



LAS VARAS PUBLIC FACILITY
CORPORATION MEETING
DECEMBER 6, 2023



BOARD OF DIRECTORS

Gabriel Lopez
Chair

Gilbert Casillas
Vice Chair

Dalia Contreras
Director

Estrellita Garcia-Diaz
Director

Janet Garcia
Director

Leilah Powell
Director

Vincent Robinson
Director

PRESIDENT & CEO

Ed Hinojosa, Jr.

LAS VARAS PUBLIC FACILITY CORPORATION MEETING

1:00 p.m. | Wednesday | December 6, 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

1. 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.

CITIZENS TO BE HEARD

2. **Citizens to Be Heard** at approximately 1:00 p.m. (may be heard after this time). Citizens wishing to speak on any issues, including ones not related to items posted on the agenda, should personally request to be placed on the Citizens to be Heard roster or register online prior to 12:45 p.m. Citizens will be given up to three minutes to speak. Each citizen will be permitted to speak only once. A Spanish/English interpreter will be available to citizens.

Now is the time for Citizens to be Heard. 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 Citizens to be Heard portion of the agenda.

MINUTES

3. Minutes
 - Approval of the October 4, 2023, Las Varas Public Facility Corporation meeting minutes

CONSENT ITEMS

4. Consideration and approval regarding Resolution 23LVPFC-12-06, concerning the application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of not to exceed \$45,000,000 of the costs of the acquisition, construction, and equipping of the Augustine at Palo Alto Apartments Phase I project, to be located near the southeast corner of Palo Alto Road and Loop 410, San Antonio, Texas; and other matters in connection therewith (Susan Ramos-Sossaman, Assistant Director of Development Services and Neighborhood Revitalization)
5. Consideration and approval regarding Resolution 23LVPFC-12-07, concerning the application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of

not to exceed \$45,000,000 of the costs of the acquisition, construction, and equipping of the Augustine at Palo Alto Apartments Phase II project, to be located near the southeast corner of Palo Alto Road and Loop 410, San Antonio, Texas; and other matters in connection therewith (Susan Ramos-Sossaman, Assistant Director of Development Services and Neighborhood Revitalization)

6. Adjournment

Posted on 12/01/2023 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:

President and Director Lopez called the Las Varas Public Facility Corporation Meeting to order at 2:07 PM CDT on October 4, 2023. The meeting was held at the Opportunity Home Central Office located at 818 S. Flores St. San Antonio, TX 78204.

Directors Present:

President and Director Gabriel Lopez, Vice President and Director Gilbert Casillas, Estrellita Garcia-Diaz, Janet Garcia, Leilah Powell, and Vincent Robinson.

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

Secretary/Treasurer Ed Hinojosa, Jr.; Susan Ramos-Sossaman, Assistant Director of Development Services and Neighborhood Revitalization; and Miranda Castro, Director of Asset Management.

Interpreter, BCC Languages LLC.

Directors Absent:

Dalia Contreras.

Quorum:

A quorum was established with six (6) voting members present.

Citizens to be Heard

II. Citizens to be Heard

Citizens wishing to speak on any issues, including ones not related to items posted on the agenda, were given three minutes to speak. There were no citizens who signed up to speak. No citizens spoke. No citizens ceded their time.

Minutes

III. Minutes

Director Garcia-Diaz moved to approve the September 6, 2023, Las Varas Public Facility Corporation Meeting minutes. Vice President and Director Casillas and Director Powell seconded the motion. The motion carried with six (6) in favor and none against by a voice vote.

Consent Items

IV. Resolution 23LVPFC-09-27

Consideration and approval regarding resolution 23LVPFC-09-27, concerning the application of North Pond Apartments Ltd. relating to the proposed financing of up to \$27,000,000 of the costs of the acquisition, construction, and equipping of the North Pond Apartments, to be



located within Victoria Commons west of the IH 37 frontage road in downtown San Antonio, Texas; and other matters in connection therewith (Susan Ramos-Sossaman, Assistant Director of Development Services and Neighborhood Revitalization)

V. Resolution 23LVPFC-09-28

Consideration and approval regarding Resolution 23LVPFC-09-28, authorizing the sale of the Costa Mirada Project and the contribution of funds to pay off debt and operating deficits; and other matters in connection therewith (Miranda Castro, Director of Asset Management)

VI. Resolution 23LVPFC-09-29

Consideration and approval regarding Resolution 23LVPFC-09-29, authorizing a subordinate operating deficit loan for the Artisan at Salado Falls Apartments Project; and other matters in connection therewith (Miranda Castro, Director of Asset Management)

VII. Resolution 23LVPFC-09-30

Consideration and approval regarding Resolution 23LVPFC-09-30, concerning the application of Cohen-Esrey Development Group or an affiliate thereof relating to the proposed financing of the greater of \$50,000,000 or 1.7% of the state volume cap, but not to exceed \$65,000,000 of the costs of the acquisition, construction, and equipping of the Fields at Somerset Apartments Project, to be located at approximately 12571 Somerset Road, San Antonio, Texas; and other matters in connection therewith (Susan Ramos-Sossaman, Assistant Director of Development Services and Neighborhood Revitalization)

Main Motion Regarding Items 4-7

Moved by Director Powell. Seconded by Director Robinson. The motion carried with six (6) in favor and none against by a voice vote.

VIII. Adjournment

The meeting adjourned at 2:08 PM CDT.

ATTEST:

Gabriel Lopez
Chair, Board of Directors

Date

Ed Hinojosa, Jr.
Secretary/Treasurer

Date

BOARD OF DIRECTORS
Las Varas Public Facility Corporation Meeting

RESOLUTION 23LVPFC-12-06, CONCERNING THE APPLICATION OF LOUIS POPPOON DEVELOPMENT AND CONSULTING, LTD. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE I PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Ed Hinojosa Jr
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Ed Hinojosa, Jr.
Secretary/Treasurer

DocuSigned by:
Ed Hinojosa Jr
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Susan Ramos-Sossaman
Interim Director of Development Services
and Neighborhood Revitalization

REQUESTED ACTION:

Consideration and approval regarding Resolution 23LVPFC-12-06, concerning the application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of not to exceed \$45,000,000 of the costs of the acquisition, construction, and equipping of the Augustine at Palo Alto Apartments Phase I project, to be located near the southeast corner of Palo Alto Road and Loop 410, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

Today we are seeking authority to file applications relating to Phase I of the proposed Augustine at Palo Alto 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 be applying for a volume cap which may not be awarded until next year, if any volume cap is available. We need to submit our applications as soon as we can. Additionally, the proposed project sites are located in a Qualified Census Tract ("QCT"), which will allow the developer to obtain a 30% boost in tax credits, provided that the project is induced by the end of the year, when the sites' QCT statuses expire. Without the tax credit boost, the projects will not be feasible. 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. This is a non-binding Resolution.** This will enable us to move forward, make an application for volume cap, and begin to put the financing together and negotiate the specific terms of the deal, which we will bring back for final approval.

The Augustine at Palo Alto Apartments project is a two-phase project proposed by Louis Poppoon Development and Consulting, Ltd, which will be located near the southeast corner of Palo Alto Road and Loop 410 Road, San Antonio, Texas 78224. Phase I is projected to contain

348 units, of which approximately 15% (or 52 units) will be reserved for tenants earning 30% or less of median income; approximately 50% (or 174 units) will be reserved for tenants earning 60% or less of median income; and approximately 35% (or 122 units) will be reserved for tenants earning 70% or less of median income.

The total project cost is estimated to be approximately \$82 million. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

The attached Resolution authorizes the inducement for the above project and certain actions described above.

STRATEGIC OUTCOMES:

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

ATTACHMENTS:

Resolution 23LVPFC-12-06

Presentation

**CERTIFICATE FOR RESOLUTION
RESOLUTION 23LVPFC-12-06**

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 December 6, 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-12-06, CONCERNING THE APPLICATION OF LOUIS POPPOON DEVELOPMENT AND CONSULTING, LTD. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE I PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

SIGNED this 6th day of December 2023.

Ed Hinojosa, Jr.
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 23LVPFC-12-06**

RESOLUTION 23LVPFC-12-06, CONCERNING THE APPLICATION OF LOUIS POPPOON DEVELOPMENT AND CONSULTING, LTD. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE I PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), has, pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”); and

WHEREAS, the Issuer, on behalf of Opportunity Home San Antonio, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City of San Antonio (the “City”) by the issuance of housing revenue bonds; and

WHEREAS, Louis Poppoon Development and Consulting, Ltd., or an affiliate thereof (the “User”), has filed an Application (the “Application”), requesting that (i) the Issuer finance the acquisition, construction and equipping of a 348-unit multifamily housing facility located on Loop 410 near the southeast corner of the intersection with Palo Alto Road (the “Project”); and (ii) the Issuer file 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Application to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors of the Issuer (the “Board”) to issue housing revenue bonds pursuant to the Act (the “Bonds”) to finance and pay any Development Costs (as defined in the Act) for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds or other

obligations of the Issuer in an amount necessary to pay the Development Costs of the Project will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds or other obligations pursuant to the Act in an amount prescribed by the User now contemplated at an amount not to exceed \$45,000,000, and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8 (together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

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

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

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

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

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

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation Section 1.150-2 (the “Regulation”) proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures; and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

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

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$45,000,000;

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

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

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

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

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

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer, under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and mutually acceptable to the Issuer and the User;

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

(c) no Bonds will be issued without the approval of Opportunity Home San Antonio.

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

Section 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to

the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

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

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

Section 7. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file a 2024 and/or 2025 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer’s Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

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

Section 9. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board, and to submit any additional information or make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

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

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

Section 12. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount not to exceed \$45,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

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

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

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

Section 16. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

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

Passed and approved the 6th day of December 2023.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Ed Hinojosa, Jr.
Secretary/Treasurer

Augustine at Palo Alto

—

Susan Ramos-Sossaman

Interim Director of Development Services
and Neighborhood Revitalization

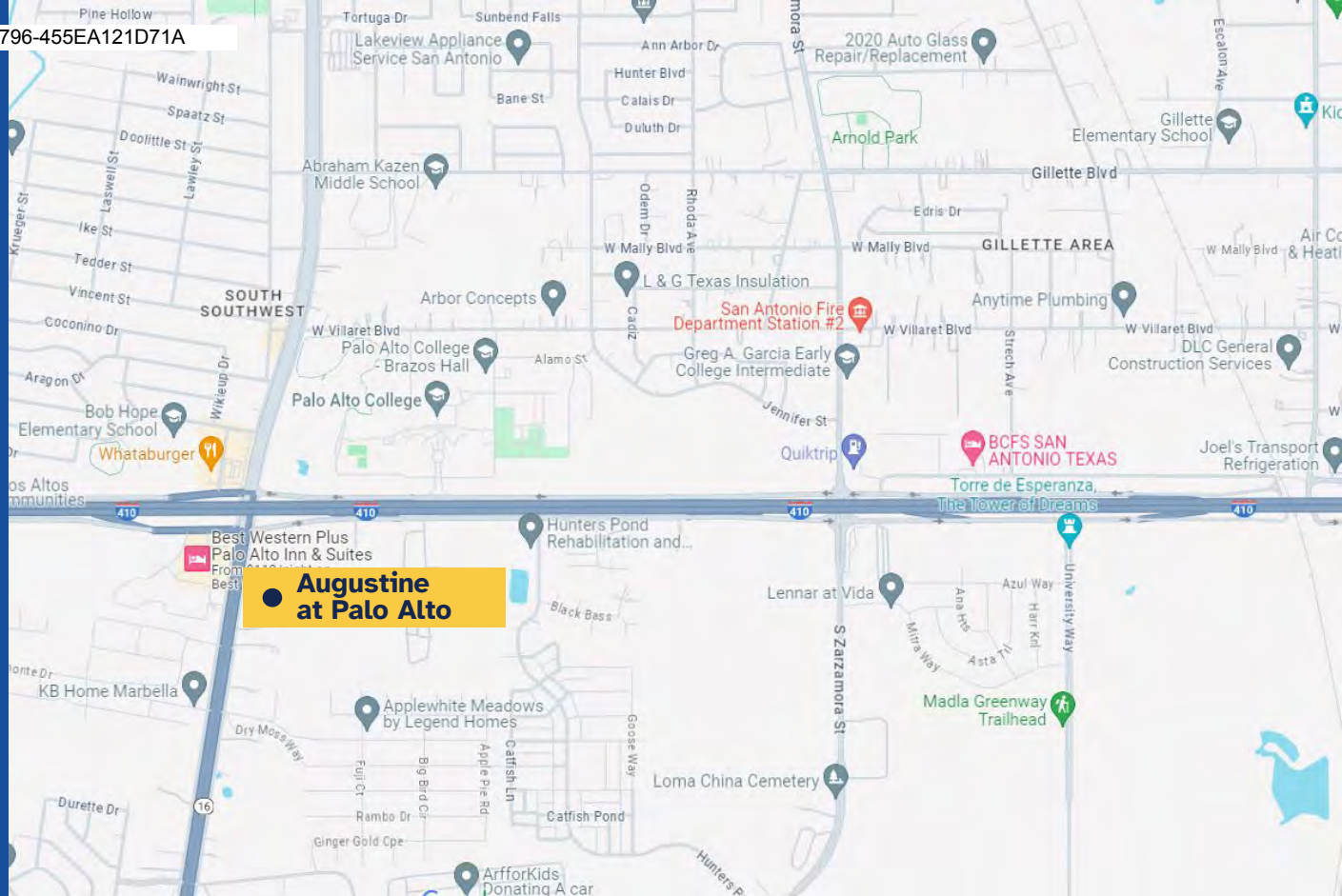
Overview

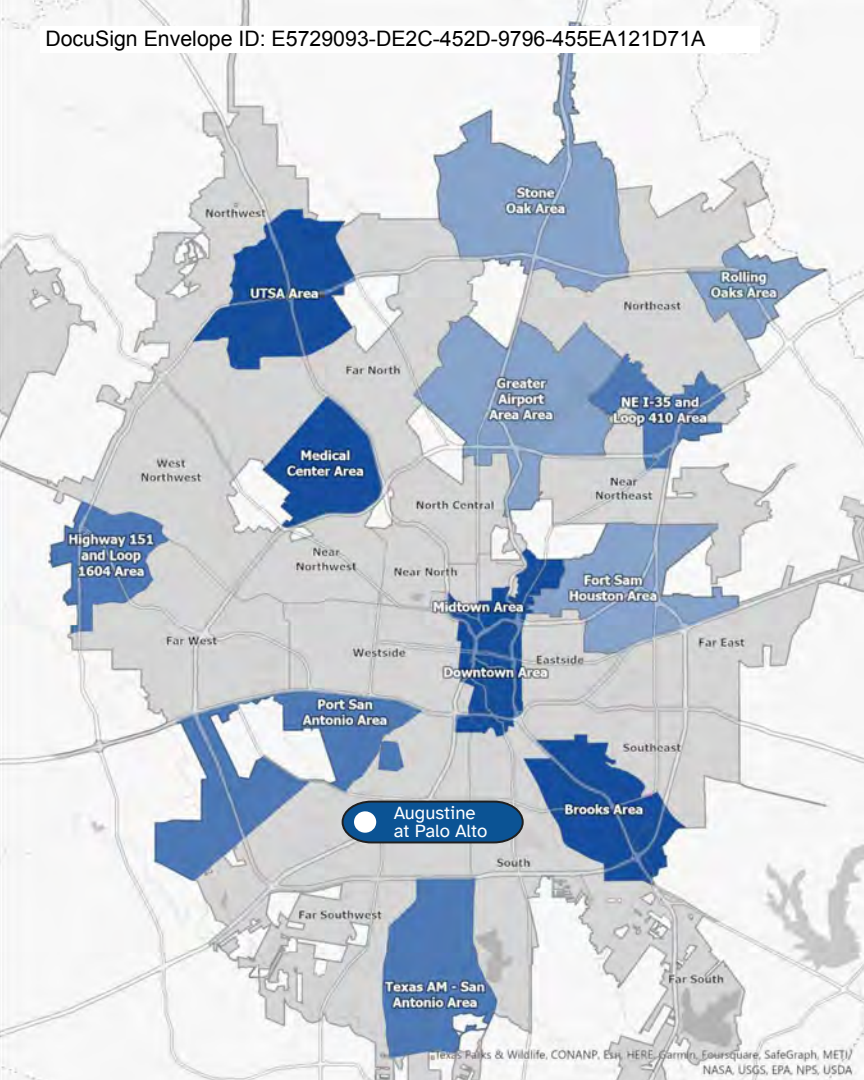
- Today we are **requesting approval for bond inducement** for Phase 1 and Phase 2 of the Augustine at Palo Alto development.
 - The proposed development will add approximately **720 affordable units** on a total of **34.007 acres**.
 - Approval will allow this project to get in line for a bond reservation. Anticipated action will occur in 2024.
- If successful, the developer will get a bond reservation letter that specifies the amount and trigger date and the developer will have 180 days to close.
- Approval will also **preserve the 30% tax credit boost** that is a benefit of the development's Qualified Census Tract (QCT) status.
- At this point Opportunity Home has no financial obligation in the project or participation commitment except for bond inducement. **Opportunity Home will have the option to take a larger role** to include serving as a General Partner.
- The developer will complete a financial package and submit to Opportunity Home for final approval.

Augustine at Palo Alto Location

Located near the southeast corner of SH 16 and Loop 410

West of the Texas A&M San Antonio Campus, directly across from Palo Alto College.





Regional Centers

PHASE 1 CENTERS

Downtown
Medical Center
UTSA
Midtown
Brooks

PHASE 2 CENTERS

NE I-35 and Loop 410
Highway 151 and Loop 1604
Texas A&M – San Antonio
Port San Antonio

PHASE 3 CENTERS

Greater Airport Area
Fort Sam Houston
Rolling Oaks
Stone Oak

Phase I Overview



City Council District 4

Southwest ISD

6.234 acres

Approximate Units: **348**

Bedroom Mix

134 - 1 bedrooms

186 - 2 bedrooms

22 - 3 bedrooms

6 - 4 bedrooms

Unit Mix

52 units at 30% AMI

174 units at 60% AMI

122 units at 70% AMI

4% Tax Credits/Bonds

Total Development Cost:

\$81,179,517

Phase I Proforma Breakdown (Approximate)

Construction Costs	\$51,024,857
Impact Fees	\$1,261,823
Other Soft Costs Fees	\$24,796,019
Per Unit Cost	\$233,274.47
Rentable per Square Foot Cost	\$255.79
Acquisition Costs	\$4,096,818
Total Development Cost Approx.	\$81,179,517

Phase II Overview



City Council District 4

Southwest ISD

17.773 acres

Approximate Units: **372**

Bedroom Mix

143 - 1 bedrooms

198 - 2 bedrooms

24 - 3 bedrooms

7 - 4 bedrooms

Unit Mix

56 units at 30% AMI

186 units at 60% AMI

130 units at 70% AMI

4% Tax Credits/Bonds

Total Development Cost:

\$84,260,546

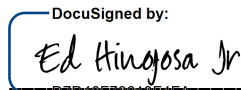
Phase II Proforma Breakdown (Approximate)

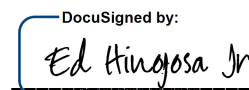
Construction Costs	\$54,128,850
Impact Fees	\$1,261,823
Other Soft Costs Fees	\$25,145,593
Per Unit Cost	\$226,506.84
Rentable per Square Foot Cost	\$248.14
Acquisition Costs	\$3,724,280
Total Development Cost Approx.	\$84,260,546

Questions?

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

RESOLUTIONS 6412 AND 23LVPFC-12-07, RESOLUTION 23LVPFC-12-07, CONCERNING THE APPLICATION OF LOUIS POPPOON DEVELOPMENT AND CONSULTING, LTD. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE II PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

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Ed Hinojosa, Jr.
President and CEO

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Susan Ramos-Sossaman
Interim Director of Development Services
and Neighborhood Revitalization

REQUESTED ACTION:

Consideration and approval regarding Resolution 23LVPFC-12-07, concerning the application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of not to exceed \$45,000,000 of the costs of the acquisition, construction, and equipping of the Augustine at Palo Alto Apartments Phase II project, to be located near the southeast corner of Palo Alto Road and Loop 410, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

Today we are seeking authority to file applications relating to Phase II of the proposed Augustine at Palo Alto 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 be applying for a volume cap which may not be awarded until next year, if any volume cap is available. We need to submit our applications as soon as we can. Additionally, the proposed project sites are located in a Qualified Census Tract ("QCT"), which will allow the developer to obtain a 30% boost in tax credits, provided that the project is induced by the end of the year, when the sites' QCT statuses expire. Without the tax credit boost, the projects will not be feasible. 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. This is a non-binding Resolution.** This will enable us to move forward, make an application for volume cap and begin to put the financing together and negotiate the specific terms of the deal, which we will bring back for final approval.

The Augustine at Palo Alto Apartments project is a two-phase project proposed by Louis Poppoon Development and Consulting, Ltd, which will be located near the southeast corner of

Palo Alto Road and Loop 410 Road, San Antonio, Texas 78224. Phase II is projected to contain 372 units, of which approximately 15% (or 56 units) will be reserved for tenants earning 30% or less of median income; approximately 50% (or 186 units) will be reserved for tenants earning 60% or less of median income; and approximately 35% (or 130 units) will be reserved for tenants earning 70% or less of median income.

The total project cost for Phase II is estimated to be approximately \$85 million. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

The attached Resolution authorizes the inducement for the above project and certain actions described above.

STRATEGIC OUTCOMES:

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

ATTACHMENTS:

Resolution 23LVPFC-12-07
Presentation

**CERTIFICATE FOR RESOLUTION
RESOLUTION 23LVPFC-12-07**

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 December 6, 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-12-07, CONCERNING THE APPLICATION OF LOUIS
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THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED
\$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND
EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE II
PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO
ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN
CONNECTION THEREWITH**

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

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

SIGNED this 6th day of December 2023.

Ed Hinojosa, Jr.
Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 23LVPFC-12-07**

RESOLUTION 23LVPFC-12-07, CONCERNING THE APPLICATION OF LOUIS POPPOON DEVELOPMENT AND CONSULTING, LTD. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF NOT TO EXCEED \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE AUGUSTINE AT PALO ALTO APARTMENTS PHASE II PROJECT, TO BE LOCATED NEAR THE SOUTHEAST CORNER OF PALO ALTO ROAD AND LOOP 410, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), has, pursuant to the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), approved and created the Las Varas Public Facility Corporation, a nonstock, nonprofit public facility corporation (the “Issuer”); and

WHEREAS, the Issuer, on behalf of Opportunity Home San Antonio, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the City of San Antonio (the “City”) by the issuance of housing revenue bonds; and

WHEREAS, Louis Poppoon Development and Consulting, Ltd., or an affiliate thereof (the “User”), has filed an Application (the “Application”), requesting that (i) the Issuer finance the acquisition, construction and equipping of a 372-unit multifamily housing facility located on Loop 410 near the southeast corner of the intersection with Palo Alto Road (the “Project”); and (ii) the Issuer file 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Application to the Texas Bond Review Board as described herein; and

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors of the Issuer (the “Board”) to issue housing revenue bonds pursuant to the Act (the “Bonds”) to finance and pay any Development Costs (as defined in the Act) for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds or other

obligations of the Issuer in an amount necessary to pay the Development Costs of the Project will be made available to finance the Project; and

WHEREAS, this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds or other obligations pursuant to the Act in an amount prescribed by the User now contemplated at an amount not to exceed \$45,000,000, and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any; and

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8 (together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

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

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

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

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

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

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation Section 1.150-2 (the “Regulation”) proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures; and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

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

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

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

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$45,000,000;

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

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

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

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

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

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer, under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and mutually acceptable to the Issuer and the User;

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

(c) no Bonds will be issued without the approval of Opportunity Home San Antonio.

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

Section 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to

the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

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

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

Section 7. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file a 2024 and/or 2025 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer’s Certificate of Good Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

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

Section 9. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board, and to submit any additional information or make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

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

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

Section 12. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount not to exceed \$45,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

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

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

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

Section 16. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

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

Passed and approved the 6th day of December 2023.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Ed Hinojosa, Jr.
Secretary/Treasurer