



**SAN ANTONIO HOUSING FACILITY
CORPORATION MEETING
NOV. 5, 2020**



BOARD OF DIRECTORS

Dr. Ana "Cha" Guzmán Chair	Jessica Weaver Vice Chair	Charles Clack Director	Jo-Anne Kaplan Director	Olga Kauffman Director	Ignacio Perez Director	Ruth Rodriguez Director
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SAN ANTONIO HOUSING FACILITY CORPORATION
***BOARD MEETING**
TELECONFERENCE

Call In Phone Number: (346) 248-7799
Meeting ID: 93839434337# Passcode: 654170#
1:00 p.m., Thursday, November 5, 2020

The Board of Directors will convene for a Board meeting via teleconference for discussion on the following matters:

MEETING CALLED TO ORDER

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

PUBLIC COMMENT

2. Public Comment - 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: **(346) 248-7799** and enter Meeting ID: **93839434337#** and Passcode: **654170#**, prior to 1:00 p.m.

Now is the time for public comments. The Board asks the public to address concerns related to SAHA matters and policy and not include statements that may be considered defamatory of any individual. The Board encourages members of the public to direct specific concerns or problems to SAHA staff for more prompt resolution.

MINUTES

3. Minutes
 - Approval of the October 8, 2020, San Antonio Housing Facility Corporation Meeting minutes

INDIVIDUAL ITEMS FOR CONSIDERATION

4. Consideration and approval regarding Resolution 20FAC-10-22, concerning the application of ARDC Springview, Ltd. relating to the proposed financing of up to \$35,000,000.00 of the costs of the acquisition, construction, and equipping of the Artisan at Springview Apartments, to be located at 210 S. Grimes St., San Antonio, Texas; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer, Lorraine Robles, Director of Development Services and Neighborhood Revitalization, and William Walter, Coats Rose)
5. Consideration and approval regarding Resolution 20FAC-10-23, approving the issuance of Sunshine Plaza Apartments, Incorporated's Promissory Note to Frost Bank in an amount not to exceed \$4,000,000.00 to be secured by a mortgage lien on Sunshine Apartments. Loan proceeds will be used to finance immediate and long term capital repairs and improvements at Sunshine Apartments; authorizing the President and CEO or designee to execute all documentation necessary to carry out

the transaction; and other matters in connection therewith (Thomas Roth, Director of Asset Management)

6. Adjournment

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

MINUTES
SAN ANTONIO HOUSING FACILITY CORPORATION
October 8, 2020

SCHEDULED: 1:00 p.m. teleconference meeting Call In Phone Number: (346) 248-7799, Meeting ID: 93839434337# Passcode: 654170#

DIRECTORS PRESENT:

Dr. Ana “Cha” Guzman, Chair
Jessica Weaver, Vice Chair
Charles Clack, Director
Jo-Anne Kaplan, Director
Olga Kauffman, Director
Ignacio Perez, Director
Ruth Rodriguez, Director

DIRECTORS ABSENT:

None

COUNSEL: Doug Poneck, Escamilla & Poneck, LLP

STAFF:

David Nisivoccia, President and CEO
Ed Hinojosa, Chief Financial Officer
Muriel Rhoder, Chief Administrative Officer
Brandee Perez, Chief Operating Officer
Timothy E. Alcott, Chief Legal and Real Estate Officer
Jo Ana Alvarado, Director of Innovative Technology
Kristi Baird, Director of Beacon Communities
Diana Kollodziej Fiedler, Director of Finance and Accounting
Domingo Ibarra, Director of Security
Aiyana Longoria, Director of Internal Audit
Hector Martinez, Director of Construction Services and Sustainability

Richard Milk, Director of Policy and Planning
Steven Morando, Director of Procurement and General Services
Michael Reyes, Director of Communications and Public Affairs
Lorraine Robles, Director of Development Services and Neighborhood Revitalization
Janie Rodriguez, Director of Human Resources
Tom Roth, Director of Asset Management
Joel Tabar, Director of Community Development Initiatives
Zachariah Woodard, Interim Director of Federal Housing Programs

Item 1: Meeting called to order

Chair Dr. Ana “Cha” Guzman called the meeting to order at 4:40 p.m.

Item 2: Public Comment

There were no citizens who spoke to the agenda.

Item 3: Minutes

- Approval of the September 10, 2020, San Antonio Housing Facility Corporation Meeting minutes

Motion: Director Clack moved to approve the September 10, 2020, meeting minutes. Director Weaver, seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana "Cha" Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			
Charles Clack, Commissioner	X			
Jo-Anne Kaplan, Commissioner	X			
Olga Kauffman, Commissioner	X			
Ignacio Perez, Commissioner	X			
Ruth Rodriguez, Commissioner	X			

OPERATIONS

Item 4: Consideration and approval regarding 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 (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

Item 5: Consideration and approval regarding 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 (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

Item 6: Consideration and approval regarding 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 (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

Motion: Director Clack moved to approve Resolutions 20FAC-09-10, 20FAC-09-11, and 20FAC-09-12. Director Weaver seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana "Cha" Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			
Charles Clack, Commissioner	X			
Jo-Anne Kaplan, Commissioner	X			

Olga Kauffman, Commissioner	X			
Ignacio Perez, Commissioner	X			
Ruth Rodriguez, Commissioner	X			

Item 9: Adjournment.
With no objections, Chair Guzman adjourned the meeting at 4:42 p.m.

ATTEST:

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

Date

David Nisivoccia
Secretary/Treasurer

Date

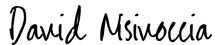
SAN ANTONIO HOUSING FACILITY CORPORATION

November 5, 2020

BOARD OF COMMISSIONERS

RESOLUTION 20FAC-10-22, INDUCING THE ARTISAN AT SPRINGVIEW 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

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David Nisiovocia
President and CEO

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Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 20FAC-10-22, inducing the Artisan at Springview 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.

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 Artisan at Springview Apartments 4% tax credit 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 the tax credits with 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 a volume cap and tax credits and begin to put the financings together to negotiate the specific terms of the deals, which we will bring back to you for approval.

The project is a 305-unit project proposed by Franklin Development to be located at 210 S Grimes and whose boundaries are Hedges Street to the south, S. Mel Waiters Way to the east, and Montana to the north. It is proposed to contain 305 units at 60% of the median income or below. The total project cost is estimated to be approximately \$57 million.

SAN ANTONIO HOUSING FACILITY CORPORATION

November 5, 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. SAHA, as owner of the land and improvements for the development of the Project, may require certain environmental and disposition approvals from HUD.

The attached Resolution authorizes the San Antonio Housing Facility Corporation to approve inducement resolutions for the above project.

STRATEGIC GOAL:

Strategically expand the supply of affordable housing.

ATTACHMENTS:

Resolution 20FAC-10-22

Map of Project Location

**CERTIFICATE FOR RESOLUTION 20FAC-10-22
ARTISAN AT SPRINGVIEW 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 Directors of SAHFC (the "Board") held a meeting on November 5, 2020 (the "Meeting") of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION 20FAC-10-22, INDUCING THE ARTISAN AT SPRINGVIEW 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 5th day of November 2020.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 20FAC-10-22**

RESOLUTION 20FAC-10-22 INDUCING THE ARTISAN AT SPRINGVIEW 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, ARDC Springview, Ltd., a Texas limited partnership (or such other similar name as the General Partner designates, as the “Partnership”), and SAHA Artisan at Springview GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), will be formed to acquire and construct an approximately 305-unit multifamily housing facility (the “Housing Facility”) to be approximately located at the northeast corner of Montana and S. Walters, San Antonio, Texas (the “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 (the “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 (the “Ground Lease”), and (iii) will serve as the general contractor for the Project (the “General Contractor”); and

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (the “Issuer”) issue its Multifamily Housing Revenue Bonds (Artisan at Springview Apartments) Series 2020 or 2021 (the “Bonds”) to finance the Project (the “Bond Financing”); and

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$35,000,000.00 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 “Note Documents”); and

WHEREAS, the Partnership, will apply for low income housing tax credits (the “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 (the “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 (the “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
Ignacio Perez	Director
David Nisiovocia	Secretary/Treasurer
Timothy E. Alcott	Assistant Secretary/Treasurer
Ed Hinojosa	Assistant Secretary/Treasurer
Muriel Rhoder	Assistant Secretary/Treasurer
Brandee Perez	Assistant Secretary/Treasurer

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 Coats Rose, P.C. 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.

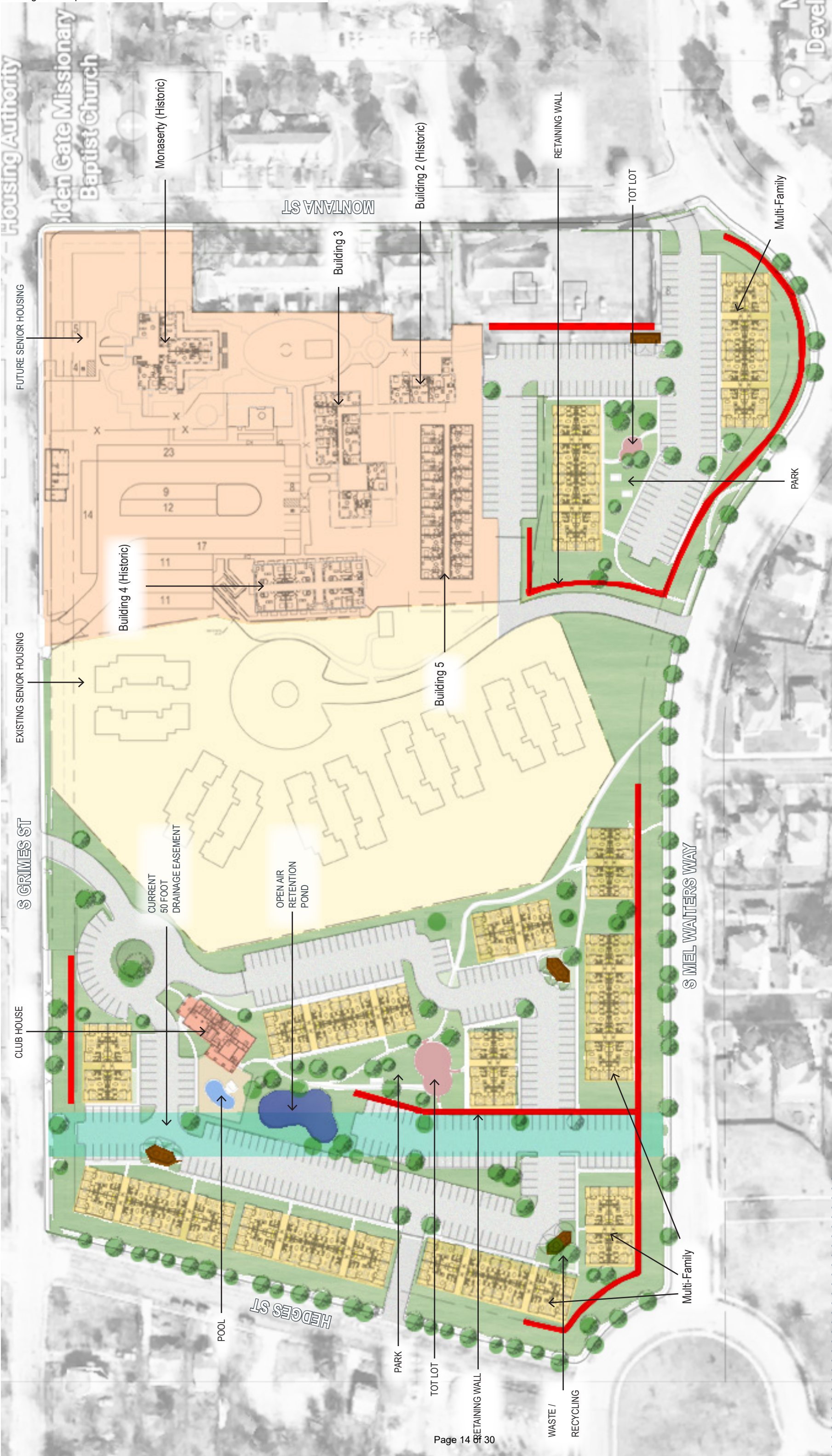
Section 12. This Resolution shall be in force and effect from and after its passage.

Passed and approved the 5th day of November 2020.

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


Attested and approved as to form:


David Nisivoccia
Secretary/Treasurer



SAN ANTONIO HOUSING FACILITY CORPORATION**November 5, 2020****BOARD OF DIRECTORS**

RESOLUTION 20FAC-10-23, APPROVING THE ISSUANCE OF SUNSHINE PLAZA APARTMENTS, INCORPORATED'S PROMISSORY NOTE TO FROST BANK IN AN AMOUNT NOT TO EXCEED \$4,000,000.00 TO BE SECURED BY A MORTGAGE LIEN ON SUNSHINE APARTMENTS. LOAN PROCEEDS WILL BE USED TO FINANCE IMMEDIATE AND LONG TERM CAPITAL REPAIRS AND IMPROVEMENTS AT SUNSHINE APARTMENTS; AUTHORIZING THE PRESIDENT AND CEO OR DESIGNEE TO EXECUTE ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

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David Nisivoccia
President and CEO

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Ed Hinojosa
Chief Financial Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 20FAC-10-23, approving the issuance of Sunshine Plaza Apartments, Incorporated's Promissory Note to Frost Bank in an amount not to exceed \$4,000,000.00 to be secured by a mortgage lien on Sunshine Apartments. Loan proceeds will be used to finance immediate and long term capital repairs and improvements at Sunshine Apartments; authorizing the President and CEO or designee to execute all documentation necessary to carry out the transaction; and other matters in connection therewith.

SAHA has received a letter of intent from Frost Bank to provide a loan amount equal to the lesser of \$4,000,000.00 or 75% of the appraised value of the property. The financing can be structured at either a fixed rate or variable interest rate with an option to fix the rate with an interest rate contract. Current indicative rates are 2.67% for a fixed rate loan and 2.62% with the floating-to-fixed interest rate contract. The actual rate will be set at closing for a term of ten years with a twenty-five year amortization rate. The property will serve as collateral for the loan. The loans are being underwritten as bank qualified tax exempt debt. SAHA staff also evaluated financing options through Federal Home Administration (FHA) and Freddie Mac; however, the interest rates and transaction related costs were considerably higher than those offered under the Frost Bank proposal.

FINANCIAL IMPACT:

The property is currently unencumbered. However, the proposed refinance will provide low cost funds to finance much needed capital repairs to the property, which will preserve this asset and extend its useful life expectancy. The proposed loan terms require a conservative loan to value of 75% and a debt service coverage ratio of 1.20.

SUMMARY:

Sunshine Apartments is a 100 unit, multi-family asset built in 1979 and located at 455 E. Sunshine Road, San Antonio, Texas. The property is part of the Beacon Communities portfolio and managed by SAHA staff. The property has a long term HUD Project Based Assistance (PBA), Section 8 contract in place for 100% of the units. The property is age restricted for residents 62.5 years of age or older.

SAN ANTONIO HOUSING FACILITY CORPORATION

November 5, 2020

The property was built in 1979, and many of the building components at 41 years of age are at, or have exceeded, their estimated useful life. The five-year plan for the Beacon Communities Portfolio identified this asset as a candidate for refinancing and reinvestment in capital repairs/replacements to extend the useful life of this affordable housing asset.

SAHA'S Procurement Department has issued an RFP solicitation to secure a qualified contract to perform the following renovations to the property:

1. Replace existing window A/C and wall gas heaters, with an energy efficient split system to provide heat and A/C to each unit.
2. Install energy efficient vinyl windows and metal exterior doors.
3. Repair and repaint exterior stucco and siding.
4. Repair and paint metal railings throughout.
5. Upgrade elevator mechanicals, controls, and cabs.
6. Repair/replace damaged sidewalks and concrete in parking lots.

The estimated cost of the renovation project is \$1.9 million to \$2.2 million. No residents will be displaced during the renovation.

STRATEGIC GOAL:

Preserve and improve existing affordable housing resources and opportunities.

ATTACHMENTS:

Resolution 20FAC-10-23

Map and Site Plan

CERTIFICATE FOR RESOLUTION 20FAC-10-23

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

1. In accordance with Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), and the bylaws of the Corporation, the Board of Directors of the Corporation (the "Board") held a meeting on November 5, 2020, (the "Meeting") of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION 20FAC-10-23, APPROVING THE ISSUANCE OF SUNSHINE PLAZA APARTMENTS, INCORPORATED'S PROMISSORY NOTE TO FROST BANK IN AN AMOUNT NOT TO EXCEED \$4,000,000.00 TO BE SECURED BY A MORTGAGE LIEN ON SUNSHINE APARTMENTS. LOAN PROCEEDS WILL BE USED TO FINANCE IMMEDIATE AND LONG TERM CAPITAL REPAIRS AND IMPROVEMENTS AT SUNSHINE APARTMENTS; AUTHORIZING THE PRESIDENT AND CEO OR DESIGNEE TO EXECUTE ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; 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 Open Meetings Act and the Bylaws of the Corporation.

SIGNED AND SEALED this 5th day of November 2020.



David Nisivoccia
Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 20FAC-10-23**

RESOLUTION 20FAC-10-23, APPROVING THE ISSUANCE OF SUNSHINE PLAZA APARTMENTS, INCORPORATED'S PROMISSORY NOTE TO FROST BANK IN AN AMOUNT NOT TO EXCEED \$4,000,000.00 TO BE SECURED BY A MORTGAGE LIEN ON SUNSHINE APARTMENTS. LOAN PROCEEDS WILL BE USED TO FINANCE IMMEDIATE AND LONG TERM CAPITAL REPAIRS AND IMPROVEMENTS AT SUNSHINE APARTMENTS; AUTHORIZING THE PRESIDENT AND CEO OR DESIGNEE TO EXECUTE ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas ("SAHA"), has, pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the San Antonio Housing Facility Corporation, a nonstock, nonprofit public facility corporation (the "Issuer"); and

WHEREAS, SAHA and the Issuer approved on November 5, 2020, a tax-exempt loan from Frost Bank ("Frost") to finance the rehabilitation and improvement of a 100-unit multifamily housing facility located at 455 E Sunshine Road, San Antonio, Texas, known as Sunshine Plaza Apartments (the "Project"); and

WHEREAS, the tax-exempt loan will be made pursuant to a Loan Agreement between the Sunshine Plaza Apartments, Incorporated, and Frost dated December 1, 2020, and a Promissory Note (the "Promissory Note") in the original principal amount not to exceed \$4,000,000.00 payable to Frost, which will be secured by a Deed of Trust, Security Agreement – Financing Statement, and various closing documents, such as a Replacement Reserve and Security Agreement, Arbitration and Notice of Final Agreement and a Private Placement Letter (collectively, the "Loan Documents"); and

WHEREAS, the Promissory Note may be issued in a fixed rate or variable rate format and sold to Frost upon the terms and conditions outlined in the term sheet submitted by Frost; and

WHEREAS, in the event a variable rate Promissory Note is executed, it will be swapped to a fixed rate pursuant to an ISDA Master Agreement and other associated documents entered into with Frost (the "Swap Documents"); and

WHEREAS, Frost is requiring the Board to specifically approve the Loan Documents and, if necessary, the Swap Documents and requiring the Board to hire a financial advisor regarding the Swap; and

WHEREAS, if necessary, the Board will select Hilltop Securities ("Hilltop") as its financial advisor for the Swap based upon its prior relationship with Hilltop; and

WHEREAS, the Issuer is authorized to issue the Promissory Note and SAHA has approved the issuance of the Promissory Note in accordance with the Act; and

WHEREAS, the Board of Directors of the Issuer (the "Board") hereby authorizes the issuance of the Promissory Note in an amount not to exceed \$4,000,000.00 for the purpose of

providing funds for the Project, and paying the costs of issuing the Promissory Note, all pursuant to and in accordance with the terms and conditions provided under the Loan Documents; and

WHEREAS, the Promissory Note is a special, limited obligation of the Issuer and the obligations of the Issuer shall never constitute an indebtedness, an obligation, or a loan of credit of the State of Texas, SAHA, the County of Bexar, Texas, the City of San Antonio, Texas, or any other political subdivision of the State of Texas, with the meaning of any constitutional provisions or statutory limitations; and

WHEREAS, the Issuer is authorized to issue the Promissory Note pursuant to the Act; and

WHEREAS, this Board of Directors 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 Promissory Note and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms and sales price of the Promissory Note and the manner of disbursing the proceeds thereof are advisable; and

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

Section 1. The terms of the Loan Documents, and if applicable, the Swap Documents are hereby approved.

Section 2. The issuance of the Promissory Note, the Swap Documents, the Loan Documents are hereby authorized and approved, and the President, any Vice President, the Secretary/Treasurer, any Assistant Secretary/Treasurer or any of them, of the Issuer, are hereby 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 Swap Documents, Loan Documents, and any and all certificates (including tax certificates) and other instruments described therein upon the conditions therein described or necessary or desirable in connection with the issuance of the Promissory Note, all upon the terms herein approved, and the executing officer is authorized to negotiate and approve such changes in the terms of each such instrument as such officer shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officer and this Board shall be conclusively evidenced by the execution and delivery of such documents. The Corporation is authorized to hire Hilltop Securities as its financial advisor regarding the Swap.

Section 3. The Promissory Note in the principal amount not to exceed \$4,000,000.00 in substantially the form and substance set forth in the Loan Documents, is hereby approved, and the President, the Vice President, the Secretary/Treasurer and each Assistant Secretary/Treasurer, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Promissory Note or have their facsimile signatures placed upon it, and the signatures of such officers are hereby authorized and directed to be affixed or placed in facsimile on the Promissory Note.

Section 4. All action not inconsistent with provisions of this Resolution heretofore taken by this Board of Directors and the officers of the Issuer directed toward the financing of the Project and the issuance of the Promissory Note shall be and the same hereby is 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 5. After the Promissory Note are issued, this Resolution shall be and remain irrevocable until the Promissory Note or interest thereon shall have been fully paid or provisions for payment shall have been made pursuant to the Indenture.

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 5th day of November 2020.

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

Attested and approved as to form:

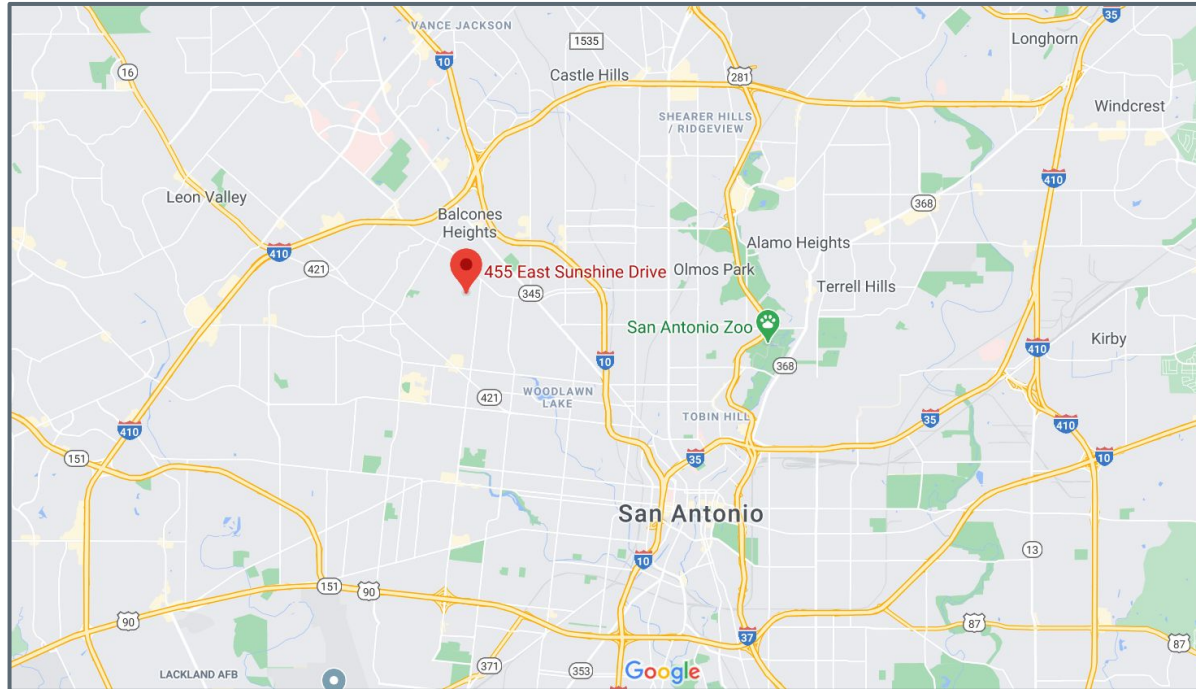
David Nisivoccia
Secretary/Treasurer



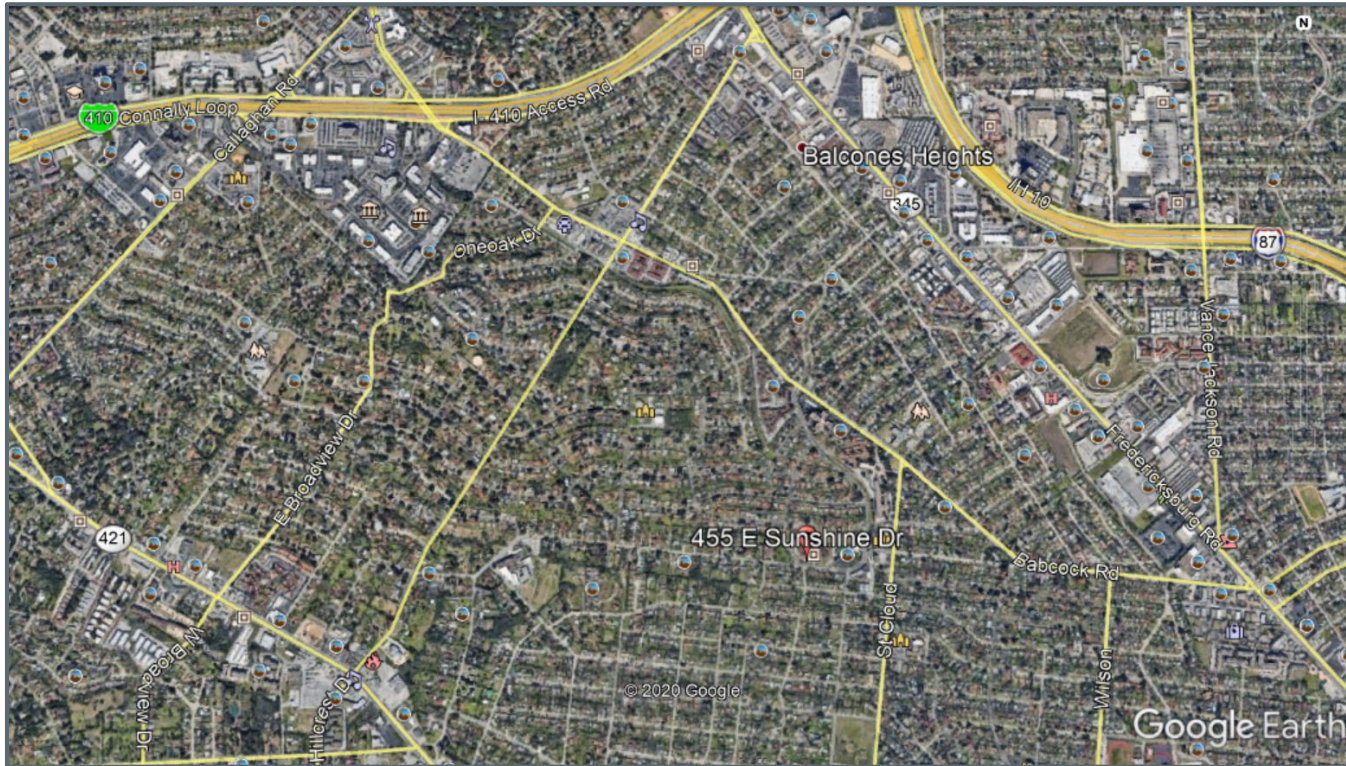
Sunshine Plaza Apartments

November 05, 2020

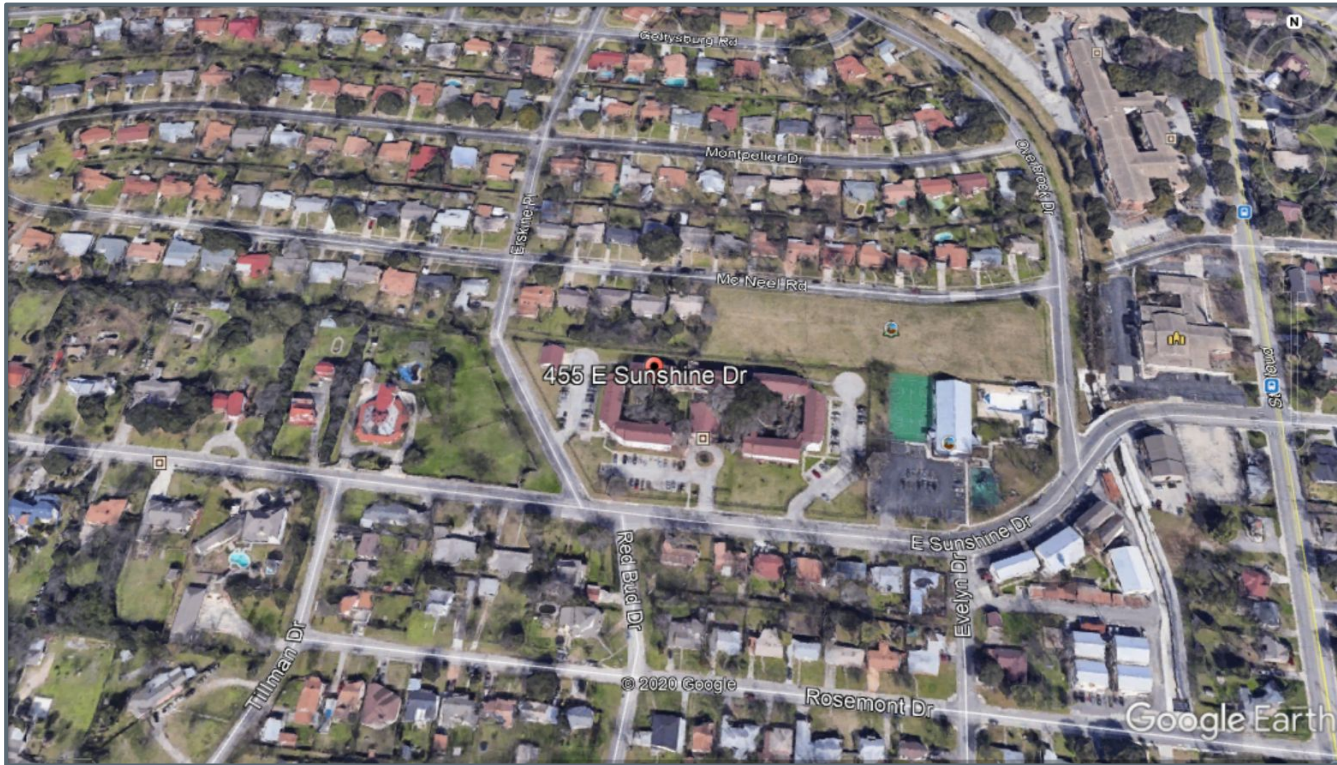
Sunshine Plaza Apts. Location to Major Highways



Sunshine Plaza Apartments - Aerial View



Sunshine Plaza Apartments - Site Location



Sunshine Plaza Apartments - Monument Sign



Sunshine Plaza Apartments - Building Exterior



Sunshine Plaza Apartments - Building Exterior



Sunshine Plaza Apartments - Building Courtyard



QUESTIONS?