collaborate with residents and other key public, private, and non-profit stakeholders at the local, state and federal level; and

WHEREAS, SAHA will add high quality, sustainable, and affordable housing in mixed income communities that are distributed throughout San Antonio.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of SAHA hereby:

Approves Resolution 6031, adopting the Affordable Housing Preservation and Expansion Policy to guide the selective redevelopment, acquisition and new development activities of the San Antonio Housing Authority.

Passed and approved the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
President and CEO

Policy Title: Affordable Housing Preservation and Expansion

Effective Date: July 2, 2020

I. Statement of Purpose

Intent

The intent of this Affordable Housing Preservation and Expansion Policy is to guide agency decisions regarding the preservation of existing affordable housing stock, and the expansion of affordable housing supply in the San Antonio area. Such decisions include but are not limited to location, quantity, distribution, quality, timing, financing, and design. This policy impacts all SAHA programs and portfolios.

Assumptions and Rationale

SAHA recognizes the significant unmet need for quality housing affordable to lower income individuals and families in San Antonio. We believe housing can be a catalyst for economic development and community vibrancy.

Relationship of this Policy to Agency Strategic Plan and Theory of Change

This Affordable Housing Preservation and Expansion Policy provides specific guidance regarding how the agency will achieve Strategic Plan outcomes related to housing preservation and expansion.

Supply: A key outcome listed in the agency's theory of change is "2.1 A supply of affordable, quality units exists in sufficient quantities." Sufficient supply is a direct precondition to ensuring that "2.2 San Antonio area residents live in quality affordable homes." The question of sufficient supply is foundational to nearly every other outcome identified in the theory of change.

Neighborhood characteristics: The theory of change includes various outcome statements related to neighborhood quality, including "3.3 San Antonio area residents live in neighborhoods that are safe communities where people know and respect each other", "3.4 San Antonio area residents live in neighborhoods that meet their social needs", and "3.2 San Antonio area residents are actively engaged and feel included."

Guiding Principles

- Work actively to preserve and expand quality affordable housing to fill this need

- Pursue rehabilitation, acquisition, new construction, or asset repositioning projects that address unmet community need
- Design communities and buildings to improve clients' quality of life, help residents feel safe and healthy, and support their needs for stability, community, accomplishment, individual growth, and leadership.
- Help catalyze economic development through the creation of financially, socially, and environmentally inclusive communities that are healthy and sustainable
- Transparently plan and collaborate with residents and other key public, private, and non-profit stakeholders at the local, state and federal level

Outcome Metrics and Targets

The agency has identified metrics and set targets in order to track progress toward priority outcomes, as identified in the agency's strategic plan. The intent of this policy is to achieve the outcomes and targets as detailed in the relevant strategic plan section(s).

Key Affordable Housing Preservation and Expansion Strategies

SAHA employs two groups of strategies simultaneously to ensure low-income residents have access to affordable housing units: place-based strategies, and mobility strategies.

Generally, place-based strategies seek to improve the quality of life of low-income households in neighborhoods where they currently live, by pursuing coordinated revitalization activities. The prime example of this approach is the Choice Neighborhood Initiative. Elements include:

- Cross-sector collaboration (education, law-enforcement, workforce development, economic development, etc.)
- Targeted socioeconomic support for existing residents to support their ability to stay in neighborhood
- Emphasis on community or neighborhood-scale revitalization, with plans developed in coordination with stakeholders
- Catalytic redevelopment of public housing into mixed-income and service-enriched communities
- Preservation of existing affordable housing stock in revitalization areas, to guard against future displacement
- To protect against displacement, SAHA has the goal of not unilaterally raising rents by more than 5% per year for properties in the Beacon Portfolio.

Mobility strategies facilitate the movement of low-income households to neighborhoods with recognized pathways to opportunity and/or demonstrated positive impact on life outcomes. The Housing Choice Voucher program (Section 8) was created by HUD as a mobility program. Elements of mobility strategies include:

- Adjusting the value of voucher subsidy to better match neighborhood market conditions (SAFMR)
- Construction of affordable housing units in areas with low existing supply and/or low affordability
- Preservation of existing affordable housing stock in areas with otherwise low affordability
- Acquisition of housing projects or land to increase affordability options in more expensive areas
- Targeted mobility counseling for residents who seek to move

II. Affordable Housing Preservation and Expansion Criteria

All SAHA affordable housing preservation and expansion activities must be consistent with the guiding principles, targeted outcomes, and strategies articulated in the 'Statement of Purpose' section of this policy document. In addition, such activities must comply with key criteria described below by topic:

Project Need

SAHA recognizes the significant unmet need for quality housing affordable to lower income individuals and families in San Antonio. SAHA is primarily focused on addressing this unmet need that is not being adequately addressed by the private market and where therefore a government subsidy is needed.

- SAHA will lead (by building or acquiring) or support projects (for capital generation) which fulfill a community need for affordable housing
- Community need must be determined and documented based on objective market analysis which includes SAHA's waiting lists information

Project Location Selection

Recognizing that the location of an affordable housing preservation or expansion project can be a major driver of the long term success of the project and the socio economic opportunities and challenges available to residents, SAHA will:

- Place-based projects
 - Pursue acquisition and/or partnership opportunities synergistic with coordinated community initiatives
 - Coordinate development projects with transportation and other infrastructure improvement projects, education, workforce development and employment initiatives, and other community-specific neighborhood-scale efforts

- Mobility-based projects
 - Prioritize locations with relatively low numbers and rates of existing affordable housing units
 - Prioritize locations with recognized pathways to opportunity and/or demonstrated positive impact on life outcomes
 - Focus on a project's accessibility to education, job training, employment opportunities, and location amenities (e.g., recreation, health, retail, spiritual)
 - Link development projects to existing transportation and employment opportunities
- Other considerations
 - Pursue development projects that will score well under the Qualified Allocation Plan to receive tax credit financing.
 - Determine if the real estate project supports SAHA's goals of providing more affordable housing.
 - Will the development either directly or indirectly expand or preserve the supply of affordable housing.
- Consideration of the City of San Antonio Housing goals.

III. Project Principles

The following principles apply to all development projects that SAHA undertakes.

Housing Development and Redevelopment

SAHA is committed to redeveloping existing housing projects as well as developing new projects consistent with the following goals:

- We will develop mixed income communities that encourage socioeconomic integration.
- Communities will be developed with consideration of the City of San Antonio's housing and preservation goals.
- SAHA will develop communities that are financially viable and self-sustaining.
- Using income averaging as a tool, SAHA will aspire to provide deeply affordable units serving 50% and below AMI.
- SAHA will aspire to replace all removed public housing units with a unit or housing choice voucher affordable at an equivalent level. Replacement units may be located at other sites.
- We will aspire to focus on creating family and elderly/disabled units and supportive housing for special needs populations.
- SAHA will create housing developments that will create financial resources so that deeply affordable housing may be created and maintained at that location or others.

Revenue from Development Activities

Revenue generated from redevelopment activities will first be used to pay for the overhead costs of the Development Services department. The remainder will be considered Excess Revenue and will be used to focus on the following areas and in the following percentages:

1. Creating new units that serve no more than 30% AMI. (30% of the Excess Revenue)
 - a. Having funds for budgetary gaps with the costs of developing and operating deeply affordable units.
 - b. Acquiring land to develop further deeply affordable housing.
2. Preserving and upgrading existing public housing units. (30% of the Excess Revenue)
 - a. Funds for Capital Fund Projects
 - b. Technological upgrades such as Wifi services
3. Supportive Services for our residents (30% of the Excess Revenue)
 - a. Job Placement and educational advancement
 - b. Financial Literacy
 - c. Food and Nutrition
 - d. Risk mitigation for resident evictions will be funded with 25% of the funds in this category.
4. Reserves (10% of the Excess Revenue)
 - a. Funds will be allocated to reserves to ensure we are adequately capitalized.

Building Design, Standards, and Compliance

SAHA is a property manager, owner, and/or developer with a long term community focused mission. Understanding that government building codes, and developer or sub-contractor building and construction standards may be lacking or inadequate given this long term property management and maintenance perspective:

- SAHA shall review the construction and materials standards to achieve long term and cost efficient management, and maintenance of our communities
- All development and redevelopment projects must build to SAHA's construction and materials standards and aspire to reach "Build San Antonio Green" standards
- Development design must incorporate sustainable concepts and practices
- All SAHA developments will adopt a smoke-free policy

Invest to preserve and extend the useful life of properties

Given the wide gap between community need and actual affordable housing supply, SAHA will focus on investing prudently to both preserve and extend the useful life of its properties. As a result,

- Property improvements should ensure housing quality, livability standards, and enhance marketability
- SAHA will be proactive in comprehensive rehabilitation planning and implementation (e.g., total building vs. system by system approach)

Long Term Financial and Planning Considerations

SAHA will be proactive in developing and implementing a realistic long term financial plan for each project so that San Antonio's affordable housing stock is maximized.

- All new development, redevelopment, refinancing, acquisition, and liquidation projects and pro-forma must include an analysis and/or plan for maintenance, replacement, compliance, and funding
 - All projects must include a realistic long term financial projection including the construction period, lease out period, and post-compliance period. Rent and lease out/vacancy assumptions must incorporate an analysis of competing current and planned projects in the neighborhood
 - SAHA will develop its own underwriting criteria and standard management and operating agreements
 - All projects must meet SAHA's general underwriting criteria and standard agreements
- SAHA will value the economic contribution of its tax exempt status and negotiate project economics commensurate with this value contribution
- SAHA will not allow other housing authorities to do business in Bexar County to ensure the proceeds of these transactions benefit the local community. We also recognize the importance of creating and maintaining deal terms that are most beneficial to SAHA and not be undercut by other agencies. However, if SAHA is unable to be the development partner, the Board may consider the request.
- Assets which are not performing well or land without significant development potential will be considered for liquidation
- Revenues generated from these activities will be reinvested into preserving or expanding affordable housing

Integrated approach to socioeconomic development

In order to support resident and community socioeconomic development, we will:

- Focus on developing properties where key amenities are accessible e.g., schools, banking, grocery shopping, employers, and public transportation
- Maximize Section 3 resident employment opportunities, both short term and long term
- Increase business activities with small, minority owned, local, and women owned businesses
- Utilize SAHA's 'Moving to Work' designation to expand housing options and create economic opportunities so residents can achieve economic self sufficiency
- Partner with residents as well as public, non-profit, and for-profit organizations to provide educational resources, job training, and supportive services to help families become economically stable
- Work together with economic development organizations to realize emerging economic development opportunities by creating mixed use and mixed income communities

Planning with Residents and Community Stakeholders

Residents and community members may be offered the opportunity to contribute meaningfully in advance of the design of any planned projects and their input shall be incorporated.

Community engagement works best where it is an ongoing cumulative process enabling relationships and trust to build and strengthen over time. Engagement events should be planned and designed with this in mind and aim to contribute to the overall aims of the engagement process. This would include meetings with the residents, neighborhood associations, local groups, and elected representatives. Community or voluntary groups may want to participate at a range of levels – from providing advice as to the needs of the community, designing a development that reflects the community, and from undertaking some aspects of the engagement to delivering projects to meet some of the outcomes.

IV. Implementation and Monitoring

This policy shall be followed for each eligible affordable housing preservation and expansion initiative or transaction SAHA undertakes.

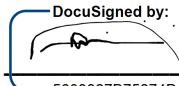
Policy compliance is the primary responsibility of the DSNR team, but is also the responsibility of the following SAHA teams: Asset Management, Section 8, Public Housing Property Management, Finance and Accounting, Beacon Communities and Community Development Initiatives. A policy exception must be requested by staff and granted by the BOC in all relevant cases.


V. Definitions:

- BOC – SAHA Board of Commissioners
- DSNR – SAHA Development Services and Neighborhood Revitalization team
- HQS – HUD Housing Choice Voucher (HCV) program regulations set forth basic housing quality standards (HQS) which all units must meet before assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy. HQS define "standard housing" and establish the minimum criteria for the health and safety of program participants.
- Place Based Initiatives - Place-based policies leverage investments by focusing resources in targeted places and drawing on the compounding effect of well-coordinated action. Effective place-based policies can influence how rural and metropolitan areas develop, how well they function as places to live, work, operate a business, preserve heritage, and more
- REAC - Real Estate Assessment Center
- Section 3 – A means by which HUD fosters local economic development, neighborhood economic improvement, and individual self-sufficiency. Section 3 is the legal basis for providing jobs for residents and awarding contracts to businesses in areas receiving certain types of HUD financial assistance. Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is expended for housing or community development, to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area.
- TDHCA - Texas department of housing and community affairs

SAN ANTONIO HOUSING AUTHORITY**September 17, 2020****BOARD OF COMMISSIONERS
Real Estate Development Committee**

PUBLIC HEARING AND RESOLUTION 6071, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (KITTY HAWK FLATS APARTMENTS) SERIES 2020 (BONDS); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 20LVPFC-09-10 AUTHORIZING THE BONDS; (III) THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE RESOLUTION 20FAC-09-10 AUTHORIZING ITS PARTICIPATION IN THE KITTY HAWK FLATS APARTMENTS; AND (IV) OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:

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David Nislovocchia
President and CEO

DocuSigned by:

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Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Public hearing and consideration and appropriate action regarding Resolution 6071, authorizing (i) the Las Varas Public Facility Corporation (LVPFC) Multifamily Housing Revenue Note (Kitty Hawk Flats Apartments) Series 2020 (Bonds); (ii) the Las Varas Public Facility Corporation to approve Resolution 20LVPFC-09-10 authorizing the bonds; (iii) the San Antonio Housing Facility Corporation (SAHFC) to approve Resolution 20FAC-09-10 authorizing its participation in the Kitty Hawk Flats Apartments; and (iv) other matters in connection therewith.

FINANCIAL IMPACT:

To authorize the transaction for Kitty Hawk Flats for the development of a new tax credit project. To request authority to enter a development agreement with NRP Group LLC (NRP), as well as, authorize the issuance of bonds and secure other debt financing for the project. The project will consist of 212 family 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 22 units at 30% AMI, 135 units at 60% AMI and 55 units at 70% AMI. Construction is projected to begin October of 2020, with completion in May of 2022. 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 \$41,526,258.00 or \$196,000.00 per unit. The developer is NRP. NRP will give all required guarantees. At the end of the 15 year tax credit compliance period, SAHFC (SAHA) will have the right to buy the property by assuming the outstanding debt and paying any exit taxes.

The total developer fee is \$4,414,000.00 and subsequent cash flow will be shared between SAHA and NRP.

SUMMARY:

The land will be purchased by SAHFC, which will lease it to Kitty Hawk Flats Ltd., who will pay SAHFC an upfront lease payment sufficient to acquire the land. Up to \$28,000,000.00 of tax-exempt bonds will be issued by LVPFC and purchased by KeyBank, and equity contributions

SAN ANTONIO HOUSING AUTHORITY

September 17, 2020

from an affiliate of U.S. Bancorp Community Development Corporation (USBCDC), as an investor limited partner, will be used to finance the construction and long-term operations. USBCDC has issued a commitment to purchase the project tax credits at an equity price of \$93.50 cents per credit dollar, for a total projected equity contribution of \$12,628,743.00. The interest rate on the bonds will be set at closing at LIBOR plus 275 basis points for the construction period and a rate not to exceed 5% for the permanent period.

We are targeting a closing date of October 9, 2020, as funding must close by October 16, 2020, or we will lose the allocated volume cap from the Texas Bond Review Board.

STRATEGIC GOALS

Strategically expand the supply of affordable housing.

ATTACHMENTS:

Resolution SAHA 6071

Resolution 20LVPFC-09-10

Resolution 20FAC-09-10

Map

**CERTIFICATE FOR RESOLUTION 6071
KITTY HAWK FLATS APARTMENTS**

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

1. In accordance with its bylaws, the Board of Commissioners of SAHA (Board) held a meeting on October 8, 2020 (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

PUBLIC HEARING AND RESOLUTION 6071, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (KITTY HAWK FLATS APARTMENTS) SERIES 2020 (BONDS); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 20LVFPC-09-10 AUTHORIZING THE BONDS; (III) THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE RESOLUTION 20FAC-09-10 AUTHORIZING ITS PARTICIPATION IN THE KITTY HAWK FLATS APARTMENTS; AND (IV) OTHER MATTERS IN CONNECTION THEREWITH

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with state statutes and the Bylaws of the Authority.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
President and CEO

**San Antonio Housing Authority
Resolution 6071**

PUBLIC HEARING AND RESOLUTION 6071, AUTHORIZING (I) THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (KITTY HAWK FLATS APARTMENTS) SERIES 2020 (BONDS); (II) THE LAS VARAS PUBLIC FACILITY CORPORATION TO APPROVE RESOLUTION 20LVPFC-09-10 AUTHORIZING THE BONDS; (III) THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE RESOLUTION 20FAC-09-10 AUTHORIZING ITS PARTICIPATION IN THE KITTY HAWK FLATS APARTMENTS; AND (IV) OTHER MATTERS IN CONNECTION THEREWITH

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

WHEREAS, the Issuer has developed a program of issuing bonds and loaning their proceeds to defray, in whole or in part, all reasonable or necessary costs incidental to the acquisition, renovation, construction, and improvement of land, improvements, and related property, which is intended to be occupied by persons of low or moderate income, as determined by the Issuer, all in order to alleviate a shortage of affordable rental housing within the City of San Antonio, Texas, for such persons of low or moderate income, and to refund such bonds; and

WHEREAS, the Issuer has been requested to issue its "Multifamily Housing Revenue Note (Kitty Hawk Flats Apartments) Series 2020" in the aggregate principal amount not to exceed \$28,000,000.00 (Bonds), the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 212-unit multifamily apartment facility to be known as the Kitty Hawk Flats Apartments, to be located at approximately the north corner of Kitty Hawk Road and O'Connor Road, San Antonio, Texas (Project) for Kitty Hawk Flats Ltd., a Texas limited partnership (Borrower); and

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Funding Loan Agreement (Indenture) between the Issuer and BOKF, N.A., as fiscal agent (Trustee), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Project Loan Agreement (Financing Agreement) among the Issuer, the Trustee, and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (Regulatory Agreement) among the Issuer, the Trustee, and the Borrower; and

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

WHEREAS, the Issuer is authorized to issue the Bonds pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended; and

WHEREAS, pursuant to 303.071 of the Texas Local Government Code, the Board must approve and authorize the issuance of the tax-exempt bonds by the Issuer; and

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

WHEREAS, pursuant to 303.071 of the Texas Local Government Code, the Board must approve and authorize the transactions for each of the respective Projects and the participation by SAHFC or an affiliate thereof in 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 Partnership may construct the Project; and

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the Bonds and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms, and sales price of the Bonds and the manner of disbursing the proceeds thereof are advisable.

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

Section 1. The proposed development and the terms of the Bonds, the Indenture, the Financing Agreement, the Note, the Regulatory Agreements and the Assignments are hereby authorized and approved.

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

Section 3. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Section 303.002 of the Act and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income in the City to obtain decent, safe, and sanitary housing at affordable prices, thereby helping to relieve unemployment, to preserve and increase the tax base of the City, and to reduce public expenditures for crime prevention and control, public health, welfare, and safety and for other valid public purposes.

Section 4. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds, and assets pledged under the Indenture to secure payment of the Bonds, and under no circumstances shall the Bonds be payable from any other revenues, funds, assets, or income of the Issuer.

Section 5. The Bonds shall not constitute an indebtedness, liability, general, special, or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the County of Bexar, the City of San Antonio, the Authority, or any other political subdivision or governmental unit.

Section 6. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Indenture.

Section 7. The Board hereby approves Resolution 20LVPFC-09-10, and authorizes the bonds to be issued in connection with the Project.

Section 8. The Board hereby approves Resolution 20FAC-09-10, authorizing the transactions for the Projects and the participation of SAHFC or an affiliate thereof in the Project.

Section 9. 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 10. The recitals of this Resolution are hereby found to be true and are incorporated herein for all purposes.

Section 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
President and CEO

**CERTIFICATE FOR RESOLUTION 20LVPFC-09-10
KITTY HAWK FLATS APARTMENTS**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 8, 2020 (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 20LVPFC-09-10, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (KITTY HAWK FLATS APARTMENTS) SERIES 2020; 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 8th day of October 2020.

David Nisivoccia
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 20LVPFC-09-10**

RESOLUTION 20LVPFC-09-10, AUTHORIZING LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (KITTY HAWK FLAT APARTMENTS) SERIES 2020; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Las Varas Public Facility Corporation (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;

WHEREAS, the Issuer has been requested to issue its “Multifamily Housing Revenue Bonds (Kitty Hawk Flats Apartments) Series 2020” in the aggregate principal amount not to exceed \$28,000,000.00 (Bonds), the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 212-unit multifamily apartment facility to be known as Kitty Hawk Flats Apartments, to be located at north corner of Kitty Hawk Road and O’Connor Road, in San Antonio, Texas, San Antonio, Bexar County, Texas (Project) for Kitty Hawk Flats Ltd., a Texas limited partnership (Borrower);

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Funding Loan Agreement (Indenture) among KeyBank, N.A. (Bond Purchaser), the Issuer and BOKF, N.A., as fiscal agent (Trustee), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Project Loan Agreement (Loan Agreement) between the Issuer and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (Regulatory Agreement) among the Issuer, the Trustee and the Borrower;

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

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;

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

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;

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>
Dr. Ana “Cha” Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary
Muriel Rhoder	Assistant Secretary
Brandee Perez	Assistant Secretary

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 Indenture, the Note, the Regulatory Agreement and the Assignments, are hereby authorized and approved, when such documents are approved by the Executive Director.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, and each Assistant Secretary, 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 Indenture, the Loan Agreement, the Regulatory Agreement, the Note, the Assignment 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, the Treasurer, the Executive Director, and each Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in the terms of each such instrument as such officers shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The Bonds, in the aggregate principal amount of not to exceed \$28,000,000.00, with a variable interest rate during construction and a permanent an interest rate (not including applicable premium) not to exceed 5.0% as set forth in the Indenture, and with a maturity date not to exceed December 31, 2041, in substantially the form and substance set forth in the Loan Agreement, are hereby approved, and the President, the Vice President, the Secretary, the Treasurer, and each Assistant Secretary, 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 Indenture 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 Indenture, and the execution and delivery of the any agreements relating to the purchase of the Bonds by the Bond Purchaser by the President, the Vice President, the Secretary, the Treasurer, each Assistant Secretary, 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 Indenture.

Section 4. The Trustee shall be BOKF, N.A.

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

Section 6. The President, the Vice President, the Secretary, the Treasurer, each Assistant Secretary, 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 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 on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer

**CERTIFICATE FOR RESOLUTION 20FAC-09-10
KITTY HAWK FLATS APARTMENTS**

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

1. In accordance with its bylaws, the Board of Commissioners of SAHFC (Board) held a meeting on October 8, 2020, (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 20FAC-09-10, AUTHORIZING KITTY HAWK FLATS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND 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 KITTY HAWK FLATS GP LLC; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING 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 SAHFC.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 20FAC-09-10**

RESOLUTION 20FAC-09-10, AUTHORIZING KITTY HAWK FLATS APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND 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 KITTY HAWK FLATS GP LLC; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING SAN ANTONIO HOUSING FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Kitty Hawk Flats Ltd., a Texas limited partnership (Partnership), and Kitty Hawk Flats GP LLC, a Texas limited liability company and its general partner (General Partner), have been formed to acquire and construct a 212-unit multifamily housing facility (Housing Facility) to be located at the north corner of Kitty Hawk Road and O'Connor Road, San Antonio, Texas (the Land, together with the Housing Facility, the Project) in partnership with the NRP Group or affiliates thereof (Developer); and

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

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (Issuer) issue (i) its tax-exempt Multifamily Housing Revenue Note (Kitty Hawk Flats Apartments) Series 2020 (Bonds) to finance the Project (Bond Financing); and

WHEREAS, the Issuer will issue the Tax-Exempt Bonds in an amount not to exceed \$28,000,000.00 and loan all such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, a Funding Loan Agreement, a Project Loan Agreement, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, Construction Phase Financing Agreement, a Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Ground Lease and a Forward Commitment (collectively, the Bond Documents); and

WHEREAS, the Developer, on behalf of the Partnership, has applied for approximately \$13,000,000.00 in low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHFC will be required to execute, complete and deliver various

applications, agreements, documents, certificates and instruments to TDHCA (TDHCA Documents); and

WHEREAS, the Partnership will contribute approximately \$12,628,743.00 of equity to the construction of the Project, which will be raised from the sale of tax credits to U.S. Bancorp Community Development Corporation or an affiliate of such entity (Equity Financing); and

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, an Amended and Restated Agreement of Limited Agreement, a Development Services Agreement, Property Management Agreement, a Right of First Refusal Agreement, and closing certificates (collectively, the Equity Documents); and

WHEREAS, the Developer, on behalf of the Partnership, has applied for a bridge loan from KeyBank, National Association in an approximate amount of \$7,450,000.00 (Bridge Loan) for the Project; and

WHEREAS, in connection with the Bridge Loan, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, loan agreements, partnership interest pledge agreements, assignments, notes, and subordination agreements (collectively, the Bridge Loan Documents); and

WHEREAS, in order to provide additional funding for the Project, the Developer has agreed to provide a loan to the Partnership in an approximate amount of \$2,300,000.00 with an interest rate not to exceed 5.0% (NRP Loan) for the Project; and

WHEREAS, in connection with the NRP Loan, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including, but not limited to, loan agreements, partnership interest pledge agreements, assignments, notes, and subordination agreements (collectively, the NRP Loan Documents); and

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans, including, but not limited to, a HOME funds loan from Bexar County in the amount of approximately \$260,000.00 (HOME Loan); and

WHEREAS, in connection with the Subordinate Loan, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements required in connection with the HOME program, including, but not limited to, a program agreement, a real estate lien note, a deed of trust, an assignment of leases and rentals and restrictive covenants and any other ancillary agreements (collectively, the HOME Loan Documents); and

WHEREAS, to reduce the cost of the Project by eliminating sales tax on the construction of the Project, SAHFC will serve as the general contractor and enter into any required construction contracts and ancillary documents (Construction Documents); and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana “Cha” Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary
Muriel Rhoder	Assistant Secretary
Brandee Perez	Assistant Secretary

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

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

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

Section 1. The Project, the various forms of financing contemplated for the Project, including, but not limited to, the Bond Financing, the Equity Financing, the Bridge Loan, the NRP Loan, the HOME Loan and the terms of the Bond Documents, the Equity Documents, the Bridge Loan Documents, the NRP Loan Documents, the HOME Loan Documents, the Construction Documents and the TDHCA Documents, are hereby authorized and approved.

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 Bond Documents, the Equity Documents, the Bridge Loan Documents, the NRP Loan Documents, the HOME Loan Documents, the Construction Documents, the TDHCA Documents, the Lease covering the Land, and all other documents relating to the Bond Financing, the Equity Financing, the Bridge Loan, the NRP Loan and the HOME Loan to which the Partnership, the General Partner, and/or SAHFC 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 SAHFC, and the role of SAHFC 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 SAHFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and the Executive Director, any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHFC, 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 SAHFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 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.

Section 10. This Resolution shall be in force and effect from and after its passage.

Passed and approved the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer



Kitty Hawk

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



DESIGN

3



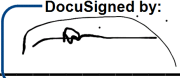
QUESTIONS?


SAN ANTONIO HOUSING AUTHORITY

October 8, 2020

BOARD OF COMMISSIONERS
Real Estate Development Committee

RESOLUTIONS SAHA 6072, 20LVPFC-09-11, and 20FAC-09-11, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE GRANADA APARTMENTS REHABILITATION PROJECT

DocuSigned by:

 5609927B75274DC...
David Nisivoccia
 President and CEO

DocuSigned by:

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Timothy E. Alcott
 Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and appropriate action regarding Resolutions SAHA 6072, 20LVPFC-09-11 and 20FAC-09-11, authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for proposed tax credits and tax exempt bond financing for the Granada Apartments rehabilitation Project.

FINANCIAL IMPACT:

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

SUMMARY:

Today we are seeking authority to file applications relating to our proposed Granada Apartments 4% tax credit rehabilitation project. As you will recall, all 4% tax credit projects must be financed in part with tax-exempt bonds. In order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board. This is time sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until the end of the year, if any volume cap is available. We need to submit our applications as soon as we can. We will also have to apply for tax credits to the Texas Department of Housing and Community Development. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to specifically approve or be bound to this project. These are non-binding Resolutions.*** This will enable us to move forward, make applications for volume cap and tax credits and begin to put the financings together and negotiate the specific terms of the deals, which we will bring back to you for approval.

The Granada Apartments Project is a 249-unit rehabilitation project proposed by Mission Development Group located at 311 South St. Mary's Street. It is proposed that all 249 units be reserved for tenants whose incomes average 60% or less of average median income. Of those currently, 137 units are at 30% AMI, 45 units are at 40% AMI and 14 units are at 50% AMI and we will continue to serve residents at these AMIs. All units will have restricted rent and must accept Section 8 vouchers, and 94 of the units will be supported by Section 8 project-based vouchers. The total project cost is estimated to be approximately \$51,000,000.00. The rehabilitation will

SAN ANTONIO HOUSING AUTHORITY

October 8, 2020

take place on approximately 20% of the units at a time to eliminate tenant displacement outside the building.

Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The San Antonio Housing Facility Corporation will own the land and create a single member limited liability company to serve as the general partner of the tax credit partnership, which will own the project.

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

STRATEGIC GOAL:

Strategically expand the supply of affordable housing.

ATTACHMENTS:

Resolution 6072

Resolution 20LVPFC-09-11

Resolution 20FAC-09-11

Map

**CERTIFICATE FOR RESOLUTION 6072
THE GRANADA**

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

1. In accordance with its bylaws, the Board of Commissioners of SAHA (Board) held a meeting on October 8, 2020 (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

**RESOLUTIONS SAHA 6072, 20LVFPC-09-11, and 20FAC-09-11, AUTHORIZING
THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO
HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT
RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND
FINANCING FOR THE GRANADA APARTMENTS REHABILITATION PROJECT**

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHA.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
President and CEO

**San Antonio Housing Authority
Resolution 6072**

RESOLUTIONS SAHA 6072, 20LVPFC-09-11, and 20FAC-09-11, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE GRANADA APARTMENTS REHABILITATION PROJECT

WHEREAS, LIV Granada, LP, a Texas limited partnership (Partnership), and SAHA Granada GP, LLC, a Texas limited liability company and its general partner (General Partner), will be formed to acquire and rehabilitate an approximately 249-unit multifamily housing facility (Housing Facility) located at 311 South St. Mary's Street, San Antonio, Texas (Land, together with the Housing Facility, the Project); and

WHEREAS, at the request of the Partnership, San Antonio Housing Authority (SAHA), a Texas non-profit public facility corporation created pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, by the Housing Authority of the City of San Antonio, Texas (Housing Authority) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (Ground Lease), and (iii) will serve as the general contractor for the Project (General Contractor); and

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

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$30,000,000.00 and loan such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including, but not limited to, a Loan Agreement, a Trust Indenture, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, a Leasehold Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Servicing Agreement, and a Ground Lease (collectively, the Bond Documents); and

WHEREAS, the Partnership, will apply for low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHA will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (TDHCA Documents); and

WHEREAS, the Partnership will contribute equity to the rehabilitation of the Project, which will be contributed by a limited partner to be determined at a later date (Equity Financing); and

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including, but not limited to, an Amended and Restated Agreement of Limited Partnership, a Development Agreement, and closing certificates (collectively, the Equity Documents); and

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans (Subordinate Loans); and

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including, but not limited to, loan agreements, leasehold deeds of trust, declaration of restrictive covenant of affordability or land use restriction agreements, assignments, notes, and subordination agreements (collectively, the Subordinate Loan Documents); and

WHEREAS, the members of the Board of Commissioners of SAHA (collectively, the Board) and their respective offices are as follows:

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana “Cha” Guzman	Chair and Commissioner
Jessica Weaver	Vice Chair and Commissioner
Jo-Anne Kaplan	Commissioner
Olga Kauffman	Commissioner
Ruth Rodriguez	Commissioner
Charles Clack	Commissioner
David Nisivoccia	President & CEO
Timothy E. Alcott	Chief Legal & Real Estate Officer
Ed Hinojosa	Chief Financial Officer
Muriel Rhoder	Chief Administrative Officer
Brandee Perez	Chief Operations Officer

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

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

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

Section 1. The Project, the various structures of financing contemplated for the Project, including, but not limited to, the Bond Financing, the LIHTCs, the Equity Financing and the Subordinate Loans are hereby authorized to be applied for and negotiated.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all applications and term sheets required for the financing and rehabilitation of the Project, including, but not

limited to, the TDHCA Documents and all other documents relating to obtaining the Bond Financing, LIHTCs, Equity Financing, and the Subordinate Loans to which the Partnership, the General Partner, and/or SAHA is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHA are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the Partnership, General Partner, SAHA, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, 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 SAHA, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHA and the Partnership and Developer have represented to SAHA, that in consideration of SAHA's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

(a) the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHA and the Housing Authority against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, rehabilitation, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHA or the Housing Authority).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. **Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHA reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHA shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHA whatsoever as a result of any decision by SAHA not to enter into the proposed transaction.**

Section 6. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 7. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHA, as well as bond counsel for this transaction.

Section 8. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 9. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 10. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
President and CEO

**CERTIFICATE FOR RESOLUTION 20LVPFC-09-11
THE GRANADA**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 8, 2020 (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 20LVPFC-09-11, CONCERNING THE APPLICATION OF LIV GRANADA, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$30,000,000.00 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE GRANADA APARTMENTS, LOCATED AT 311 SOUTH ST. MARY'S STREET, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Issuer.

SIGNED this 8th day of October 2020.

David Nisivoccia
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 20LVPFC-09-11**

RESOLUTION 20LVPFC-09-11, CONCERNING THE APPLICATION OF LIV GRANADA, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$30,000,000.00 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE GRANADA APARTMENTS, LOCATED AT 311 SOUTH ST. MARY'S STREET, SAN ANTONIO, TEXAS; 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, LIV Granada, LP, a Texas limited partnership (User), has filed an Application (Application), requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of a proposed 249-unit multifamily housing facility located at 311 South St. Mary's Street and known as the Granada Apartments (Project); and (ii) the Issuer file a 2021 and/or 2022 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, rehabilitation, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (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, rehabilitation, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed \$30,000,000.00 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

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

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

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

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

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

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

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

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, rehabilitation, equipping, and improvement of the Project (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 rehabilitate the Project; 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>
Dr. Ana "Cha" Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary

Muriel Rhoder
Brandee Perez

Assistant Secretary
Assistant Secretary

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

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

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$30,000,000.00;

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

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

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

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

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

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and

trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

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

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

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

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

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

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

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

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

Section 9. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000 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 \$30,000,000.00. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

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

Section 14. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 15. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 16. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of

such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

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

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer

**CERTIFICATE FOR RESOLUTION 20FAC-09-11
THE GRANADA**

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

1. In accordance with its bylaws, the Board of Directors of SAHFC (Board) held a meeting on October 8, 2020 (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 20FAC-09-11, INDUCING THE GRANADA APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHFC.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 20FAC-09-11**

RESOLUTION 20FAC-09-11, INDUCING THE GRANADA APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, LIV Granada, LP, a Texas limited partnership (Partnership), and SAHA Granada GP, LLC, a Texas limited liability company and its general partner (General Partner), will be formed to acquire and rehabilitate an approximately 249-unit multifamily housing facility (Housing Facility) located at 311 South St. Mary's Street, San Antonio, Texas (Land, together with the Housing Facility, the Project); and

WHEREAS, at the request of the Partnership, San Antonio Housing Facility Corporation (SAHFC), a Texas non-profit public facility corporation created pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, by the Housing Authority of the City of San Antonio, Texas (Housing Authority) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (Ground Lease), and (iii) will serve as the general contractor for the Project (General Contractor); and

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

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$30,000,000.00 and loan such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to a Loan Agreement, a Trust Indenture, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, a Leasehold Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Servicing Agreement, and a Ground Lease (collectively, the Bond Documents); and

WHEREAS, the Partnership, will apply for low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHFC will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (TDHCA Documents); and

WHEREAS, the Partnership will contribute equity to the rehabilitation of the Project, which will be contributed by a limited partner to be determined at a later date (Equity Financing); and

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, a Development Agreement, and closing certificates (collectively, the Equity Documents); and

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans (Subordinate Loans); and

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to loan agreements, leasehold deeds of trust, declaration of restrictive covenant of affordability or land use restriction agreements, assignments, notes, and subordination agreements (collectively, the Subordinate Loan Documents); and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana “Cha” Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary
Muriel Rhoder	Assistant Secretary
Brandee Perez	Assistant Secretary

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 rehabilitate the Project; and

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

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

Section 1. The Project, the various structures of financing contemplated for the Project, including but not limited to the Bond Financing, the LIHTCs, the Equity Financing and the Subordinate Loans are hereby authorized to be applied for and negotiated.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all applications and term sheets required for the financing and rehabilitation of the Project, including, but not limited to, the TDHCA Documents and all other documents relating to obtaining the Bond Financing, LIHTCs, Equity Financing, and the Subordinate Loans to which the Partnership, the General Partner, and/or SAHFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the Partnership, General Partner, SAHFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, 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 SAHFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHFC and the Partnership and Developer have represented to SAHFC, that in consideration of SAHFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

(a) the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHFC and the Housing Authority against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, rehabilitation, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHFC or the Housing Authority).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. **Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHFC reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHFC shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHFC whatsoever as a result of any decision by SAHFC not to enter into the proposed transaction.**

Section 6. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated

by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 7. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHFC for this transaction.

Section 8. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 9. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 10. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

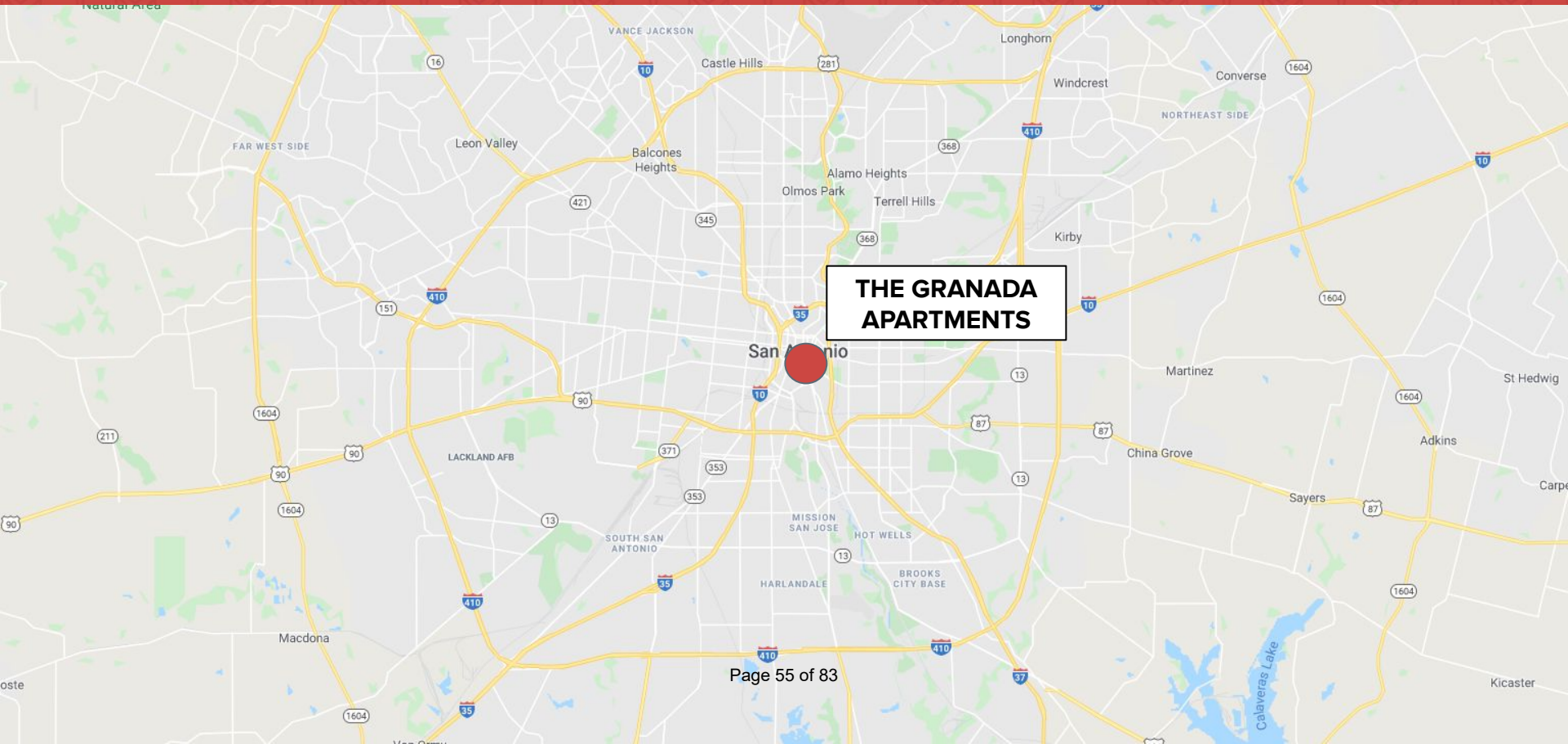
David Nisivoccia
Secretary/Treasurer



The Granada Apartments

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

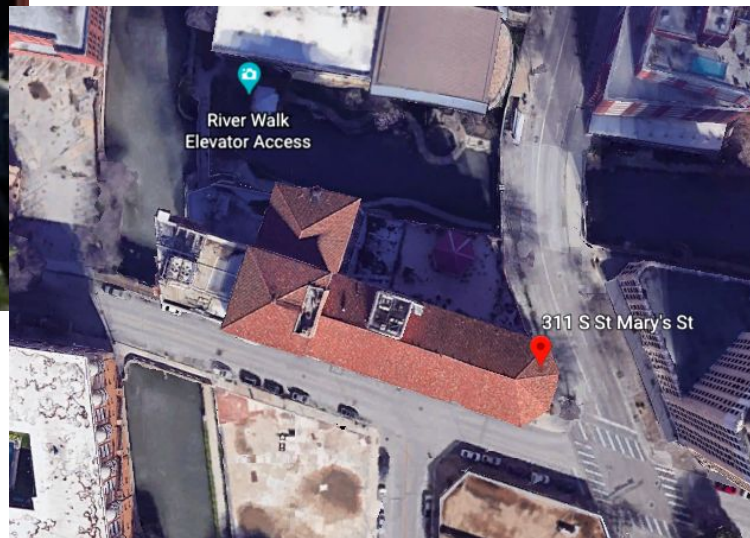
MAP



**THE GRANADA
APARTMENTS**

LOCATION

3



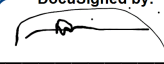
QUESTIONS?

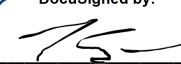
SAN ANTONIO HOUSING AUTHORITY

September 17, 2020

BOARD OF COMMISSIONERS
Real Estate Development Committee

**RESOLUTIONS SAHA 6073, 20LVPFC-09-12 AND 20FAC-09-12, AUTHORIZING THE LAS
VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY
CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS
AND TAX EXEMPT BOND FINANCING FOR THE SOMERSET RANCH APARTMENTS PROJECT**

DocuSigned by:

5609927B75274DC...
David Nisivoccia
President and CEO

DocuSigned by:

B75AC7200C8B466...
Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and appropriate action regarding Resolutions SAHA 6073, 20LVPFC-09-12 and 20FAC-09-12 authorizing the Las Varas Public Facility Corporation and the San Antonio Housing Facility Corporation to approve inducement resolutions for proposed tax credits and tax exempt bond financing for the Somerset Ranch Apartments Project.

FINANCIAL IMPACT:

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

SUMMARY:

Today we are seeking authority to file applications relating to our proposed Somerset Ranch 4% tax credit projects. As you will recall, all 4% tax credit projects must be financed in part with tax-exempt bonds. In order to issue tax-exempt bonds, the issuer must obtain a volume cap allocation from the Texas Bond Review Board. This is time sensitive and can be competitive. We will be applying for volume cap which may not be awarded until the end of the year, if any volume cap is available. We need to submit our applications as soon as we can. We will also have to apply for the tax credits to the Texas Department of Housing and Community Development. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to specifically approve or be bound to 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 put the financings together and negotiate the specific terms of the deals, which we will bring back to you for approval.

The Somerset Ranch Project is a 348-unit project proposed by Poppoon Development to be located at the southwest corner of Somerset Road and Fischer Road. It is proposed that all 348 units will be reserved for tenants earning 60% or less of median income. All units will have restricted rent and must accept Section 8 vouchers. The total project cost is estimated to be approximately \$57,000,000.00.

SAN ANTONIO HOUSING AUTHORITY

September 17, 2020

Las Varas Public Facility Corporation will be the proposed issuer of the bonds. The San Antonio Housing Facility Corporation will own the land and create a single member limited liability company to serve as the general partner of the tax credit partnership which will own the project.

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

STRATEGIC GOAL:

Strategically expand the supply of affordable housing.

ATTACHMENTS:

Resolution 6073

Resolution 20LVPFC-09-12

Resolution 20FAC-09-12

Map

**CERTIFICATE FOR RESOLUTION 6073
SOMERSET RANCH**

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

1. In accordance with its bylaws, the Board of Commissioners of SAHA (Board) held a meeting on October 8, 2020 (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 6073 AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE SOMERSET RANCH APARTMENTS PROJECT

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHA.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
President and CEO

**San Antonio Housing Authority
Resolution 6073**

RESOLUTION 6073, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION AND THE SAN ANTONIO HOUSING FACILITY CORPORATION TO APPROVE INDUCEMENT RESOLUTIONS FOR PROPOSED TAX CREDITS AND TAX EXEMPT BOND FINANCING FOR THE SOMERSET RANCH APARTMENTS PROJECT

WHEREAS, Somerset SA Apartments, LP, a Texas limited partnership (Partnership), and SAHA Somerset Ranch GP, LLC, a Texas limited liability company and its general partner (General Partner), will be formed to acquire and construct an approximately 348-unit multifamily housing facility (Housing Facility) to be located at the southwest corner of Somerset Road and Fisher Road, San Antonio, Texas (Land, together with the Housing Facility, the Project); and

WHEREAS, at the request of the Partnership, San Antonio Housing Authority (SAHA), a Texas non-profit public facility corporation created pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, by the Housing Authority of the City of San Antonio, Texas (Housing Authority) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (Ground Lease), and (iii) will serve as the general contractor for the Project (General Contractor); and

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

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$40,000,000.00 and loan such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including but not limited to a Loan Agreement, a Trust Indenture, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, a Leasehold Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Servicing Agreement, and a Ground Lease (collectively, the Bond Documents); and

WHEREAS, the Partnership, will apply for low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHA will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (TDHCA Documents); and

WHEREAS, the Partnership will contribute equity to the construction of the Project, which will be contributed by a limited partner to be determined at a later date (Equity Financing); and

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, a Development Agreement, and closing certificates (collectively, the Equity Documents); and

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans (Subordinate Loans); and

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHA will be required to enter into certain agreements, including but not limited to loan agreements, leasehold deeds of trust, declaration of restrictive covenant of affordability or land use restriction agreements, assignments, notes, and subordination agreements (collectively, the Subordinate Loan Documents); and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana Guzman	Chair and Commissioner
Jessica Weaver	Vice Chair and Commissioner
Jo-Anne Kaplan	Commissioner
Olga Kauffman	Commissioner
Ruth Rodriguez	Commissioner
Charles Clack	Commissioner
David Nisivoccia	President & CEO
Timothy E. Alcott	Chief Legal & Real Estate Officer
Ed Hinojosa	Chief Financial Officer
Muriel Rhoder	Chief Administrative Officer
Brandee Perez	Chief Operations Officer

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

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

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

Section 1. The Project, the various structures of financing contemplated for the Project, including but not limited to the Bond Financing, the LIHTCs, the Equity Financing and the Subordinate Loans are hereby authorized to be applied for and negotiated.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all applications and term sheets required for the financing and construction of the Project, including, but not

limited to, the TDHCA Documents and all other documents relating to obtaining the Bond Financing, LIHTCs, Equity Financing, and the Subordinate Loans to which the Partnership, the General Partner, and/or SAHA is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHA are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the Partnership, General Partner, SAHA, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, 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 SAHA, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHA and the Partnership and Developer have represented to SAHA, that in consideration of SAHA's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

(a) the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHA and the Housing Authority against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHA or the Housing Authority).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. **Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHA reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHA shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHA whatsoever as a result of any decision by SAHA not to enter into the proposed transaction.**

Section 6. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 7. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHA, as well as bond counsel for this transaction.

Section 8. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 9. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 10. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
President and CEO

**CERTIFICATE FOR RESOLUTION 20LVPFC-09-12
SOMERSET RANCH**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 8, 2020 (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 20LVPFC-09-12, CONCERNING THE APPLICATION OF
SOMERSET SA APARTMENTS, LP RELATING TO THE PROPOSED FINANCING
OF UP TO \$40,000,000.00 OF THE COSTS OF THE ACQUISITION,
CONSTRUCTION, AND EQUIPPING OF THE SOMERSET RANCH APARTMENTS,
TO BE LOCATED AT THE SOUTHWEST CORNER OF SOMERSET ROAD AND
FISCHER ROAD, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN
CONNECTION THEREWITH**

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Issuer.

SIGNED this 8th day of October 2020.

David Nisivoccia
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 20LVPFC-09-12**

RESOLUTION 20LVPFC-09-12, CONCERNING THE APPLICATION OF SOMERSET SA APARTMENTS, LP RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000.00 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE SOMERSET RANCH APARTMENTS, TO BE LOCATED AT THE SOUTHWEST CORNER OF SOMERSET ROAD AND FISCHER ROAD, SAN ANTONIO, TEXAS; 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, Somerset SA Apartments, LP, a Texas limited partnership (User), has filed an Application (Application), requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed 348-unit multifamily housing facility to be located at the southwest corner of Somerset Road and Fischer Road and known as the Somerset Ranch Apartments (Project); and (ii) the Issuer file a 2021 and/or 2022 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (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 \$40,000,000.00 and to expend the proceeds thereof to pay Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

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

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

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

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

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

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

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

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, 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; 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>
Dr. Ana “Cha” Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary

Ed Hinojosa
Muriel Rhoder
Brandee Perez

Assistant Secretary
Assistant Secretary
Assistant Secretary

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

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

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

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

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

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

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

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

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient

in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User;

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

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

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

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

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

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

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

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

Section 9. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000.00 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

Section 10. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

Section 11. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in the City of San Antonio, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation's bond counsel.

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

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

Section 14. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 15. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 16. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of

such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

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

Passed and approved the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer

**CERTIFICATE FOR RESOLUTION 20FAC-09-12
SOMERSET RANCH**

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

1. In accordance with its bylaws, the Board of Directors of SAHFC (Board) held a meeting on October 8, 2020 (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 20FAC-09-12 INDUCING THE SOMERSET RANCH APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

the Resolution was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of SAHFC.

SIGNED AND SEALED this 8th day of October 2020.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 20FAC-09-12**

RESOLUTION 20FAC-09-12, INDUCING THE SOMERSET RANCH APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO OBTAIN THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING ALL FILINGS AND AGREEMENTS WITH TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS IN CONNECTION WITH APPLICATIONS FOR LOW INCOME HOUSING TAX CREDITS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Somerset SA Apartments, LP, a Texas limited partnership (Partnership), and SAHA Somerset Ranch GP, LLC, a Texas limited liability company and its general partner (General Partner), will be formed to acquire and construct an approximately 348-unit multifamily housing facility (Housing Facility) to be located at the southwest corner of Somerset Road and Fischer Road, San Antonio, Texas (Land, together with the Housing Facility, the Project); and

WHEREAS, at the request of the Partnership, San Antonio Housing Facility Corporation (SAHFC), a Texas non-profit public facility corporation created pursuant to the Texas Public Facility Corporations Act, Chapter 303, Texas Local Government Code, by the Housing Authority of the City of San Antonio, Texas (Housing Authority) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (Ground Lease), and (iii) will serve as the general contractor for the Project (General Contractor); and

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

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$40,000,000.00 and loan such proceeds to the Partnership; and

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to a Loan Agreement, a Trust Indenture, a Note, a Regulatory Agreement and Declaration of Restrictive Covenants, a Leasehold Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing together with Ground Lessor Subordination and Joinder, a Servicing Agreement, and a Ground Lease (collectively, the Bond Documents); and

WHEREAS, the Partnership, will apply for low income housing tax credits (LIHTCs) from the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHFC will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (TDHCA Documents); and

WHEREAS, the Partnership will contribute equity to the construction of the Project, which will be contributed by a limited partner to be determined at a later date (Equity Financing); and

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, a Development Agreement, and closing certificates (collectively, the Equity Documents); and

WHEREAS, in order to provide additional funding for the Project, the Partnership may enter into one or more subordinate loans (Subordinate Loans); and

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHFC will be required to enter into certain agreements, including but not limited to loan agreements, leasehold deeds of trust, declaration of restrictive covenant of affordability or land use restriction agreements, assignments, notes, and subordination agreements (collectively, the Subordinate Loan Documents); and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana Guzman	Chair and Director
Jessica Weaver	Vice Chair and Director
Jo-Anne Kaplan	Director
Olga Kauffman	Director
Ruth Rodriguez	Director
Charles Clack	Director
David Nisivoccia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary
Ed Hinojosa	Assistant Secretary
Muriel Rhoder	Assistant Secretary
Brandee Perez	Assistant Secretary

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

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

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

Section 1. The Project, the various structures of financing contemplated for the Project, including but not limited to the Bond Financing, the LIHTCs, the Equity Financing and the Subordinate Loans are hereby authorized to be applied for and negotiated.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all applications and term sheets required for the financing and construction of the Project, including, but not limited to, the TDHCA Documents and all other documents relating to obtaining the Bond Financing, LIHTCs, Equity Financing, and the Subordinate Loans to which the Partnership, the General Partner, and/or SAHFC is a party.

Section 3. The President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the Partnership, General Partner, SAHFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof, including, without limitation, the TDHCA Documents and all filings or other actions required by the TDHCA in connection with the LIHTCs. The President, any Vice President, the Secretary, 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 SAHFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. It is understood by SAHFC and the Partnership and Developer have represented to SAHFC, that in consideration of SAHFC's adoption of this Resolution, and subject to the terms and conditions hereof, that the Partnership and Developer have agreed that

(a) the Partnership and Developer will (1) pay all Project costs that are not or cannot be paid or reimbursed from the proceeds of any debt and (2) indemnify and hold harmless SAHFC and the Housing Authority against all losses, costs, damages, expenses and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and courts costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of SAHFC or the Housing Authority).

Section 5. This Resolution shall be deemed to constitute the acceptance of the Partnership's and Developer's proposal that it be further induced to proceed with providing the Project. **Provided that neither the Partnership nor the Developer nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and SAHFC reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event SAHFC shall not be subject to any liability or damages of any nature. Neither the Partnership nor the Developer nor anyone claiming by, through or under the Partnership or the Developer, nor any investment banking firm or potential purchaser shall have any claim against SAHFC whatsoever as a result of any decision by SAHFC not to enter into the proposed transaction.**

Section 6. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated

by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 7. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHFC for this transaction.

Section 8. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 9. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 10. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 11. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved on the 8th day of October 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer



Somerset Ranch

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



MAP



SITE PLAN

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QUESTIONS?

			Est Closing				Income Mix						
Project Name	Developer	Financing	Date	TotalDevCost		# Units	30%	40%	50%	60%	70%	80%	Market
Closing or Closed													
1604 Flats	NRP	4% Tax Credits & Bonds	Closed	\$56,663,651		324	33		0	224		67	0
Tampico	Mission DG	4% Tax Credits & Bonds	Closed	\$33,392,549		200	9	10	18	70	20	9	64
Trader Flats	NRP	4% Tax Credits & Bonds	Closed	\$56,012,579		324	33		0	224		67	0
Artisan at Ruiz	Franklin	9% Tax Credits	Closed	\$21,165,791		102	11		41	50		0	0
Majestic Ranch	Hogan	4% Tax Credits & Bonds	Closed	\$46,084,260		288	0		0	288		0	0
Culebra Crossing	Lynd	HUD 221(d)(4)	Closed	\$50,123,889		327	0		0	0		164	163
Mira Vista	Hogan	4% Tax Credits & Bonds	Closed	\$45,296,164		312	0		0	312		0	0
Total				\$308,738,883		1877	86	10	59	1168	20	307	227
Board Has Approved													
Legacy at Alazan	NRP	9% Tax Credits	9/2020	\$18,521,959		88	8		32	40		0	8
100 Labor	Franklin	HUD 221(d)(4)	9/2020	\$52,415,352		213	27		17	0		0	169
St. John's Square	Weal	4% Tax Credits & Bonds	Pending New Bond Reservation	\$71,547,459		252	0		54	0		0	198
Josephine	Lynd	HUD 221(d)(4)	Pending	\$58,289,423		259	0		0	26		103	129
Kitty Hawk Flats	NRP	4% Tax Credits & Bonds	10/2020	\$42,640,230		212	22		0	135		55	0
Old Pearsall Flats	Streamline	4% Tax Credits & Bonds	11/2020	\$52,501,266		348	34	26	20	200	68	0	0
Horizon Pointe	Integrated Realty Group	4% Tax Credits & Bonds	12/2020	\$54,744,654		330	20	35	106	0	151	0	0
Buckhorn	NRP	4% Tax Credits & Bonds	Pending Bond Allocation	\$56,695,627		324		32		260	32	0	0
Copernicus	NRP	4% Tax Credits & Bonds	Pending Bond Allocation	\$55,202,200		324		32	65	129	98	0	0
Watson	NRP	4% Tax Credits & Bonds	Pending Bond Allocation	\$56,223,169		345		35		274	36	0	0
Alazan Courts Phase I	NRP	4% Tax Credits & Bonds	Pending	\$53,037,920		324	33		0	225		66	0
Alazan Courts Phase II	NRP	4% Tax Credits & Bonds	Pending	\$55,653,550		324	33		0	225		66	0
Victoria Courts Midrise	Catellus	TBD	Pending			TBD	TBD		TBD	TBD		TBD	TBD
Victoria Courts Townhomes	Catellus	TBD	Pending			TBD	TBD		TBD	TBD		TBD	TBD
Artisan at Springview	Franklin	4% Tax Credits & Bonds	Pending	\$43,256,221		234	24		0	210		0	0
Total				\$670,729,030		2553	144	160	191	1523	385	132	0
Pending Board Consideration													
Somerset Ranch	Poppoon	4% Tax Credit & Bonds	Pending Board Consideration	\$56,048,000		348	0		0	348		0	0
The Granada	Mission DG	4% Tax Credit & Bonds	Pending Board Consideration			249	176		TBD	TBD		TBD	TBD
Flores	Victor Miramontes	TBD	Pending Board Consideration			403	46		61	0	75	61	160
Wurzbach Parkway	Lynd	HUD 221(d)(4)	Pending Board Consideration	\$53,543,660		350	0		0	35		140	175
Potranco	Lynd	HUD 221(d)(4)	Pending Board Consideration	\$43,041,525		312	0		0	32		124	156
Landmark	Lynd	HUD 221(d)(4)	Pending Board Consideration	\$67,944,034		360	0		0	36		144	180
Culebra Development	Cesar Chavez Foundation	4% Tax Credit & Bonds	Pending Board Consideration	\$35,694,745		228				228			
Total				\$256,271,964		2250	222		61	679		469	671
Grand Total			Page 82 of 83	\$1,235,739,877		12,134	739	340	664	6,262	885	1,505	1,629

<i>Future Developments</i>	<i>Committee</i>	<i>Board</i>
Villa de Fortuna* (Single Family Homes)	-	July
Palm Lake* (Single Family Homes)	-	July
Sunflower* (Single Family Homes)	-	July
Watson (Inducement Approval)	-	August
Buckhorn (Inducement Approval)	-	August
Copernicus (Inducement Approval)	-	August
St. John's Square	-	August
Kitty Hawk Flats (Final Approval)	September	October
Horizon Pointe (Final Approval)	September	October
Somerset Ranch (Inducement Approval)	September	October
The Granada (Inducement Approval)	September	October
Artisan at Springview (Inducement Approval)	October	November
Victoria Commons Masterplan	October	November
The Bluffs (Past Bond Issuance)	October	November
Potranco (PFC) (Final Approval)	November	December
Old Pearsall Flats (Inducement Approval)	December	January
Wurzbach Parkway (PFC)	TBD	TBD
Landmark (PFC)	TBD	TBD
Flores (Villa Hermosa)	TBD	TBD
Alazan Courts Phase I (Inducement Approval)	TBD	TBD
Alazan Courts Phase II (Inducement Approval)	TBD	TBD
Culebra Development (Inducement Approval)	TBD	TBD