



SAN ANTONIO HOUSING FACILITY
CORPORATION MEETING
SEPTEMBER 4, 2024



JOIN MEETING
818 S. Flores St.
San Antonio, TX 78204

BOARD OF DIRECTORS

- | | | | | | | |
|------------------------|--------------------------------|-------------------------------------|-----------------------------|------------------------------------|--------------------------|---------------------------|
| Gabriel Lopez
Chair | Gilbert Casillas
Vice Chair | Barbara Ankamah Burford
Director | Dalia Contreras
Director | Estrellita Garcia-Diaz
Director | Janet Garcia
Director | Leilah Powell
Director |
|------------------------|--------------------------------|-------------------------------------|-----------------------------|------------------------------------|--------------------------|---------------------------|

ACTING PRESIDENT & CEO

Michael Reyes

SAN ANTONIO HOUSING FACILITY CORPORATION MEETING

1:00 p.m. | Wednesday | September 4, 2024

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 June 12, 2024, San Antonio Housing Facility Corporation meeting minutes

CONSENT ITEMS

4. Consideration and approval regarding Resolution 24FAC-08-20, approving the refinance of the Converse Ranch II Apartment's Promissory Note with Frost Bank in an amount not to exceed \$4,250,000 to be secured by a mortgage lien on Converse Ranch II and the Legacy at Crown Meadows Apartments and guaranteed by the San Antonio Housing Facility Corporation; authorizing the Acting President and CEO, or designee, to execute all documentation necessary to carry out the transaction; authorizing the Acting President and CEO, or designee, to execute all documentation on receiving any necessary HUD approvals; and other matters in connection therewith (Diana Fiedler, Executive Vice President and Chief Financial Officer)

5. Consideration and approval regarding Resolution 24FAC-08-21, inducing the La Ventana Apartments in partnership with an affiliate of Marcus Equity, to be located at approximately 2802 Cinema Ridge; and authorizing the negotiation and execution of a term sheet; and other matters in connection therewith (Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization)
6. Adjournment

Posted on 8/28/2024 05:00 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 SAN ANTONIO HOUSING FACILITY CORPORATION MEETING

I. Call to Order:

Chair Lopez called the San Antonio Housing Facility Corporation Meeting to order at 2:58 PM CDT on June 12, 2024. The meeting was held at the Opportunity Home Central Office at 818 S. Flores St., San Antonio, TX 78204.

Directors Present:

Chair Gabriel Lopez, Vice Chair Gilbert Casillas, Dalia Contreras, Janet Garcia, Estrellita Garcia-Diaz, and Leilah Powell.

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

President and CEO Ed Hinojosa, Jr. and Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization.

Interpreter, BCC Languages LLC.

Directors Absent:

None.

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 those unrelated to items posted on the agenda, were given three minutes to do so. No citizens signed up to speak, no citizens spoke, and no citizens ceded their time.

Minutes

III. Minutes

Approval of the March 27, 2024, San Antonio Housing Facility Corporation meeting minutes

Main Motion Regarding Item III

Moved by Vice Chair Casillas. Seconded by Director Contreras. The motion carried with six (6) in favor and none against by a voice vote.

Consent Items

IV. Resolution 24FAC-05-15



Consideration and approval regarding Resolution 24FAC-05-15, authorizing the formation of a single-member limited liability company for San Antonio Housing Facility Corporation to acquire portions of the Alazan Apache Courts to include the Valero baseball field site and the adjacent block west within the Apache Courts, or, in the alternative, the acquisition of such property directly by San Antonio Housing Facility Corporation; and the execution of documents and applications necessary to consummate such actions; and other matters in connection therewith (Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization)

V. Resolution 24FAC-05-17

Consideration and approval regarding Resolution 24FAC-05-17, authorizing (i) the formation of SAHFC Josephine Lender LLC; (ii) a capital contribution from SAHFC to SAHFC Josephine Lender LLC for the purposes of making a loan to 120 Josephine Investors LLC for the Josephine Apartments; and (iii) other matters in connection therewith (Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization)

Main Motion Regarding Items IV-V

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

VI. Adjournment

Main Motion Regarding Adjournment

With no objections, the Board adjourned the meeting at 2:59 PM CDT.

ATTEST:

Gabriel Lopez
 Chair, Board of Directors

Date

Michael Reyes
 Acting Secretary/Treasurer


Date


SAN ANTONIO HOUSING FACILITY CORPORATION

September 4, 2024

**BOARD OF DIRECTORS
San Antonio Housing Facility Corporation Meeting**

RESOLUTION 24FAC-08-20, APPROVING THE REFINANCE OF THE CONVERSE RANCH II APARTMENT'S PROMISSORY NOTE WITH FROST BANK IN AN AMOUNT NOT TO EXCEED \$4,250,000 TO BE SECURED BY A MORTGAGE LIEN ON CONVERSE RANCH II AND THE LEGACY AT CROWN MEADOWS APARTMENTS AND GUARANTEED BY THE SAN ANTONIO HOUSING FACILITY CORPORATION; AUTHORIZING THE ACTING PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE ACTING PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ALL DOCUMENTATION ON RECEIVING ANY NECESSARY HUD APPROVALS; AND OTHER MATTERS IN CONNECTION THEREWITH

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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:

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Diana Fiedler
Executive Vice-President and Chief
Financial Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24FAC-08-20, approving the refinance of the Converse Ranch II Apartment's Promissory Note with Frost Bank in an amount not to exceed \$4,250,000 to be secured by a mortgage lien on Converse Ranch II and the Legacy at Crown Meadows Apartments and guaranteed by the San Antonio Housing Facility Corporation; authorizing the Acting President and CEO, or designee, to execute all documentation necessary to carry out the transaction; authorizing the Acting President and CEO, or designee, to execute all documentation on receiving any necessary HUD approvals; and other matters in connection therewith.

SUMMARY:

Converse Ranch II Apartments is a 104-unit multi-family asset located at 8355 Crestway Drive, Converse, Texas 78109. The property has a loan with Frost Bank that matures on September 30, 2024. The principal balance of the loan outstanding as of June 30, 2024, is \$4,018,241.22.

Opportunity Home has received a preliminary term sheet from Frost Bank to provide a loan equal to the lesser of \$4,250,000, or 75% of the accepted appraised value of the collateral. The bank is offering a 10-year loan term with a 15-year amortization. The financing can be structured at a fixed or variable rate, with an option to fix the rate with an interest rate swap contract. The terms offered are 85.9% of the Secured Overnight Financing Rate (SOFR) plus 1.58% per annum. Frost Bank can offer an interest rate swap to hedge variable interest rate risk on the loan, with the current indicative rate being 4.44%; however, the actual rate will be set at closing. Upon closing, an origination fee of 0.5% of the loan amount will be payable. In addition, the Borrower shall pay all of the out-of-pocket costs and expenses as identified on the term sheet.

Opportunity Home staff also evaluated financing options through Berkadia; however, the interest rate and transaction-related costs were higher than those offered under the Frost Bank proposal.

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24FAC-08-20

Slides

**San Antonio Housing Facility Corporation
Resolution 24FAC-08-20**

RESOLUTION 24FAC-08-20, APPROVING THE REFINANCE OF THE CONVERSE RANCH II APARTMENT'S PROMISSORY NOTE WITH FROST BANK IN AN AMOUNT NOT TO EXCEED \$4,250,000 TO BE SECURED BY A MORTGAGE LIEN ON CONVERSE RANCH II AND THE LEGACY AT CROWN MEADOWS APARTMENTS AND GUARANTEED BY THE SAN ANTONIO HOUSING FACILITY CORPORATION; AUTHORIZING THE ACTING PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE ACTING PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ALL DOCUMENTATION ON RECEIVING ANY NECESSARY HUD APPROVALS; AND OTHER MATTERS IN CONNECTION THEREWITH

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

WHEREAS, in furtherance of the Refinance, the Issuer proposes to enter into a Loan Agreement between Converse Ranch II, LLC (the "Borrower") and/or the Issuer and Frost Bank ("Frost") dated on or before September 30, 2024 for a tax-exempt loan in an amount not to exceed \$4,250,000, as evidenced by a Promissory Note (the "Promissory Note") in the original principal amount not to exceed \$4,250,000 payable to the Bank, and secured by a valid and perfected first priority lien outlined in the term sheet submitted by Frost; and

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

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

WHEREAS, Frost requires the Board of Directors of the Issuer (the "Board") to specifically approve the Loan Documents and, if necessary, the Swap Documents and requiring the Board to hire a financial advisor regarding the Swap; and

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

WHEREAS, the Issuer is authorized to borrow proceeds received pursuant to the Promissory Note, the Issuer is authorized to issue the Promissory Note, and Opportunity Home has approved the issuance of the Promissory Note in accordance with the Act; and

WHEREAS, the Board hereby authorizes the Issuer to borrow proceeds pursuant to the Promissory Note in an amount not to exceed \$4,250,000 to refinance the current debt, all pursuant to and in accordance with the terms and conditions provided under the Loan Documents; and

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

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the Promissory Note and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms and sales price of the Promissory Note and the manner of disbursing the proceeds thereof are advisable.

BE IT THEREFORE RESOLVED by the Board of Directors of San Antonio Housing Facility Corporation, hereby approves:

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

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

Section 3. The Promissory Note in the principal amount not to exceed \$4,250,000 in substantially the form and substance set forth in the Loan Documents is hereby approved, and the Acting President, the Vice President, the Acting Secretary/Treasurer, and each Assistant Secretary/Treasurer, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Promissory Note or have their facsimile signatures placed upon it, and the signatures of such officers are hereby authorized and directed to be affixed or placed in facsimile on the Promissory Note.

Section 4. All action not inconsistent with provisions of this Resolution heretofore taken by this Board of Directors and the officers of the Issuer directed toward the Refinancing Project and the issuance of the Promissory Note shall be and the same hereby is ratified, approved, and confirmed. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the instruments approved hereby or otherwise to give effect to the actions

authorized hereby and the intent hereof.

Section 5. After the Promissory Note is issued, this Resolution shall be and remain irrevocable until the Promissory Note or interest thereon shall have been fully paid or provisions for payment shall have been made pursuant to the Indenture.

Section 6. Reno & Cavanaugh, PLLC will be engaged as legal counsel for the financing.

Section 7. 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 8. 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 9. 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 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.

Section 12. The Acting Secretary/Treasurer or designee is authorized to execute all necessary documents and extensions in connection herewith.

Passed and approved this 4th day of September 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Converse Ranch II

Diana Fiedler | EVP and Chief Financial Officer



CONVERSE RANCH II



● **Converse Ranch I&II**

CONVERSE RANCH II
8355 Crestway Dr. | Converse, TX 78109

Converse Ranch II

Overview

A 104-unit multifamily housing facility located at 8355 Crestway Dr., Converse, Texas.

- Built in 2008
- Phase II of Converse Ranch
- 83 Units with No Income Restrictions
- 21 Public Housing Units

Converse Ranch II

Refinance Details

- Refinance existing debt of ~\$4M which is due September 30, 2024
- Promissory Note with Frost Bank not to exceed the lower of \$4.25M or 75% of the appraised value of the collateral
 - Converse Ranch II and Legacy at Crown Meadows are being offered as collateral
- Terms offered are:
 - 85.9% of Secured Overnight Financing Rate (SOFR) + 1.58% per annum
 - 10-year loan term with 15-year amortization
- Refinance using an interest rate swap with the current indicative rate being 4.44%

Questions?

**BOARD OF DIRECTORS
San Antonio Housing Facility Corporation Meeting**

RESOLUTION 24FAC-08-21 INDUCING THE LA VENTANA APARTMENTS IN PARTNERSHIP WITH AN AFFILIATE OF MARCUS EQUITY, TO BE LOCATED AT APPROXIMATELY 2802 CINEMA RIDGE; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET; AND OTHER MATTERS IN CONNECTION THEREWITH

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Michael Reyes
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Michael Reyes
Acting Secretary/Treasurer

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

REQUESTED ACTION:

Consideration and approval regarding Resolution 24FAC-08-21, inducing the La Ventana Apartments in partnership with an affiliate of Marcus Equity, to be located at approximately 2802 Cinema Ridge; and authorizing the negotiation and execution of a term sheet; and other matters in connection therewith.

SUMMARY:

Marcus Equities has proposed a public-private partnership with the San Antonio Housing Authority’s affiliated entity, the San Antonio Housing Facility Corporation (“SAHFC”), to construct the 272-unit La Ventana Development (“La Ventana”).

The La Ventana is a proposed 272-unit Class A multifamily rental housing development to be constructed at 2802 Cinema Ridge. Net development costs for the Project are estimated to be \$54,650,000, and it will be composed of one-, two-, and three-bedroom units ranging in size from 722 square feet to 1,163 square feet. The Project will feature amenities similar to other Class A multifamily developments in the market, including a clubhouse, pool, and fitness center. Marcus Equities, or an affiliate thereof, will (i) be the developer for the Project, (ii) will provide all financing and financial guarantees for the Project, and (iii) will hire a third party acceptable to SAHFC to market, lease, and manage the Project. Neither Opportunity Home San Antonio nor the SAHFC will have any financial obligations with respect to the Project except to obtain the property tax exemption.

The SAHFC will own the Project, and the purchase of the land will be funded by an upfront lease payment from the partnership. As the Project is constructed, it will become the property of the SAHFC. The SAHFC will, simultaneously with the closing of its real estate acquisition, enter into a 75-year lease to the financing partnership jointly owned by a Marcus Equities affiliate. The affordability restrictions will remain in place for at least 40 years. After which, the developer can terminate the transaction, pay taxes, and pay an exit fee equal to the net present value of the reversionary interest. If the lease is not terminated early, at the end of the 75-year lease, the Project, including all the improvements located on the land, will revert to the SAHFC, which will own 100% of the Project at that point.

By the SAHFC owning the Project in fee simple, the Project will be eligible to receive a 100% exemption from the payment of ad valorem taxes so long as at least 40% of the total units are restricted for rental by residents earning less than 80% of area median income ("AMI") and 10% of the total units in the Project will be restricted for residents earning less than 60% of AMI and their rents will be restricted to TDHCA rents adjusted for unit size.

The Project will be constructed pursuant to a construction contract from the financing partnership to SAHFC and a sub-general contract to an affiliate of Marcus Equities. This enables the Project to obtain a sales tax exemption on the materials purchased for the Project.

SAHFC will also enter into a development agreement addressing the construction and operation of the Project.

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24FAC-08-21

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24FAC-08-21**

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

1. In accordance with the bylaws of the Corporation, the Board of Directors of the Corporation (the "Board") held a meeting on September 4, 2024 (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 24FAC-08-21 INDUCING THE LA VENTANA APARTMENTS IN PARTNERSHIP WITH AN AFFILIATE OF MARCUS EQUITY, TO BE LOCATED AT APPROXIMATELY 2802 CINEMA RIDGE; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET; 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 Corporation.

SIGNED AND SEALED this 4th day of September 2024.



Michael Reyes
Acting Secretary/Treasurer

**San Antonio Housing Facility Corporation
Resolution 24FAC-08-21**

RESOLUTION 24FAC-08-21 INDUCING THE LA VENTANA APARTMENTS IN PARTNERSHIP WITH AN AFFILIATE OF MARCUS EQUITY, TO BE LOCATED AT APPROXIMATELY 2802 CINEMA RIDGE; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A TERM SHEET; AND OTHER MATTERS IN CONNECTION THEREWITH

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

WHEREAS, the Corporation, on behalf of the Authority, is empowered to finance the costs of public facilities that will provide decent, safe, and sanitary housing at affordable prices for residents of San Antonio, Texas; and

WHEREAS, Marcus Equity, or its affiliate (the “User”), has requested that the Corporation finance the acquisition, construction, and equipping of a proposed 272-unit multifamily housing facility to be located at approximately 2802 Cinema Ridge and to be known as the La Ventana Apartments (the “Project”); and

WHEREAS, this Resolution shall constitute the Corporation’s preliminary, non-binding commitment, subject to the terms hereof, to proceed; and

WHEREAS, the Corporation and the User or an affiliate or affiliates thereof will define their mutual relationship in a Term Sheet (the “Term Sheet”); and

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain equity and debt financing for the Project; and

WHEREAS, the Board of Directors of the Corporation (the “Board”) has determined that it is in the public interest and to the benefit of the citizens and residents of the County for the various entities to enter into the transactions described above so that the User may construct the Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Antonio Housing Facility Corporation hereby:

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

(a) cooperate with the User with respect to the Project, and, if arrangements therefor satisfactory to the User and the Corporation can be made, take such action and 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 Corporation in connection with the Project (collectively, the “Contracts”), providing among other things for financing, acquisition, construction, equipping,

and improvement of the Project; and use, operation, and maintenance of the Project, all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Corporation and the User; and

(b) 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.

Neither the State of Texas (the "State"), the City of San Antonio, the Authority, nor any political subdivision or agency of the State shall be obligated to pay any debt or other obligation of the User or the Project, and that neither the faith and credit nor the taxing power of the State, the City, the Authority, or any political subdivision or agency thereof is pledged to any obligation relating to the Project.

Section 2. It is understood by the Corporation, and the User has represented to the Corporation, that in consideration of the Corporation's adoption of this Resolution, and subject to the terms and conditions hereof, the User has agreed that the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of any debt, and (2) indemnify and hold harmless the Corporation and the Authority 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 Project, or the design, construction, equipping, installation, operation, use, occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the Corporation or the Authority).

Section 3. 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. **Neither the User nor any other party is entitled to rely on this Resolution as a commitment to enter into the proposed transaction, and the Corporation reserves the right not to enter into the proposed transaction either with or without cause and with or without notice, and in such event the Corporation 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 shall have any claim against the Corporation whatsoever as a result of any decision by the Corporation not to enter into the proposed transaction.**

Section 4. The Board authorizes the negotiation and execution by the Acting President, Vice President, Acting Secretary/Treasurer, any Assistant Secretary/Treasurer, or any officers of the Board of a Term Sheet in substantially the form presented to the Board.

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

Section 9. This Resolution shall be in force and effect from and after its passage.

Passed and approved this 4th day of September 2024.

Gabriel Lopez
Chair, Board of Directors

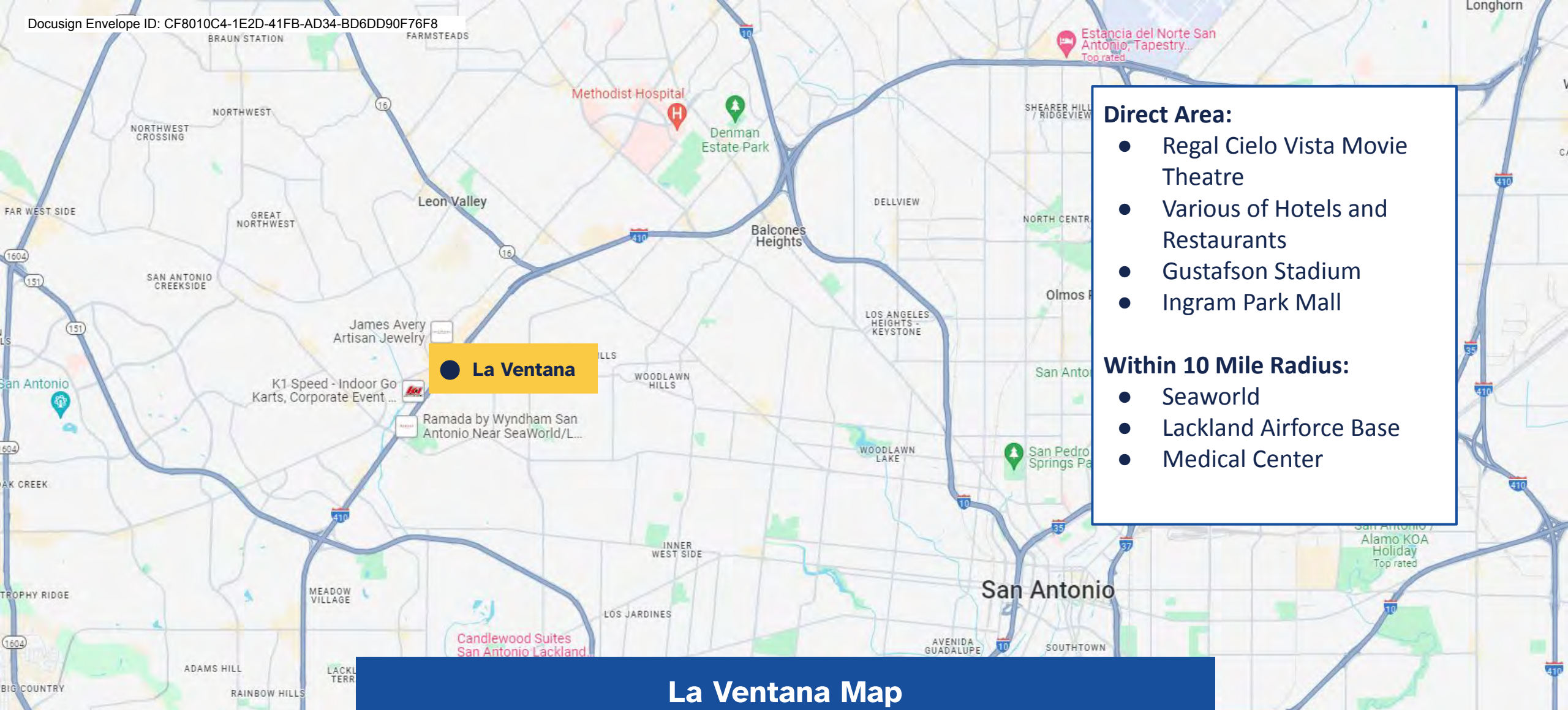
Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

La Ventana

Overview

- Requesting approval for San Antonio Housing Facility Corporation to authorize the inducement of The La Ventana Apartments transaction.
- The Public Facility Corporation (PFC) structure is an essential tool to promote the development of high-quality, mixed-income housing.
 - PFCs provide workforce housing for middle-income families that are not currently served by housing tax credits or market-rate developments, while also stimulating growth and revitalization in targeted areas.
- The Project will be owned by San Antonio Housing Facility Corporation, a public facility corporation formed by the Housing Authority of the City of San Antonio, doing business as Opportunity Home (the “PFC”). The land located at 2802 Cinema Ridge will be owned by an affiliate of Marcus Equity (“Developer”) and will be conveyed to the PFC.
- The PFC shall receive fifteen percent (15%) of the Developer Fee when received by the Developer.
- On the initial Sale Event, the PFC shall receive 15% of the sale proceeds. At subsequent Sale Events, the PFC shall receive a payment equal to 2% of the gross sales price.
- The PFC, or one of its affiliates, will receive a structuring fee equal to \$250,000 on the Closing Date of the Project in return for providing the organizational structure described in this Term Sheet.



Direct Area:

- Regal Cielo Vista Movie Theatre
- Various of Hotels and Restaurants
- Gustafson Stadium
- Ingram Park Mall

Within 10 Mile Radius:

- Seaworld
- Lackland Airforce Base
- Medical Center

La Ventana Map
2802 Cinema Ridge

Development Data



City Council District 6

Northside ISD

Approximately **272** Units

50% ≤ 80% AMI

50% Market Rate

Unit Mix

1 BR - **120** units

2 BR - **144** units

3 BR - **8** units

PFC

Total Development Cost:

\$58 million

PROFORMA BREAKDOWN (approximate)

Land Cost	\$5,304,000
Construction Costs	\$42,597,015
Other soft costs, etc.	\$10,751,265
<i>Per Unit Cost</i>	\$215,633.38
<i>Rentable per Square Foot cost</i>	\$265
Total Development Cost Approx.	\$58,652,280
Dev Fee/CM Fee/ Precon Fee	(\$4,002,280)
Net Project Cost	\$54,650,000

Questions?

