



LAS VARAS PUBLIC FACILITY CORPORATION MEETING
JUNE 7, 2023



VIRTUAL
Number: (346) 248-7799
Meeting ID: 93839434337#
Passcode: 654170#

IN PERSON
818 S. Flores St.
San Antonio, TX 78204

BOARD OF DIRECTORS

- | | | | | | | |
|-------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|---------------------------|---------------------------|
| Dr. Ana "Cha" Guzmán
Chair | Gabriel Lopez
Vice Chair | Gilbert Casillas
Director | Dalia Contreras
Director | Loren D. Dantzer
Director | Olga Kauffman
Director | Ignacio Perez
Director |
|-------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|---------------------------|---------------------------|

PRESIDENT & CEO

Ed Hinojosa, Jr.

LAS VARAS PUBLIC FACILITY CORPORATION MEETING

1:00 p.m. | Wednesday | June 7, 2023

At least four Directors will be physically present at this location, and up to three other Directors may attend by videoconferencing, as permitted by Tex. Gov't Code Section 551.127, and the Presiding Officer will also be present at this location.

MEETING CALLED TO ORDER

- The Board of Directors 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

- 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: **93839434337#** and Passcode: **654170#**, prior to 12:45 p.m. A Spanish/English translator will be available to citizens needing translation.

Now is the time for public comments. The Board asks the public to address concerns related to Opportunity Home 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 Opportunity Home staff for more prompt resolution. The Board will not discuss the comments of speakers or respond to speakers during the public comment portion of the agenda.

MINUTES

- Minutes
 - Approval of the April 3, 2023, Las Varas Public Facility Corporation meeting minutes

CONSENT ITEMS

- Consideration and approval regarding Resolution 23LVPFC-05-17, authorizing the Las Varas Public Facility Corporation Tax-Exempt Multifamily Housing Revenue Bonds (Tigoni Villas Apartments), Series 2023; and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer)
- Consideration and approval regarding Resolution 23LVPFC-05-18, authorizing the issuance of the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Costa Almadena Apartments) Series 2023, and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer)
- Adjournment

Posted on June 2, 2023 01:00 PM

*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.

“Pursuant to § 30.06, Penal Code, (trespass by holder license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun.”

“Pursuant to § 30.07, Penal Code, (trespass by holder license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly.”



MINUTES OF LAS VARAS PUBLIC FACILITY CORPORATION MEETING

I. Call to Order:

Chair Guzman called the Las Varas Public Facility Corporation Meeting to order at 1:26 PM CDT on April 3, 2023. The meeting was held at the Opportunity Home Central Office located at 818 S. Flores St. San Antonio, TX 78204.

Directors Present:

Chair Dr. Ana M. "Cha" Guzman, Vice-Chair Gabriel Lopez, Gilbert Casillas, Dalia Contreras, Loren D. Dantzler, Olga Kauffman, and Ignacio Perez.

Adviser Present:

Valerie Carillo, General Counsel.

Guests Present:

President and CEO Ed Hinojosa, Jr. and Timothy E. Alcott, Chief Legal and Real Estate Officer.

Vicky Cavazos Jones, Interpreter, BCC Languages LLC.

Directors Absent:

None.

Quorum:

A quorum was established with seven (7) voting members present.

II. Public Comment

Citizens are provided three minutes each to speak to any agenda item. There were no individuals who spoke during the meeting. No individuals ceded their time.

III. Minutes

Vice-Chair Lopez moved to approve the December 7, 2022, Las Varas Public Facility Corporation Meeting minutes. Director Perez seconded the motion. The motion carried with seven (7) in favor and none against by a voice vote.

Consent Item

IV. Resolution 23LVPFC-03-15

Consideration and approval regarding Resolution 23LVPFC-03-15, authorizing the issuance of the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Rosemont at University Park) Series 2023, and other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer)

Main Motion Regarding Resolution 23LVPFC-03-15

Moved by Director Kauffman. Seconded by Vice-Chair Lopez and Director Dantzler. The motion carried with seven (7) in favor and none against by a voice vote.



A COMMUNITY OF POSSIBILITIES

V. Adjournment

The meeting adjourned at 1:27 PM CDT.

ATTEST:

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

Date

Ed Hinojosa, Jr.
Secretary/Treasurer

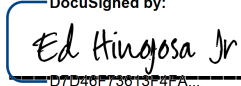
Date

LAS VARAS PUBLIC FACILITY CORPORATION

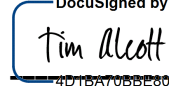
June 7, 2023

**BOARD OF DIRECTORS
Las Varas Public Facility Corporation Meeting**

RESOLUTION 23LVPFC-05-17, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS (TIGONI VILLAS APARTMENTS), SERIES 2023; AND OTHER MATTERS IN CONNECTION THEREWITH

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Ed Hinojosa, Jr.
President and CEO

DocuSigned by:


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Timothy E. Alcott
Chief Legal and Real Estate Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 23LVPFC-05-17, authorizing the Las Varas Public Facility Corporation Tax-Exempt Multifamily Housing Revenue Bonds (Tigoni Villas Apartments), Series 2023; and other matters in connection therewith.

SUMMARY:

Final approval of the issuance of the Bonds for the Tigoni Villas Apartments Project (the “Project”), a rehabilitation project proposed by DevCo Preservation, LLC, located at 1527 West Sunshine Drive. The Project will consist of 140 affordable units, all of which will be low income housing tax credit units serving families whose incomes average 60% or less of area median income (AMI), as follows:

- 16% of units reserved for individuals or families whose income is no greater than 30% AMI;
- 9% of units reserved for individuals or families whose income is no greater than 40% AMI;
- 26% of units reserved for individuals or families whose income is no greater than 50% AMI; and
- 49% of units reserved for individuals or families whose income is no greater than 60% AMI.

Up to \$20,000,000 of tax-exempt Bonds will be issued by LVPFC and purchased by Citibank, and such amount will be issued to finance the acquisition, rehabilitation, and/or equipping of the Project. The land and existing improvements (together, the “Premises”) will be owned by Las Varas Public Facility Corporation, which will lease the Premises to the Project partnership.

We are targeting a closing date in June or July 2023, and construction is expected to begin in August 2023.

STRATEGIC OUTCOMES:

Opportunity Home residents have a sufficient supply of affordable housing options
Opportunity Home residents live in quality affordable housing

ATTACHMENTS:

Resolution 23LVPFC-05-17

LAS VARAS PUBLIC FACILITY CORPORATION

June 7, 2023

Presentation

**CERTIFICATE FOR RESOLUTION
RESOLUTION 23LVPFC-05-17**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the “Board”) held a meeting on June 7, 2023 (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 23LVPFC-05-17, AUTHORIZING THE LAS VARAS PUBLIC
FACILITY CORPORATION TAX-EXEMPT MULTIFAMILY HOUSING REVENUE
BONDS (TIGONI VILLAS APARTMENTS), SERIES 2023; 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 7th day of June 2023.

Ed Hinojosa, Jr.
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 23LVPFC-05-17**

RESOLUTION 23LVPFC-05-17, AUTHORIZING THE LAS VARAS PUBLIC FACILITY CORPORATION TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS (TIGONI VILLAS APARTMENTS), SERIES 2023; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Las Varas Public Facility Corporation (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, rehabilitation, 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; and

WHEREAS, the Issuer has been requested to issue its “Tax-Exempt Multifamily Housing Revenue Bonds (Tigoni Villas Apartments), Series 2023” in the aggregate principal amount not to exceed \$20,000,000 (the “Bonds”), the proceeds of which will be used to finance the cost of acquiring, rehabilitating, and/or equipping an existing 140-unit apartment facility to be known as the Tigoni Villas Apartments, located at 1527 West Sunshine Drive, San Antonio, Bexar County, Texas (the “Project”) for Tigoni Preservation Apartments, LP, a Texas limited partnership, or a related person or affiliate thereof (the “Borrower”); and

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Funding Loan Agreement (the “Funding Loan Agreement”) among Citibank, N.A., as funding lender (the “Funding Lender”), the Issuer, as governmental lender, and U.S. Bank National Association, as fiscal agent (the “Fiscal Agent”), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Borrower Loan Agreement (the “Borrower Loan Agreement”) between the Issuer, as governmental lender, and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) among the Issuer, the Fiscal Agent, and the Borrower; and

WHEREAS, the loan will be evidenced by a promissory note issued under the Borrower Loan Agreement (the “Note”) and a Multifamily Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the “Security Instrument”) by the Issuer in favor of the Fiscal Agent; and

WHEREAS, the Issuer will be presented with a bond purchase agreement (the “Purchase Agreement”), setting forth certain terms and conditions upon which the Funding Lender will purchase the Bonds; 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, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, rehabilitating, and/or equipping the Project; and

WHEREAS, the Board of Directors of the Issuer (the “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 Directors of the Las Varas Public Facility Corporation hereby:

Section 1. The terms of the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement, the Security Instrument, and the Purchase Agreement are hereby authorized and approved, when such documents are approved by the officer designated as the signatory on such document(s).

Section 2. The President, any Vice President, the Secretary/Treasurer, and each Assistant Secretary/Treasurer, 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 Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement, the Security Instrument, the Purchase Agreement, 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 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/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are authorized to negotiate and approve such changes in the terms of or amendment to 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 \$20,000,000, with an interest rate (not including applicable premium) not to exceed 7% as set forth in the Funding Loan Agreement, and with a maturity date not to exceed July 1, 2063, in substantially the form and substance set forth in the Funding Loan Agreement, are 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 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, if required. Authentication of the Bonds upon the terms and conditions and in the manner described in the Funding Loan Agreement 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 Funding Loan Agreement, and the execution and delivery of the Funding Loan Agreement and any agreements relating to the purchase of the Bonds by the Funding Lender by the President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, 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 Funding Loan Agreement and the Borrower Loan Agreement.

Section 4. The Fiscal Agent shall be U.S. Bank National Association.

Section 5. Cantu Harden Montoya LLP, as Bond Counsel, is hereby ratified as the hearing officer for purposes of the public TEFRA hearing regarding the Project.

Section 6. The President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, or any of them, are hereby authorized to execute and deliver to the Fiscal Agent the written request of the Issuer for the authentication and delivery of the Bonds by the Fiscal Agent in accordance with the Funding Loan Agreement and the Borrower Loan Agreement.

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 Funding 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.

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 Funding 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 the 7th day of June 2023.

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

Attested and approved as to form:

Ed Hinojosa, Jr.
Secretary/Treasurer

Tigoni Villas Bond Authorization

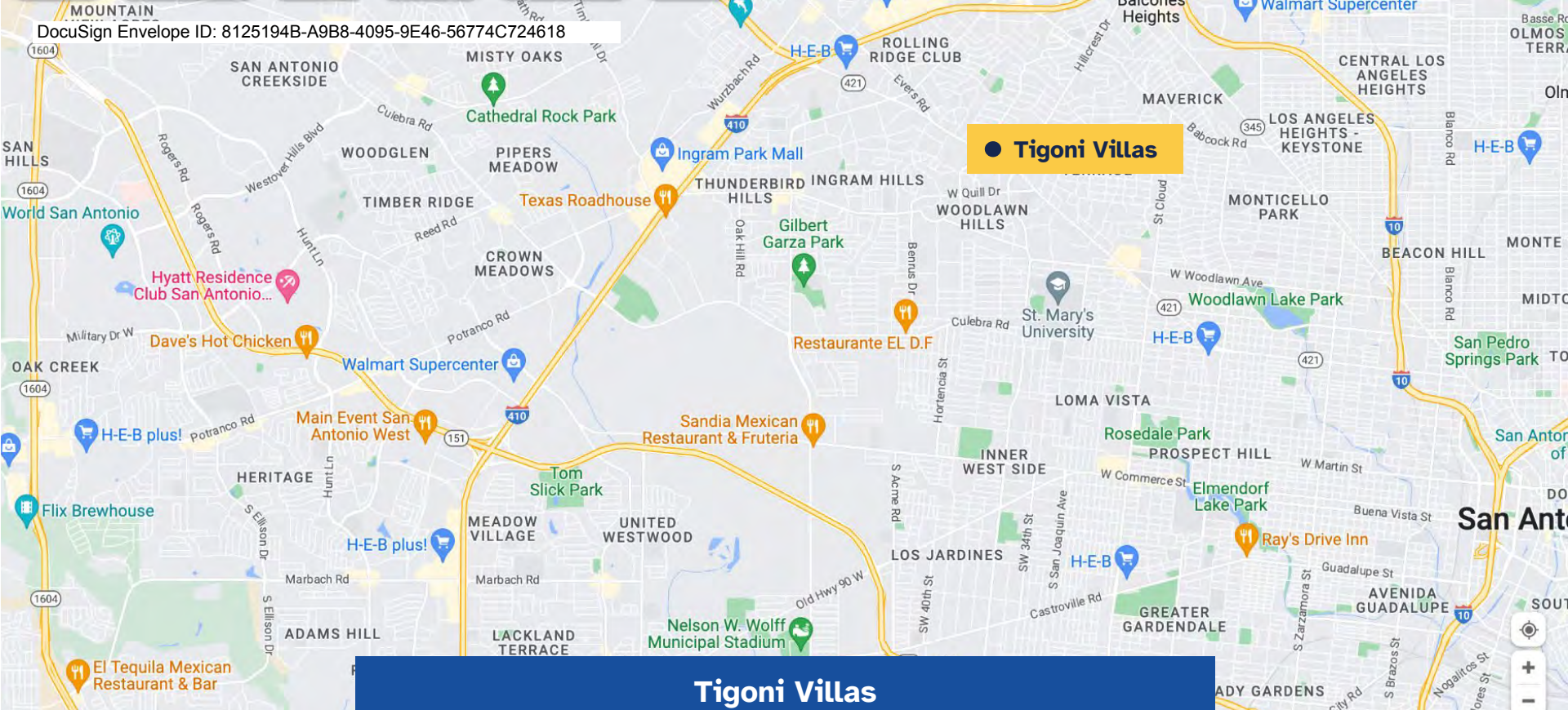
Timothy E. Alcott | Chief Legal and Real Estate Officer

Tigoni Villas



Page 14 of 26





Tigoni Villas
1527 West Sunshine Drive

AUTHORIZING BONDS

Tigoni Villas

Final approval of the issuance of the Bonds for the Tigoni Villas Apartments Project (the “Project”), a rehabilitation project proposed by DevCo Preservation, LLC, located at 1527 West Sunshine Drive.

- Total Project Cost - \$24,000,000
- 140 affordable units - 60% or less (AMI)
- 16% of units reserved for individuals or families whose income is no greater than 30% AMI;
- 9% of units reserved for individuals or families whose income is no greater than 40% AMI;
- 26% of units reserved for individuals or families whose income is no greater than 50% AMI; and
- 49% of units reserved for individuals or families whose income is no greater than 60% AMI.
- Bond Issuer Fee - \$200,000

**BOARD OF DIRECTORS
Las Varas Public Facility Corporation Meeting**

RESOLUTION 23LVPFC-05-18, AUTHORIZING THE ISSUANCE OF THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COSTA ALMADENA APARTMENTS) SERIES 2023, AND OTHER MATTERS IN CONNECTION THEREWITH

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Ed Hinojosa Jr
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Ed Hinojosa, Jr.
President and CEO

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

REQUESTED ACTION:

Consideration and approval regarding Resolution 23LVPFC-05-18, authorizing the issuance of the Las Varas Public Facility Corporation Multifamily Housing Revenue Bonds (Costa Almadena Apartments) Series 2023, and other matters in connection therewith.

SUMMARY:

Final approval of the issuance of the Bonds for the Costa Almadena Apartments Project (the "Project"), a rehabilitation project proposed by DevCo Preservation, LLC, located at 6222 S. New Braunfels, San Antonio, Bexar County, Texas 78223. The Project will consist of 176 units, all of which will be made available to families whose income is 60% or less of the median income. In addition, the rents will be restricted to the Texas Department of Housing Tax Credit rents for the tenant income adjusted for family size. These restrictions will remain in place for 30 years.

Up to \$25,000,000 of tax-exempt Bonds will be issued by LVPFC and purchased by Red Stone A7 III LLC, and such amount will be issued to finance the acquiring, rehabilitating, and equipping the Project. The land and existing improvements (together, the "Premises") will be owned by Las Varas Public Facility Corporation, which will lease the Premises to the Project partnership. The San Antonio Housing Facility Corporation will participate in the project as a general partner of the partnership.

We are targeting a closing in June or July 2023.

STRATEGIC OUTCOMES:

Opportunity Home residents have a sufficient supply of affordable housing options.
Opportunity Home residents live in quality affordable housing.

ATTACHMENTS:

Resolution 23LVPFC-05-18
Presentation

CERTIFICATE FOR RESOLUTION 23LVPFC-05-18

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the “Board”) held a meeting on June 7, 2023 (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 23LVPFC-05-18, AUTHORIZING THE ISSUANCE OF THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COSTA ALMADENA APARTMENTS) SERIES 2023, 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 7th day of June 2023.

Ed Hinojosa, Jr.
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 23LVPFC-05-18**

RESOLUTION 23LVPFC-05-18, AUTHORIZING THE ISSUANCE OF THE LAS VARAS PUBLIC FACILITY CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (COSTA ALMADENA APARTMENTS) SERIES 2023, AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Las Varas Public Facility Corporation (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 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 Bonds (Costa Almadena Apartments) Series 2023” in the aggregate principal amount not to exceed \$25,000,000 (the “Bonds”), the proceeds of which will be used to finance the cost of acquiring, rehabilitating, and equipping an existing 176-unit apartment facility to be known as the Costa Almadena Apartments, located at 6222 S. New Braunfels, San Antonio, Bexar County, Texas 78223 (the “Project”) for Costa Almadena Apartments, LLC (the “Borrower”); and

WHEREAS, the Issuer desires to issue the Bonds pursuant to an Indenture of Trust (the “Indenture”) between the Issuer and a national banking association to be appointed as trustee (the “Trustee”), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Loan Agreement (the “Loan Agreement”) between the Issuer and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) among the Issuer, the Trustee, and the Borrower (collectively, the “Financing”); and

WHEREAS, the loan will be evidenced by a promissory note issued under the Loan Agreement (the “Borrower Note”) and a Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the “Security Instrument”) from the Borrower in favor of the Trustee; and

WHEREAS, the Issuer will issue the Bonds in an amount not to exceed \$25,000,000 and loan all of such proceeds to the Borrower; and

WHEREAS, in connection with the Financing and the execution and delivery of the Bonds (the “Bond Financing”), the Borrower, SAHFC Costa Almadena GP, LLC, as managing member of Borrower (“Managing Member”), and/or the Issuer will be required to enter into certain agreements, including, but not limited to, the Indenture, the Loan Agreement, Bond Purchase Agreement, the Bonds, the Borrower Note, a Regulatory Agreement and Declaration of Restrictive Covenants, the Security Instrument, a Ground Lease, documents necessary to effect the Bond Financing (the “Bond Documents”), equity documents, ground lease documents, and subordinate debt documents (collectively, the “Transaction Documents”); and

WHEREAS, the Borrower, has applied 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 Borrower, Managing Member, and/or the Issuer will be required to execute, complete, and deliver various applications, agreements, documents, certificates, and instruments to TDHCA (the “TDHCA Documents”); and

WHEREAS, the Borrower will contribute equity to the rehabilitation of the Project, which will be raised from the sale of tax credits (the “Equity Financing”); and

WHEREAS, in connection with the Equity Financing, the Borrower, the Managing Member, and/or the Issuer will be required to enter into certain agreements, including, but not limited to, an Operating Agreement, a Development Agreement, Management Agreement, Architect’s Agreement, Construction Contract, and other agreements and closing certificates (the “Equity Documents”); and

WHEREAS, to reduce the cost of the Project by eliminating sales tax on the construction of the Project, the Issuer will serve as the general contractor and enter into any required construction contracts and ancillary documents (the “Construction Documents”); 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, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, rehabilitating, and equipping the Project; and

WHEREAS, the Board of Directors of the Issuer (the “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 Directors of the Las Varas Public Facility Corporation hereby:

Section 1. The terms of the Indenture, the Loan Agreement, the Regulatory Agreement, and the Security Instrument are hereby authorized and approved, when such documents are approved by the officer designated as the signatory on such document(s).

Section 2. The President, any Vice President, the Secretary/Treasurer, and each Assistant Secretary/Treasurer, 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, and the Security Instrument, the Bond Documents, the Transaction Documents, the Equity Documents, the Construction Documents, the TDHCA Documents, the Ground Lease, all other documents relating to the Financing, the Bond Financing, and the Equity Financing to which the Borrower, the Managing Member, and the Issuer are a party, 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 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/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are authorized to negotiate and approve such changes in the terms of or amendment to 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 \$25,000,000, with an interest rate (not including applicable premium) not to exceed 8% as set forth in the Indenture, and with a maturity date not to exceed July 1, 2068, in substantially the form and substance set forth in the Indenture, are 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 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, if required. 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 Indenture and any agreements relating to the purchase of the Bonds by the President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, 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 Indenture and the Loan Agreement.

Section 4. The Trustee shall be selected by Borrower.

Section 5. Cantu Harden Montoya LLP, as Bond Counsel, is hereby ratified as the hearing officer for purposes of the public TEFRA hearing regarding the Project, and such public hearing was validly held.

Section 6. The President, the Vice President, the Secretary/Treasurer, each Assistant Secretary/Treasurer, or any of them, are hereby authorized to execute and deliver to the Fiscal Agent the written request of the Issuer for the authentication and delivery of the Bonds by the Fiscal Agent in accordance with the Indenture and the Loan Agreement.

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 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 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 Indenture.

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 the 7th day of June 2023.

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

Attested and approved as to form:

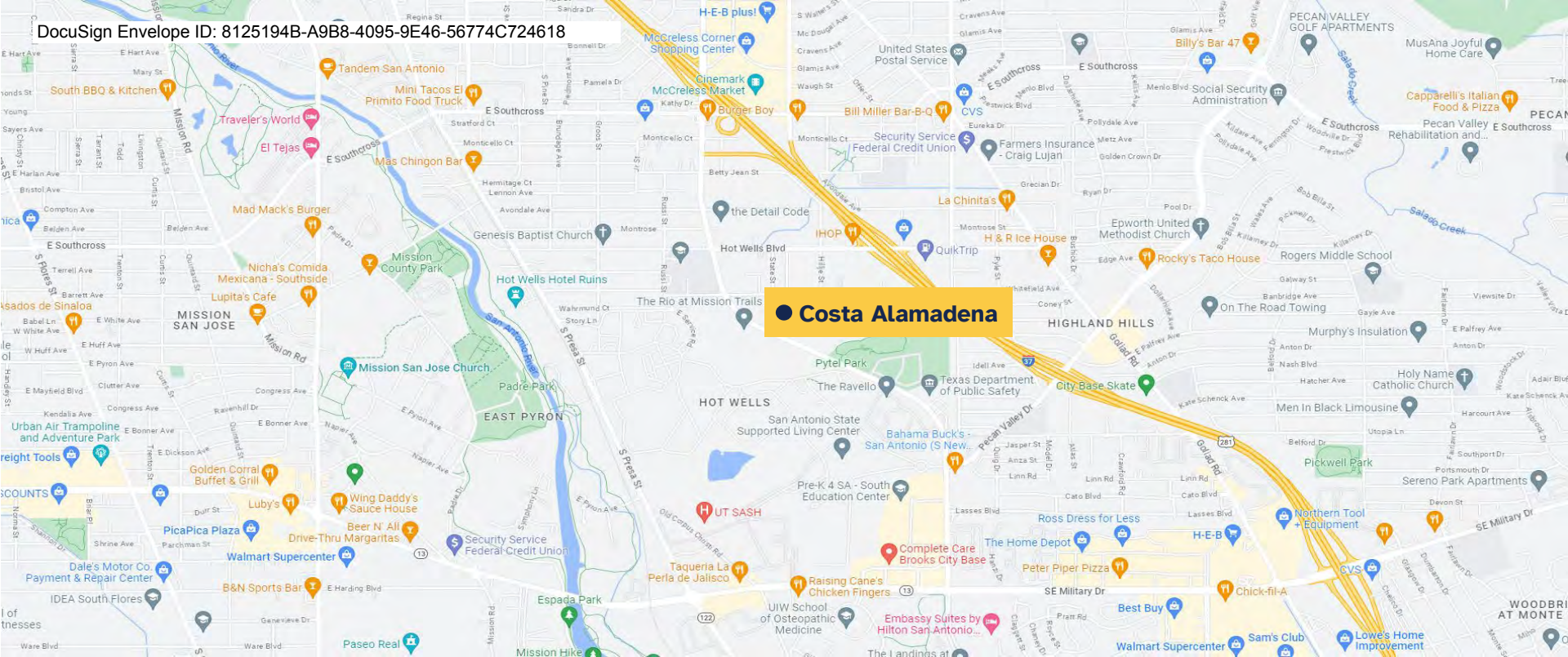
Ed Hinojosa, Jr.
Secretary/Treasurer

Costa Almadena Bond Authorization

Timothy E. Alcott | Chief Legal and Real Estate Officer



COSTA ALMADENA



● **Costa Almadena**

Costa Almadena
6222 S. New Braunfels | San Antonio, Texas 78223

AUTHORIZING BONDS

Costa Almadena

Final approval of the issuance of the Bonds for the Costa Almadena Apartments Project (the “Project”), a rehabilitation project proposed by DevCo Preservation, LLC, located at 6222 S. New Braunfels, San Antonio, Bexar County, Texas 78223.

- Total Project Cost \$25,000,000
- 176 units available to families whose income is 60% or less of the median income
- Bond Issuer Fee of \$250,000