



**REFUGIO STREET PUBLIC FACILITY
CORPORATION MEETING
DEC. 3, 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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REFUGIO STREET PUBLIC FACILITY CORPORATION
***BOARD MEETING**
TELECONFERENCE

Call In Phone Number: (346) 248-7799
Meeting ID: 89745200921# Passcode: 486908#
1:00 p.m., Thursday, December 3, 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 up to 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: **89745200921#** and Passcode: **486908#**, prior to 1:00 p.m.

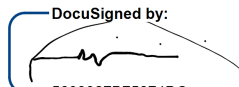
Now is the time for public comments. The Board asks the public to address concerns related to SAHA matters and policy and not include statements that may be considered defamatory of any individual. The Board encourages members of the public to direct specific concerns or problems to SAHA staff for more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

INDIVIDUAL ITEMS FOR CONSIDERATION

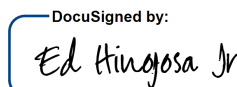
3. Consideration and approval regarding Resolution 20RSPFC-10-22, approving the refinance of the existing mortgage debt on RefugioPlace Apartments using the FHA 223(f) program; authorizing execution of all documentation necessary to carry out the transaction; and other matters in connection therewith (Thomas Roth, Director of Asset Management)
4. 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.

REFUGIO STREET PUBLIC FACILITY CORPORATION**December 3, 2020****BOARD OF DIRECTORS****RESOLUTION 20RSPFC-10-22, APPROVING THE REFINANCE OF THE EXISTING MORTGAGE DEBT ON REFUGIO PLACE APARTMENTS USING THE FHA 223(f) PROGRAM; AUTHORIZING EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH**

DocuSigned by:


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David Nisivoccia
 President and CEO

DocuSigned by:


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Ed Hinojosa
 Chief Financial Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 20RSPFC-10-22, approving the refinance of the existing mortgage debt on Refugio Place Apartments using the FHA 223(f) program; authorizing execution of all documentation necessary to carry out the transaction; and other matters in connection therewith

SAHA has received a letter of intent from KeyBank to provide a loan amount equal to the lesser of 80% loan to value, or a loan amount that provides a minimum debt service coverage ratio of 1.15. The actual loan amount will be determined upon completion of the underwriting and a commitment from FHA to purchase the loan. Preliminary indications are that the loan will not exceed \$13,000,000.00. The financing will be structured as a fixed rate loan with a term and amortization period of 35 years. The loan will be locked out from prepayment for a period of two years, after which the prepayment penalty declines by 1% per annum. Current indicative rates are 2.60%. SAHA staff also evaluated financing options through Freddie Mac and Frost Bank; however, the 35 year term and amortization structure yielded greater loan proceeds.

FINANCIAL IMPACT:

The property is currently encumbered by a mortgage with a fixed interest rate of 6.720%, and is subject to a 1% prepayment penalty. The refinance will allow for repayment of the existing mortgage, the prepayment penalty, closing costs, and related origination fees. Additionally, net loan proceeds should be sufficient to fully repay the existing land loan of approximately \$9,295,000.00 (principal and interest) owed to Refugio Street Public Facility Corporation (a SAHA affiliated entity). The proposed refinance will provide a low-cost, long-term financing structure to ensure the long term viability of this affordable housing asset.

SUMMARY:

Refugio Street Limited Partnership (the "Partnership"), a Texas limited partnership, was formed in November 2002 to construct, develop, and operate a 210-unit apartment project known as Refugio Street Apartments (the "Project") in San Antonio, Texas. The Project is rented to low-income tenants and is operated in a manner necessary to qualify for federal low-income housing tax credits, as provided for in Section 42 of the Internal Revenue Code.

REFUGIO STREET PUBLIC FACILITY CORPORATION**December 3, 2020**

The property is subject to a Land Use Restriction Agreement (LURA), which requires that the existing affordability restrictions remain in place until 2059.

The property is a family property and contains 93 one-bedroom units, 86 two-bedroom units, and 31 three-bedroom units. The affordability restrictions are summarized below:

Market rate units	105
Public Housing units	50
60% AMI units	<u>55</u>
Total	210

The property, which was built in 2004 at a cost of \$19,270,000.00, will continue to provide affordable housing for families in San Antonio.

STRATEGIC GOAL:

Preserve and improve existing affordable housing resources and opportunities.

ATTACHMENTS:

Resolution 20RSPFC-10-22

Refugio Place Apartments Fact Sheet

Map

CERTIFICATE FOR RESOLUTION 20RSPFC-10-22

The undersigned officer of the Refugio Street Public 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 December 3, 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 20RSPFC-10-22, APPROVING THE REFINANCE OF THE EXISTING MORTGAGE DEBT ON REFUGIO PLACE APARTMENTS USING THE FHA 223(f) PROGRAM; AUTHORIZING EXECUTION OF 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 this 3rd day of December 2020.

David Nisivoccia
Secretary/Treasurer

**Refugio Street Public Facility Corporation
Resolution 20RSPFC-10-22**

RESOLUTION 20RSPFC-10-22, APPROVING THE REFINANCE OF THE EXISTING MORTGAGE DEBT ON REFUGIO PLACE APARTMENTS USING THE FHA 223(f) PROGRAM; AUTHORIZING EXECUTION OF 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 Texa Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act") approved and created the Refugio Street Public Facility Corporation, a nonstock, nonprofit public facility corporation; and

WHEREAS, SAHA and the Refugio Street Public Facility Corporation approved on December 3, 2020, a mortgage loan under the FHA 223(f) program to refinance the existing mortgage on a 210-unit multifamily housing facility located at 300 Labor Street, San Antonio, Texas, known as Refugio Street Apartments (the "Project"); and

WHEREAS, the loan will be made pursuant to a Loan Agreement between Refugio Street Limited Partnership and FHA, and a Promissory Note (the "Promissory Note") in the original principal amount not to exceed \$13,000,000.00, 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, (collectively, the "Loan Documents"); and

WHEREAS, the Promissory Note may be issued in at a fixed rate of interest upon the terms and conditions outlined in the term sheet submitted by the lender; 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 \$13,000,000.00 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, 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.

BE IT THEREFORE RESOLVED by the Board of Directors of the Refugio Street Public Facility Corporation, that:

Section 1. The terms of the Loan Documents are hereby approved.

Section 2. The issuance of the Promissory Note, 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), 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.

Section 3. The Promissory Note in the principal amount not to exceed \$13,000,000.00 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 3rd day of December 2020.

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

Attested and approved as to form:

David Nisivoccia
Secretary/Treasurer



**Refugio Place Apartments
300 Labor Street, San Antonio, TX 78210**

City Council District 1:
Bexar County Commissioner Precinct 1:
U.S. Congressman - District 35:
Texas State Senator - District 26:
Texas State Representative - District 123:

Roberto Trevino
Sergio "Chico" Rodriguez
Lloyd Doggett
Jose Menendez
Diego Bernal

SAHA Director:
Development Partner:
Property Management:
Director of Operations & Compliance:
Property Manager:

Kristi Baird
Carleton Development
Lincoln Property Company
Roberto Barrios (Lincoln Property Company)
Angelina Defelice (Lincoln Property Company)

Property Fact Sheet:

- Built in 2004
- Partnership - Family Development
- Development Cost: \$19,270,000.00
- Development Cost per Unit: \$91,762.00

- Current Occupancy Rate is 96.67%
- Current Debt Service Coverage Ratio: 1.16

Unit Breakdown:

UNITS	1 Bdrm	2 Bdrm	3 Bdrm
210	93	86	31

Unit Make-Up:

- Market - 105
- Public Housing - 50
- Tax Credit (includes PH) - 105

Current Market Rates:

1 Bdrm	2 Bdrm	3 Bdrm
\$ 920	\$1,105 - \$1,160	\$ 1,210

The average Median Income for a family of four: \$72,000.00

2020 Area Median Income Guideline for a family of four:

30% - \$21,600.00

50% - \$36,000.00

60% - \$43,200.00

Number of Units Receiving Voucher Assistance: 19

2019 Net Operating Income: \$928,219.00

School District: San Antonio Independent School District

Elementary: Bonham Academy

Middle School: Paige Middle School

High School: Brackenridge High School

SAHA Services**Jobs-Plus Dual Gen Program**

- ☐ Employment program to reduce levels of poverty, joblessness and underemployment
- ☐ Provides supportive services and resources through the help of community partners
- ☐ Literacy Services
- ☐ Job Search Assistance
- ☐ Financial Learning Initiatives

ROSS (Resident Opportunity Self-Sufficiency)

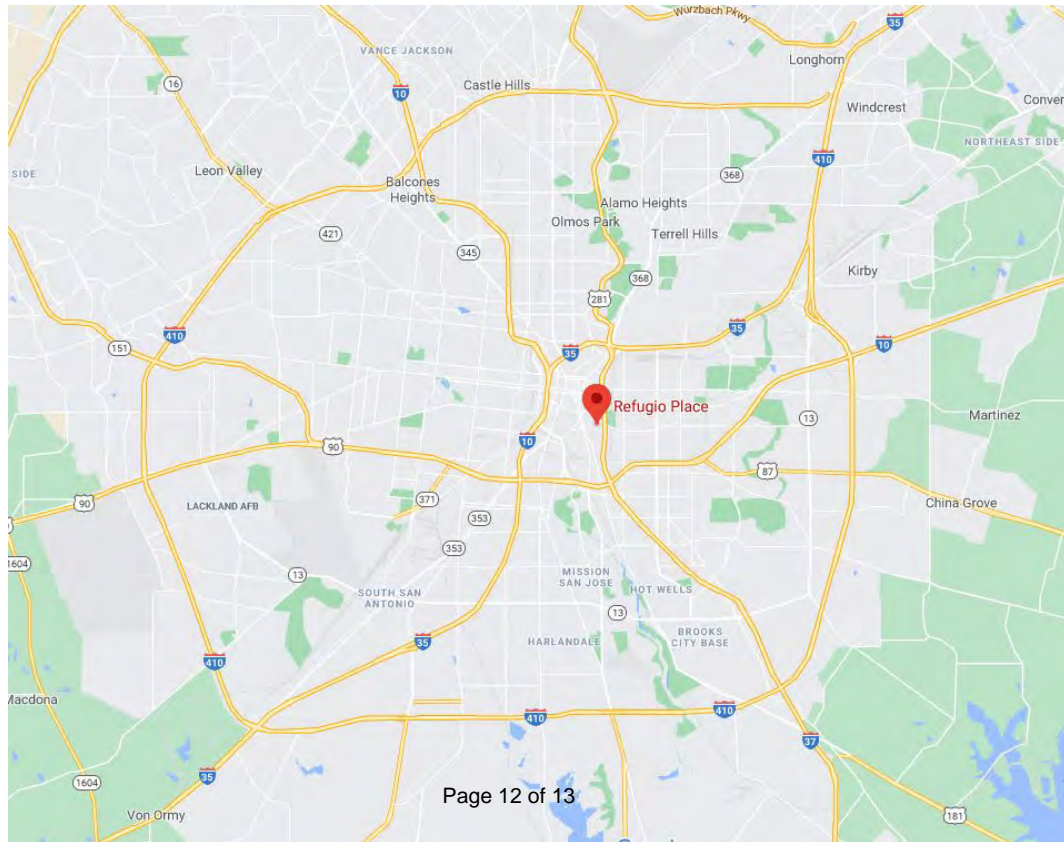
A ROSS Service Coordinator (SC) is onsite the fourth Monday of the month and by appointment, as needed. The Service Coordinator is available to complete assessments and referrals. The

ROSS SC works closely with the Jobs-Plus Community Organizer and property staff to link residents to services in the community. ROSS services include:

- ☐ Short term case management
- ☐ Linking residents to supportive services, job training, education, and employment
- ☐ Identifying goals and creating short term plans
- ☐ Facilitating individual and group financial literacy sessions
- ☐ Coordinating Life Skills Workshops, including Money Management, Credit Repair, Parenting, Personal Development
- ☐ Linking residents to quarterly food distributions held at various SAHA properties

The ROSS SC also ensures that residents are linked to SAHA services including: Summer Youth Employment Program, Mother's and Father's Day events and holiday toy drives.

Refugio Place Apartments Map



Refugio Place Apartments

