



SAN ANTONIO HOUSING FINANCE CORPORATION MEETING

JUNE 1, 2022



BOARD OF DIRECTORS

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

SAN ANTONIO HOUSING FINANCE CORPORATION
***BOARD MEETING**

Call In Phone Number: (346) 248-7799
Meeting ID: 93839434337# Passcode: 654170#
818 S. Flores St., San Antonio, TX 78204
1:00 p.m., Wednesday, June 1, 2022

At least four Commissioners will be physically present at this location, but up to three other Commissioners may attend by videoconferencing, as permitted by Tex. Gov't Code Section 551.127. The Presiding officer will also be present at this location.

MEETING CALLED TO ORDER

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

PUBLIC COMMENT

2. **Public Comment at approximately 1:00 p.m.** (may be heard after this time) Citizens are provided up to three minutes each to speak to any agenda item. Citizens wishing to speak to items posted on the agenda should personally request to be placed on the Public Comment roster prior to 12:45 p.m. at 818 S. Flores St., San Antonio, TX 78204 or register online and 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 SAHA matters and policy and not include statements that may be considered defamatory of any individual. The Board encourages members of the public to direct specific concerns or problems to SAHA staff for more prompt resolution. The Board will not discuss the comments of speakers or respond to speakers during the public comment portion of the agenda.

MINUTES

3. Minutes
 - Approval of the February 4, 2021, San Antonio Housing Finance Corporation Meeting minutes

CONSENT ITEM

4. Consideration and approval regarding Resolution 22FIN-05-02, authorizing the Snowden Apartments transaction, including: (i) authorizing the San Antonio Housing Finance Corporation (HFC) to sponsor a tax credit application to the Texas Department of Housing and Community Affairs (TDHCA) for 9% housing tax credits to provide financing for Snowden Apartments (project); (ii) authorizing conveyance of the land currently owned by HFC at 7223 Snowden Road, San Antonio, Texas (project site), to San

Antonio Housing Facility Corporation (FAC); and (iii) authorizing other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer)

5. Adjournment

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

“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
SAN ANTONIO HOUSING FINANCE CORPORATION
February 4, 2021

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

DIRECTORS PRESENT:

Dr. Ana M. “Cha” Guzman, Chair
Jessica Weaver, Vice Chair
Olga Kauffman, Director
Gabriel Lopez, Director
Ignacio Perez, Director
Ruth Rodriguez, Director

DIRECTORS ABSENT:

Charles Clack, Director

COUNSEL: Doug Poneck, Escamilla & Poneck, LLP

STAFF:

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

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

Item 1: Meeting called to order
Chair Dr. Ana “Cha” Guzman called the meeting to order at 2:15 p.m.

Item 2: Public Comment
There were no citizens who spoke to the agenda.

Item 3: Minutes

- Approval of the November 5, 2020, San Antonio Housing Finance Corporation Meeting Minutes

Motion: Director Kauffman moved to approve Item 3. Vice Chair Weaver and Director Perez seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
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Dr. Ana M. "Cha" Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			
Olga Kauffman, Director	X			
Gabriel Lopez, Director	X			
Ignacio Perez, Director	X			
Ruth Rodriguez, Director	X			

INDIVIDUAL ITEM FOR CONSIDERATION

Item 4: Consideration and approval regarding Resolution 21FIN-01-21, (i) authorizing execution of a Ground Lease (Lease) between San Antonio Housing Finance Corporation (Corporation) as "Owner" and "Landlord" and Snowden Apartments, LP, a to-be-formed Texas limited partnership (Partnership) as "Tenant", covering Land currently owned by the Corporation at 7223 Snowden Road, San Antonio, Texas (Project Site), and all other documentation necessary to ground lease the Project Site to the Partnership for the purpose of supporting an application to the Texas Department of Housing and Community Affairs (TDHCA) for 9% housing tax credits to provide financing for the Project development; (ii) authorizing the Corporation to execute the Lease as the proposed "Landlord" with Snowden Apartments, LP, a to-be-formed limited partnership (Partnership) as the proposed Tenant, which partnership will be controlled by an affiliate of the Corporation; (iii) authorizing the Corporation to sponsor the submission of a tax credit application to the TDHCA for 9% housing tax credits to provide financing for the Project; (iv) authorizing the creation of Snowden Apartments GP, LLC, a to-be-formed Texas limited liability company, and the Partnership for the purpose of owning, developing, constructing and operating the Project; (v) authorizing the Corporation to serve as the prime contractor for the Project; and (vi) authorizing other matters in connection therewith (Timothy E. Alcott, Chief Legal and Real Estate Officer; Lorraine Robles, Director of Development Services and Neighborhood Revitalization)

Motion: Vice Chair Weaver moved to approve Item 3. Director Perez seconded the motion. Approved.

Member	Aye	Nay	Absent At Time of Vote	Abstained
Dr. Ana M. "Cha" Guzman, Chair	X			
Jessica Weaver, Vice Chair	X			
Olga Kauffman, Director		X		
Gabriel Lopez, Director	X			
Ignacio Perez, Director	X			
Ruth Rodriguez, Director	X			

Item 5: **Adjournment.**
With no objections, Chair Guzman adjourned the meeting at 2:17 p.m.

ATTEST:

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

Date

Ed Hinojosa, Jr.
Interim Secretary/Treasurer

Date

SAN ANTONIO HOUSING FINANCE CORPORATION

June 1, 2022

BOARD OF DIRECTORS
San Antonio Housing Finance Corporation Meeting

RESOLUTION 22FIN-05-02, AUTHORIZING THE SNOWDEN APARTMENTS TRANSACTION, INCLUDING: (i) AUTHORIZING THE SAN ANTONIO HOUSING FINANCE CORPORATION (HFC) TO SPONSOR A TAX CREDIT APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) FOR 9% HOUSING TAX CREDITS TO PROVIDE FINANCING FOR SNOWDEN APARTMENTS (PROJECT); (ii) AUTHORIZING CONVEYANCE OF THE LAND CURRENTLY OWNED BY HFC AT 7223 SNOWDEN ROAD, SAN ANTONIO, TEXAS (PROJECT SITE), TO SAN ANTONIO HOUSING FACILITY CORPORATION (FAC); AND (iii) AUTHORIZING 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 22FIN-05-02, authorizing the Snowden Apartments transaction, including: (i) authorizing the San Antonio Housing Finance Corporation (HFC) to sponsor a tax credit application to the Texas Department of Housing and Community Affairs (TDHCA) for 9% housing tax credits to provide financing for Snowden Apartments (project); (ii) authorizing conveyance of the land currently owned by HFC at 7223 Snowden Road, San Antonio, Texas (project site), to San Antonio Housing Facility Corporation (FAC); and (iii) authorizing other matters in connection therewith.

FINANCIAL IMPACT:

The total project cost is expected to be approximately \$33,304,648.00 or \$246,701.00 per unit. The developer is the FAC. The FAC will give all required guarantees. After the end of the tax credit compliance period, the General Partner (a SAHA affiliate) will have an option to buy either the property for the greater of (i) fair market value of the project or (ii) the sum of all outstanding debt secured by mortgages on the project and any other obligations of the Partnership, including loans from any partner, plus \$1.00 and all debts, exit taxes, fees and obligations owed, if any, to the limited partners; or the limited partners' interests for a price equal to the sum of (a) the fair market value of the partnership interests; (b) exit taxes payable in connection with the sale of the interests, and (c) all debts, fee and obligations owed, if any, to the limited partners. The General Partner has a right of first refusal based upon any bona fide third-party purchase offer after the expiration of the Option Period. The FAC also has a Non-Profit Right of First Refusal to purchase the property at a minimum purchase price as defined in Section 42(i)(7)(B) of the Internal Revenue Code, plus all fees, debts, exit taxes and obligations, if any, owed to PNC Bank, National Association (PNC). Finally, there is a Limited Partner Put whereby the limited partners may, at their discretion, at any time put their partnership interests to the General Partner or its designee for a price equal to the sum of (1) \$1,000.00; (2) the Limited partners' costs and expenses incurred in the transfer of their partnership interests; and (3) all amounts due and owing to the limited partners including, but not limited to, any adjustment amounts, investor services fees, debts or other obligations.

The FAC will receive 100% of the distributions to the General Partner.

SAN ANTONIO HOUSING FINANCE CORPORATION**June 1, 2022**

The total developer fee is approximately \$2,749,000.00 and will be payable 100% to the FAC.

SUMMARY:

The project will consist of 135 Housing Tax Credit units for seniors ages 62 and older, 14 of which will be for tenants whose incomes average 30% AMI or less, 54 of which will be for tenants whose incomes average 50% AMI or less, and 67 of which will be for tenants whose incomes average 60% AMI or less. Fifty-four units will be subsidized by an MTW local non-traditional affordable housing program that will look and act like Public Housing. The project will be located at 7223 Snowden Road, San Antonio, Texas, on land already owned by HFC, which will be conveyed to the FAC and then ground leased to the Partnership. Construction is projected to begin in Summer 2022, with completion in Fall of 2023. The Board is being asked to authorize all of the actions now understood to be necessary to finance and construct the project.

The land is currently owned by HFC, which will convey it to the FAC, and the FAC will lease it to Snowden Apartments, LP, who will pay the FAC an upfront lease payment of approximately \$1,224,630.00. The FAC will then lend these funds plus earned interest to the Partnership on a subordinate secured basis as a Sponsor Loan. Commercial construction financing will be provided by PNC Bank, National Association, in an amount estimated to be \$8,430,000.00, with a \$9,651,704.00 Bridge Loan. SAHA will provide a subordinated permanent loan of Moving to Work funding to the Partnership in the amount of up to \$8,500,000.00 plus earned interest. Equity contributions from an affiliate of PNC as an investor limited partner will be used to finance the construction and long-term operations. PNC has issued a commitment to purchase the project's tax credits at an equity price of 92.50 cents per credit dollar, for a total projected equity contribution of approximately \$13,873,613.00.

We are targeting a closing date of Summer, 2022.

STRATEGIC OUTCOMES:

SAHA residents have a sufficient supply of affordable housing options

ATTACHMENT:

Resolution 22FIN-05-02

**San Antonio Housing Finance Corporation
Resolution 22FIN-05-02**

RESOLUTION 22FIN-05-02, AUTHORIZING THE SNOWDEN APARTMENTS TRANSACTION, INCLUDING: (i) AUTHORIZING THE SAN ANTONIO HOUSING FINANCE CORPORATION (HFC) TO SPONSOR A TAX CREDIT APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) FOR 9% HOUSING TAX CREDITS TO PROVIDE FINANCING FOR SNOWDEN APARTMENTS (PROJECT); (ii) AUTHORIZING CONVEYANCE OF THE LAND CURRENTLY OWNED BY HFC AT 7223 SNOWDEN ROAD, SAN ANTONIO, TEXAS (PROJECT SITE), TO SAN ANTONIO HOUSING FACILITY CORPORATION (FAC); AND (iii) AUTHORIZING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Snowden Apartments, LP, a Texas limited partnership (Partnership), whose sole General Partner is Snowden Apartments GP, LLC, a Texas limited liability company (General Partner), was formed to provide for the acquisition and construction of an approximately 135-unit multi-family housing project for Seniors ages 62 years and older (Project) on land owned by the San Antonio Housing Finance Corporation (HFC) and described on Exhibit A (Project Site); and

WHEREAS, HFC and San Antonio Housing Facility Corporation (FAC) are co-sponsoring the Partnership’s application for 9% Housing Tax Credits from the Texas Department of Housing and Community Affairs (TDHCA) for the purpose of financing the Project in part; and

WHEREAS, the sole member of the General Partner will be FAC; and

WHEREAS, by conveying the Project Site to FAC, HFC may facilitate the Project by permitting the ownership structure of the Project Site to qualify for an ad valorem tax exemption for the Project through its public purpose; and

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

<u>Name of Director/Officer</u>	<u>Position</u>
Dr. Ana M. “Cha” Guzmán	Chair and Director
Olga Kauffman	Vice Chair and Director
Ignacio Perez	Director
Dalia Flores Contreras	Director
Gilbert Casillas	Director
Gabriel “Gabe” Lopez	Director
Loren Dantzler	Director
Ed Hinojosa, Jr.	Secretary/Treasurer
Diana Fiedler	Asst. Secretary/Treasurer
Timothy E. Alcott	Asst. Secretary/Treasurer
Muriel Rhoder	Asst. Secretary/Treasurer
Brandee Perez	Asst. Secretary/Treasurer
Michael Reyes	Asst. Secretary/Treasurer

Richard Milk

Asst. Secretary/Treasurer

WHEREAS, the Board of Directors of HFC has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of HFC, the General Partner and the Partnership.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of HFC hereby adopts the following resolution:

Section 1. The Project, the 9% Housing Tax Credit Application to the TDHCA, and HFC's proposed conveyance of the Project Site to the San Antonio Housing Facility Corporation (collectively, the "Approved Activities") are hereby approved, and the President, Vice President, Secretary, or Treasurer of the HFC is hereby authorized to execute any and all documentation required for the Approved Activities and any and all other documentation required to be executed by HFC in order to effect such transactions.

Section 2. The President, Vice President, Secretary, or Treasurer, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of the HFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by the HFC and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, Vice President, Secretary, or Treasurer of the HFC is authorized to negotiate and approve such changes in, or additions to, the terms any of the documents (prior to the execution and delivery thereof), and such amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to HFC and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The officers of the HFC, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof, and to the extent that any such action has already been taken by such officers, such action is hereby ratified and approved.

Section 4. 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.

Section 5. 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 6. 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 7. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 8. This Resolution shall be in force and effect from and after its passage on the date shown below.

Passed and approved the 1st day of June 2022.

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

Attested and approved as to form:

Ed Hinojosa, Jr.
Secretary/Treasurer

EXHIBIT A

PROPERTY DESCRIPTION

**Chapel Ridge
San Antonio, Texas**

**Lot Thirty-Four (34), Block B, New City Block 11609, CHAPEL RIDGE SUBDIVISION, UNIT 3,
City of San Antonio, Bexar County, Texas, according to plat thereof recorded in Volume 9513,
Page 15, Deed and Plat Records of Bexar County, Texas.**