



BOARD OF DIRECTORSGabriel Lopez
ChairGilbert Casillas
Vice ChairBarbara Ankamah Burford
DirectorDalia Contreras
DirectorEstrellita Garcia-Diaz
DirectorJanet Garcia
DirectorLeilah Powell
Director**ACTING PRESIDENT & CEO**

Michael Reyes

LAS VARAS PUBLIC FACILITY CORPORATION MEETING**1:00 p.m. | Tuesday | September 17, 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 September 4, 2024, Las Varas Public Facility Corporation meeting minutes

CONSENT ITEM

4. Consideration and approval regarding Resolution 24LVPFC-09-17, authorizing the Augusta Flats Transaction, including the execution of all documentation necessary to carry out such transaction; and authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in LVPFC Augusta Flats GP, LLC, the General Partner of Augusta Flats 2024 LP; and authorizing the financing for such transaction; and other matters in connection therewith (Timothy Alcott, Executive Vice President of Development and General Counsel)
5. Adjournment

Posted on 9/10/2024 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 LAS VARAS PUBLIC FACILITY CORPORATION MEETING

I. Call to Order:

Chair Lopez called the Las Varas Public Facility Corporation Meeting to order at 1:21 PM CDT on September 4, 2024. The meeting was held at the Opportunity Home Central Office located at 818 S. Flores St., San Antonio, TX 78204.

Directors Present:

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

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

Acting President and CEO Michael Reyes; and Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization.

Interpreter, BCC Languages LLC.

Directors Absent:

Janet Garcia.

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 or spoke, and no citizens ceded their time.

Minutes

III. Minutes

Approval of the June 12, 2024, Las Varas Public 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 24LVPFC-08-20

Consideration and approval regarding Resolution 24LVPFC-08-20, concerning the



application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of not to exceed \$50,000,000 of the costs of the acquisition, construction, and equipping of the Bristol at the Preserve Apartments Phase I Project, to be located near the southwest corner of Palo Alto Road and Watson Road, San Antonio, Texas; and other matters in connection therewith (Susan Ramos-Sossaman, Interim Director of Development Services and Neighborhood Revitalization)

V. Resolution 24LVPFC-08-21

Consideration and approval regarding Resolution 24LVPFC-08-21, concerning the application of Louis Poppoon Development and Consulting, Ltd. or an affiliate thereof relating to the proposed financing of not to exceed \$50,000,000 of the costs of the acquisition, construction, and equipping of the Bristol at the Preserve Apartments Phase II Project, to be located near the southwest corner of Palo Alto Road and Cinnamon Springs, San Antonio, Texas; and 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 Garcia-Diaz. The motion carried with six (6) in favor and none against by a voice vote.

VI. Adjournment

Main Motion Regarding Adjournment

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

The Board adjourned the meeting at 1:22 PM CDT.

ATTEST:

Gabriel Lopez

Chair, Board of Directors

Date

Michael Reyes

Acting Secretary/Treasurer

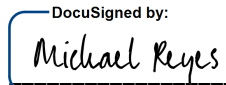
Date

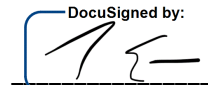
LAS VARAS PUBLIC FACILITY CORPORATION

September 17, 2024

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

RESOLUTION 24LVPFC-09-17, AUTHORIZING THE AUGUSTA FLATS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTION; AND AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN LVPFC AUGUSTA FLATS GP, LLC, THE GENERAL PARTNER OF AUGUSTA FLATS 2024 LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

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Michael Reyes
Acting President and CEO

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Timothy Alcott
Executive Vice President of Development
and General Counsel

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-09-17, authorizing the Augusta Flats Transaction, including the execution of all documentation necessary to carry out such transaction; and authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in LVPFC Augusta Flats GP, LLC, the General Partner of Augusta Flats 2024 LP; and authorizing the financing for such transaction; and other matters in connection therewith.

SUMMARY:

Today we are seeking authority to undertake the Augusta Flats transaction for the acquisition of an existing multifamily development in partnership with LYND Acquisition Group, LLC ("Lynd"). The requested authority includes entrance into debt and equity financing for the project. The project consists of 260 multifamily housing units with the following affordability: 23 units for individuals and families earning up to 60% of AMI, 107 units for individuals and families earning less than 80% of AMI, and 130 units for market-rate. The project is a 5-story building with a parking garage, pool, workstations, conference rooms, a minimart, and a fitness center.

The property is located at 714 McCullough Avenue, San Antonio, Texas, on land currently under contract with a purchase price of \$48,000,000; Opportunity Home San Antonio will acquire the land from the third-party seller and immediately ground lease the land to the Partnership in exchange for the Partnership's upfront lease payment equal to \$48,000,000 (the purchase price of the land). Financing will be provided by Benefit Street Partners, or an affiliate thereof, in an amount estimated to be \$33,600,000. Equity contributions from an affiliate of Lynd, as an

LAS VARAS PUBLIC FACILITY CORPORATION**September 17, 2024**

investor limited partner, will be used to finance the acquisition and long-term operations of the project. No financing from LVPFC or any affiliates is needed.

As the developer, Lynd will provide all required guaranties for the financing. It is expected that Lynd and LVPFC will enter into a master agreement or partnership agreement whereby LVPFC will indemnify Lynd for its guaranty liability, which arises from LVPFC's gross negligence or willful misconduct that causes liability or a default.

LVPFC will be entitled to an upfront closing fee of \$250,000, an annual fee equal to approximately 25% of the property tax savings for the project, and a fee equal to 2% of the sale proceeds upon the project's sale.

We expect that LVPFC will have the right of first refusal/option to purchase the project or Lynd and/or the investor's partnership interests at a price equal to the fair market value of the partnership interests. We also expect that Opportunity Home San Antonio shall have the option to purchase the project at a price equal to the greater of the fair market value or the sum of all debt plus exit taxes.

We are targeting a closing date in mid-October 2024.

The attached resolutions authorize the Las Varas Public Facility Corporation to enter the Augusta Flats transaction. The Board is being asked to authorize all actions now understood to be necessary to finance and acquire the project.

STRATEGIC OUTCOMES:

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

ATTACHMENTS:

Resolution 24LVPFC-09-17
Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-09-17**

The undersigned officer of the Las Varas Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas ("LVPFC"), hereby certifies as follows:

1. In accordance with the bylaws of LVPFC, the Board of Directors of LVPFC (the "Board") held a meeting on September 17, 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 24LVPFC-09-17, AUTHORIZING THE AUGUSTA FLATS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTION; AND AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF A MEMBERSHIP INTEREST IN LVPFC AUGUSTA FLATS GP, LLC, THE GENERAL PARTNER OF AUGUSTA FLATS 2024 LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

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

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

SIGNED this 17th day of September 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-09-17**

RESOLUTION 24LVPFC-09-17, AUTHORIZING THE AUGUSTA FLATS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTION; AND AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN LVPFC AUGUSTA FLATS GP, LLC, THE GENERAL PARTNER OF AUGUSTA FLATS 2024 LP; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio a/k/a Opportunity Home San Antonio (the “Authority”), has, pursuant to the Texas Public Facility Corporations 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 (“LVPFC”); and

WHEREAS, LVPFC, on behalf of the Authority, is empowered to finance the costs of public facilities that will provide decent, safe, and sanitary housing for persons of low income in the City of San Antonio; and

WHEREAS, Augusta Flats 2024 LP, a Texas limited partnership (the “Partnership”), and LVPFC Augusta Flats GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire an existing multifamily housing facility (the “Housing Facility”) located at approximately 714 McCullough Avenue, San Antonio, Texas 78215 (the “Land,” and together with the Housing Facility, the “Project”) in partnership with LYND Acquisition Group, LLC or affiliates thereof (the “Developer”); and

WHEREAS, at the request of the Partnership, LVPFC has agreed to serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project (with an affiliate of the Developer acting as a special limited partner of the Partnership (the “SLP”)); and

WHEREAS, the Authority shall acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and the parties intend that the Project and the Land will be eligible for a full exemption from property taxes pursuant to Section 392.005 of the Texas Local Government Code; and

WHEREAS, in order to raise equity for the Project, LVPFC, the General Partner, and the Partnership desire to enter into certain equity documents related to the admission of Lynd and/or one or more of its affiliates (collectively, the “Equity Investor”) as limited partners in the Partnership and the SLP as the special limited partner in the Partnership, including, without limitation, an amended and restated agreement of limited partnership, a property management agreement, closing certificates, and other related documents contemplated thereby (collectively, the “Equity Documents”); and

WHEREAS, the Partnership desires to obtain a loan from Benefit Street Partners or an affiliate thereof (the “Lender”) in an amount not to exceed \$33,600,000 (the “Loan”), and in connection therewith, the Partnership, the General Partner, and/or LVPFC, as applicable will enter into,

execute and deliver a promissory note, a loan agreement, a deed of trust (which may include a fee joinder with respect to the Land), an assignment of leases and rents, financing statements, an environmental indemnity agreement, various assignments and pledges, a ground lessor estoppel, and any other documents evidencing, securing, governing, or necessary or convenient in connection with the Loan (collectively, the "Loan Documents"); and

WHEREAS, the Board of Directors of LVPFC (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 Partnership may construct the Project; and

WHEREAS, this Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of LVPFC.

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

Section 1. The Project and the various forms of financing contemplated for the Project, including, but not limited to, the Loan Documents, the Equity Documents, and the Ground Lease, are hereby authorized and approved.

Section 2. The lease of the Land, the acquisition of a membership interest in the General Partner by LVPFC, and the acquisition of a partnership interest in the Partnership by the General Partner are approved, and the President, any Vice President, the Acting Secretary, the Treasurer, and any Assistant Secretary, or any of them acting alone, are hereby authorized to execute the documents required to be executed by LVPFC and/or the General Partner and/or the Partnership in order to effectuate such transactions.

Section 3. The President, any Vice President, the Acting Secretary, the Treasurer, any Assistant Secretary, or any of them acting alone, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Ground Lease, the Loan Documents, the Equity Documents, and all other documents relating to the development of the Project to which the Partnership and/or the General Partner and/or LVPFC is a party.

Section 4. The President, any Vice President, the Acting Secretary, the Treasurer, any Assistant Secretary, or any of them acting alone, and, if required by the form of the document, the Acting Secretary and any Assistant Secretary, or any of them, of LVPFC are authorized and directed to modify, execute, and deliver any of the documents to be signed by or consented to by LVPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Acting Secretary, the Treasurer, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to LVPFC, 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 5. 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 documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. 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 7. 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 8. 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 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 10. This Resolution shall be in force and effect from and after its passage.

Passed and approved this 17th day of September 2024.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

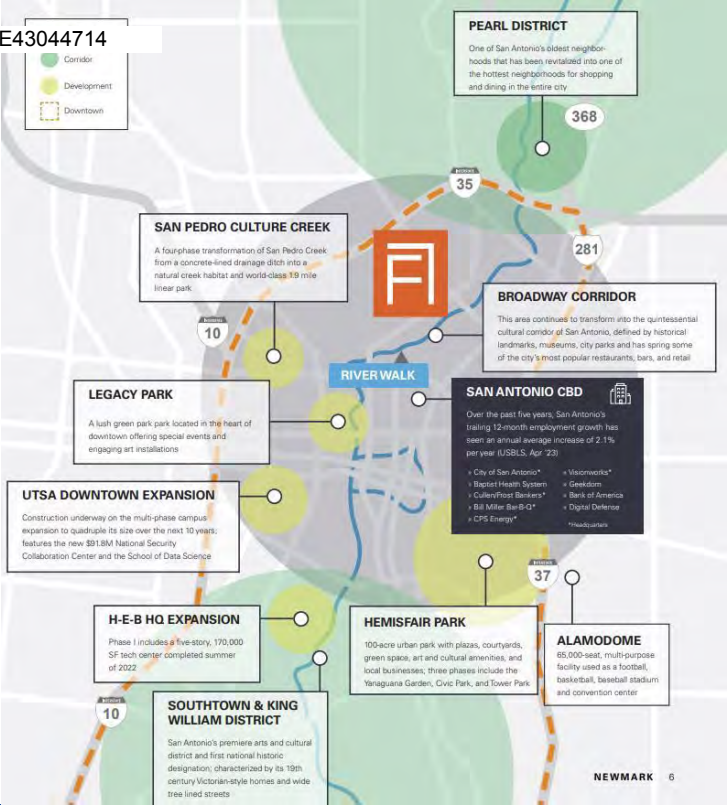
Michael Reyes

Acting Secretary/Treasurer

Augusta Flats

Overview

- Today we are seeking authority to undertake the Augusta Flats transaction for the acquisition of an existing multifamily development in partnership with LYND Acquisition Group, LLC (“Lynd”).
- The authority being requested includes entrance into debt financing and equity financing for the project with all the liabilities to the development partner.
- The land will be acquired by Opportunity Home San Antonio and then ground leased to the Partnership. The Board is being asked to authorize all of the actions now understood to be necessary to finance and acquire the project.



Augusta Flats

714 McCullough Ave, San Antonio, TX 78215

Development Data



City Council District 1

San Antonio Independent School District

Lynd Development Partners

260 Units

23 Units ≤ 60% AMI

107 Units ≤ 80% AMI

130 Units Market Rate

PFC Deal

Total Development

\$51,044,460

Deal Terms

- Upfront fee of \$250,000
- 25% of annual tax cash flow
- 5-Year hold will generate a promote of 15% over an 8% IRR
- Subsequent sale will generate a 2% fee of gross sale proceeds
- Asset Management fee

5-Year Hold					
	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5
Upfront Fee	250,000				
25% Tax Savings	279,602	287,990	296,629	305,528	314,694
Promote at Sale					2,715,405
Total					4,449,849

10-Year Hold					
	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10
Upfront Fee					
25% Tax Savings	324,135	333,859	343,875	354,191	364,817
2% Fee of Sale Proceeds					1,586,686
Total					3,307,563

Questions?