



OPPORTUNITY
HOME SAN ANTONIO

LAS VARAS PUBLIC FACILITY
CORPORATION MEETING
OCTOBER 9, 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

LAS VARAS PUBLIC FACILITY CORPORATION MEETING

1:00 p.m. | Wednesday | October 9, 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 17, 2024, Las Varas Public Facility Corporation meeting minutes

CONSENT ITEMS

4. Consideration and approval regarding Resolution 24LVPCF-10-12, concerning the approval of an application for carryforward of volume cap allocation reservation of \$27,000,000 for the North Pond Apartments Project (Timothy Alcott, Executive Vice President of Development and General Counsel)
5. Consideration and approval regarding Resolution 24LVPCF-10-19, concerning the application of LDG Pearsall Place, LP, relating to the proposed financing of up to \$40,000,000 of the costs of the acquisition, construction, and equipping of the Pearsall Place Apartments, to be located on Old Pearsall Road approximately one-quarter mile north of the northeast corner of the intersection with southwest

loop 410, San Antonio, Texas, 78242; and other matters in connection therewith (Timothy Alcott, Executive Vice President of Development and General Counsel)

6. Consideration and approval regarding Resolution 24LVPFC-10-09, concerning the application of the NRP Group or an affiliate thereof relating to the proposed financing of up to \$45,000,000 of the costs of the acquisition, construction, and equipping of the Lakeside Lofts Apartment Project, to be located at 5606 US Highway 87 E, San Antonio, Texas 78222; and other matters in connection therewith (Lorraine Robles, Chief Real Estate and Development Officer)
7. Consideration and approval regarding Resolution 24LVPFC-10-10, concerning the application of Kittle Property Group or an affiliate thereof relating to the proposed financing of up to \$35,000,000 of the costs of the acquisition, construction, and equipping of the Emberstone Apartments Project, to be located on a tract of land containing approximately 12.67 acres directly adjacent to and north of the tract of land at 14970 Watson Road, San Antonio, Texas 78073; and other matters in connection therewith (Lorraine Robles, Chief Real Estate and Development Officer)
8. Consideration and approval regarding Resolution 24LVPFC-10-11, concerning the application of Union Development Holdings, LLC 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 Union at Commerce Project, to be located at 1231 E. Commerce St, San Antonio, Texas, 78205; and other matters in connection therewith (Lorraine Robles, Chief Real Estate and Development Officer)
9. Consideration and approval regarding Resolution 24LVPFC-10-16, concerning the application of Mission Development Group, LLC or an affiliate thereof relating to the proposed financing not to exceed \$20,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Westwood Plaza Project, located at 2600 Westward Drive, San Antonio, Texas; and other matters in connection therewith (Lorraine Robles, Chief Real Estate and Development Officer)
10. Consideration and approval regarding Resolution 24LVPFC-10-17, concerning the application of Union Development Holdings, LLC 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 central at MLK Project, to be located at 2500 Martin Luther King Dr, San Antonio, Texas, 78203; and other matters in connection therewith (Lorraine Robles, Chief Real Estate and Development Officer)
11. Consideration and approval regarding Resolution 24LVPFC-10-18, concerning the application of Rufino Contreras Affordable Housing, Inc. or an affiliate thereof relating to the proposed financing of up to \$12,000,000 of the costs of the construction, rehabilitation, and equipping of the Sacred Heart Villa Apartments Project, located at approximately 120 S. Trinity Street, San Antonio, Texas; and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)
12. Consideration and approval regarding Resolution 24LVPFC-10-20 concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$30,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Villas de Costa Valencia Project, located at 13656 O'Connor Road, San Antonio, Texas; and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)
13. Consideration and approval regarding Resolution 24LVPFC-10-21, concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$35,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Rosemont at Highland Park Project, located at 1303 Rigsby Drive, San Antonio, Texas; and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)

14. Consideration and approval regarding Resolution 24LVPFC-10-22, concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$20,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Park at Sutton Oaks, located at 1010 Locke Lane Drive, San Antonio, Texas; and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)

15. Adjournment

Posted on 10/2/2024 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 1:18 PM CDT on September 17, 2024. The meeting was held at the Fair Avenue Apartments located at 1215 Fair Avenue, San Antonio, TX 78223.

Directors Present:

Chair Gabriel Lopez, Vice Chair Gilbert Casillas, Barbara Ankamah Burford, Janet Garcia, and Estrellita Garcia-Diaz.

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

Acting President and CEO Michael Reyes and Timothy Alcott, Executive Vice President of Development and General Counsel.

Interpreter, BCC Languages LLC.

Directors Absent:

Dalia Contreras and Leilah Powell.

Quorum:

A quorum was established with five (5) 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 September 4, 2024, Las Varas Public Facility Corporation meeting minutes.

Main Motion Regarding Item III

Moved by Director Garcia-Diaz. Seconded by Director Ankamah Burford. The motion carried with five (5) in favor and none against by a voice vote.

Consent Item

IV. Resolution 24LVPFC-09-17



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)

Main Motion Regarding Resolution 24LVPFC-09-17

Moved by Vice Chair Casillas. Seconded by Director Ankamah Burford. The motion carried with five (5) in favor and none against by a voice vote.

V. Adjournment

Main Motion Regarding Adjournment

Moved by Director Ankamah Burford. Seconded by Vice Chair Casillas. The motion carried with five (5) in favor and none against by a voice vote.

The Board adjourned the meeting at 1:20 PM CDT.

ATTEST:

Gabriel Lopez
Chair, Board of Directors

Date

Michael Reyes
Acting Secretary/Treasurer

Date

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

RESOLUTION 24LVPFC-10-12, CONCERNING THE APPROVAL OF AN APPLICATION FOR CARRYFORWARD OF VOLUME CAP ALLOCATION RESERVATION OF \$27,000,000 FOR THE NORTH POND APARTMENTS PROJECT

DocuSigned by:
Michael Reyes

Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:
Tim Alcott

Timothy Alcott
Executive Vice President of Development
and General Counsel

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-12, concerning the approval of an application for carryforward of volume cap allocation reservation of \$27,000,000 for the North Pond Apartments Project.

SUMMARY:

The Board has previously authorized the Las Varas Public Facility Corporation (“LVPFC”) to pass a non-binding resolution inducing the proposed North Pond Apartments 4% tax credit project (the “Project”). The Project, which was induced by LVPFC on October 4, 2023 (the “Inducement Date”), is an approximately 110-unit multifamily project located within Victoria Commons west of the IH37 frontage road in downtown San Antonio, Texas, and was induced for up to \$27,000,000 of volume cap.

All 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. LVPFC has previously applied for and received a volume cap reservation for \$27,000,000 from the Texas Bond Review Board. LVPFC now wishes to apply for the carryforward of such reservation into the 2025 calendar year to continue to pursue the Project.

The attached resolution approves the application for the carryforward of the volume cap allocation reservation amount of \$27,000,000.

STRATEGIC OUTCOMES:

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

ATTACHMENT:

- Resolution 24LVPFC-10-12
- Slides

CERTIFICATE FOR RESOLUTION
Resolution 24LVPFC-10-12

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 October 9, 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-10-12, CONCERNING THE APPROVAL OF AN APPLICATION FOR CARRYFORWARD OF VOLUME CAP ALLOCATION RESERVATION OF \$27,000,000 FOR THE NORTH POND APARTMENTS PROJECT

(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 on this 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

Las Varas Public Facility Corporation
Resolution 24LVPFC-10-12

RESOLUTION 24LVPFC-10-12, CONCERNING THE APPROVAL OF AN APPLICATION FOR CARRYFORWARD OF VOLUME CAP ALLOCATION RESERVATION OF \$27,000,000 FOR THE NORTH POND APARTMENTS PROJECT

WHEREAS, the Housing Authority of the City of San Antonio, Texas, d/b/a Opportunity Home San Antonio (“Opportunity Home”), 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 (the “Issuer”); and

WHEREAS, the Issuer, on behalf of Opportunity Home, 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 by the issuance of housing revenue bonds; and

WHEREAS, a principal financing mechanism for affordable housing is the 4% low-income housing tax credit and the issuance of tax-exempt bonds subject to attaining volume cap allocation from the Texas Bond Review Board; and

WHEREAS, it is necessary to obtain volume cap allocations from the Texas Bond Review Board for tax-exempt bonds and applications for tax credits for the North Pond Apartments project (the “Project”); and

WHEREAS, the Issuer previously applied for volume cap allocation for the Project and received on August 26, 2024, a \$27,000,000 volume cap allocation reservation from the Texas Bond Review Board; and

WHEREAS, based on the timing of the receipt of such volume cap allocation reservation and the anticipated closing timeline of the Project, LVPFC wishes to submit an application to the Texas Bond Review Board to apply for a carryforward of the volume cap allocation reservation (the “Carryforward”) into the 2025 calendar year; 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 that the Board of Directors of Las Varas Public Facility Corporation, hereby:

Section 1. The application for the carryforward of the \$27,000,000 volume cap allocation is hereby authorized and approved;

Section 2. All actions necessary or desirable in connection therewith are hereby authorized and approved;

Section 3. The Board authorizes the Acting President, Vice President, Secretary/Treasurer, or any Assistant Secretary/Treasurer of the Board to execute any documents or certificates necessary or desirable in connection with any of the transactions described herein, and each of them is authorized to negotiate and approve such changes in the terms of such documents as such officers shall deem necessary or appropriate upon the advice of counsel to the Issuer, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by the execution and delivery of such documents.

Section 4. 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 5. 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 6. 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 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.

Passed and approved this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Victoria Commons North Pond Carryforward



Overview

- Approval of an application for carryforward of volume cap allocation reservation of \$27,000,000 for the North Pond Apartments project into the 2025 calendar year
 - continue to pursue the project
 - flexibility of use of funds
- Board approved bond inducement on October 4, 2023
- Application was submitted to Texas Bond Review Board on October 6, 2023, re-submitted application on April 17, 2024, and received a bond reservation on August 26, 2024






Victoria Commons

Questions?




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

RESOLUTION 24LVFPC-10-19, CONCERNING THE APPLICATION OF LDG PEARSALL PLACE, LP, RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PEARSALL PLACE APARTMENTS, TO BE LOCATED ON OLD PEARSALL ROAD APPROXIMATELY ONE-QUARTER MILE NORTH OF THE NORTHEAST CORNER OF THE INTERSECTION WITH SOUTHWEST LOOP 410, SAN ANTONIO, TEXAS 78242; AND OTHER MATTERS IN CONNECTION THEREWITH

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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:

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Timothy Alcott
Executive Vice President of Development
and General Counsel

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVFPC-10-19, concerning the application of LDG Pearsall Place, LP, relating to the proposed financing of up to \$40,000,000 of the costs of the acquisition, construction, and equipping of the Pearsall Place Apartments, to be located on Old Pearsall Road approximately one-quarter mile north of the northeast corner of the intersection with southwest loop 410, San Antonio, Texas, 78242; and other matters in connection therewith.

SUMMARY:

Today, we seek authority to file applications for the proposed Pearsall Place Apartments 4% tax credit projects. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap allocation, which may not be awarded until the end of the year or next year, if any volume cap is available. Accordingly, we ask the Board to authorize these actions to seek a volume cap allocation. **We are not asking you to approve or be bound to these projects specifically. These are non-binding Resolutions.** This will enable us to move forward, make applications for volume cap and tax credits, put the financings together, and negotiate the specific terms of the deals, which we will bring back to you for approval.

The Pearsall Place Apartments project is a 252-unit project proposed by LDG Development to be located on Old Pearsall Road near the northeast corner of the intersection of Southwest Loop 410. It is proposed that all 252 units will be reserved for tenants with incomes at 60% or less of the median income. The total project cost is estimated to be approximately \$75.2 million.

Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-19

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-19**

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 October 9, 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-10-19, CONCERNING THE APPLICATION OF LDG PEARSALL PLACE, LP, RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PEARSALL PLACE APARTMENTS, TO BE LOCATED ON OLD PEARSALL ROAD APPROXIMATELY ONE-QUARTER MILE NORTH OF THE NORTHEAST CORNER OF THE INTERSECTION WITH SOUTHWEST LOOP 410, SAN ANTONIO, TEXAS 78242; 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Vara Public Facility Corporation
Resolution 24LVPFC-10-19**

RESOLUTION 24LVPFC-10-19, CONCERNING THE APPLICATION OF LDG PEARSALL PLACE, LP, RELATING TO THE PROPOSED FINANCING OF UP TO \$40,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PEARSALL PLACE APARTMENTS, TO BE LOCATED ON OLD PEARSALL ROAD APPROXIMATELY ONE-QUARTER MILE NORTH OF THE NORTHEAST CORNER OF THE INTERSECTION WITH SOUTHWEST LOOP 410, SAN ANTONIO, TEXAS 78242; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas, a/k/a Opportunity 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 (the “Issuer”); and

WHEREAS, the Issuer, on behalf of the Authority, 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 by the issuance of housing revenue bonds; and

WHEREAS, LDG Pearsall Place, LP, a Texas limited partnership (the “User”), has filed an Application (the “Application”) requesting that (i) the Issuer finance the acquisition, construction, and equipping of a proposed 252-unit multifamily housing facility to be located on Old Pearsall Road approximately one-quarter mile north of the northeast corner of the intersection with Southwest Loop 410 and to be known as the Pearsall Place Apartments (the “Project”); and (ii) the Issuer file a 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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 the 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 not to exceed \$40,000,000 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," an "Application for Carryforward for Private Activity Bonds," or an "Application for Reassignment of Carryforward Designation" (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 that the Board of Directors of 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 \$40,000,000;

(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 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 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 the Housing Authority (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, the Authority, 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 the 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"), the Authority, 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, the Authority, 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 to be 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 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 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 the Authority) 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 the Authority.

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 2025 and/or 2026 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 to 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 a 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 hearing and the date, place, and manner of its 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 that will not exceed \$40,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the President, Acting President, Vice President, Secretary/Treasurer, Acting Secretary/Treasurer or any Assistant Secretary/Treasurer 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.

(a) 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 15. 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.

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

Section 16. This Resolution shall be in force and effect from and after its passage.

PASSED AND APPROVED this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Pearsall Place



Overview

- Today we are requesting approval for Bond inducement for Pearsall Place Apartments.
- Approval will allow this project to submit an application for a bond reservation.
- At this point, Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.
- LDG Development is the developer.
 - 25 years building affordable housing developments

Community and Resident Impact

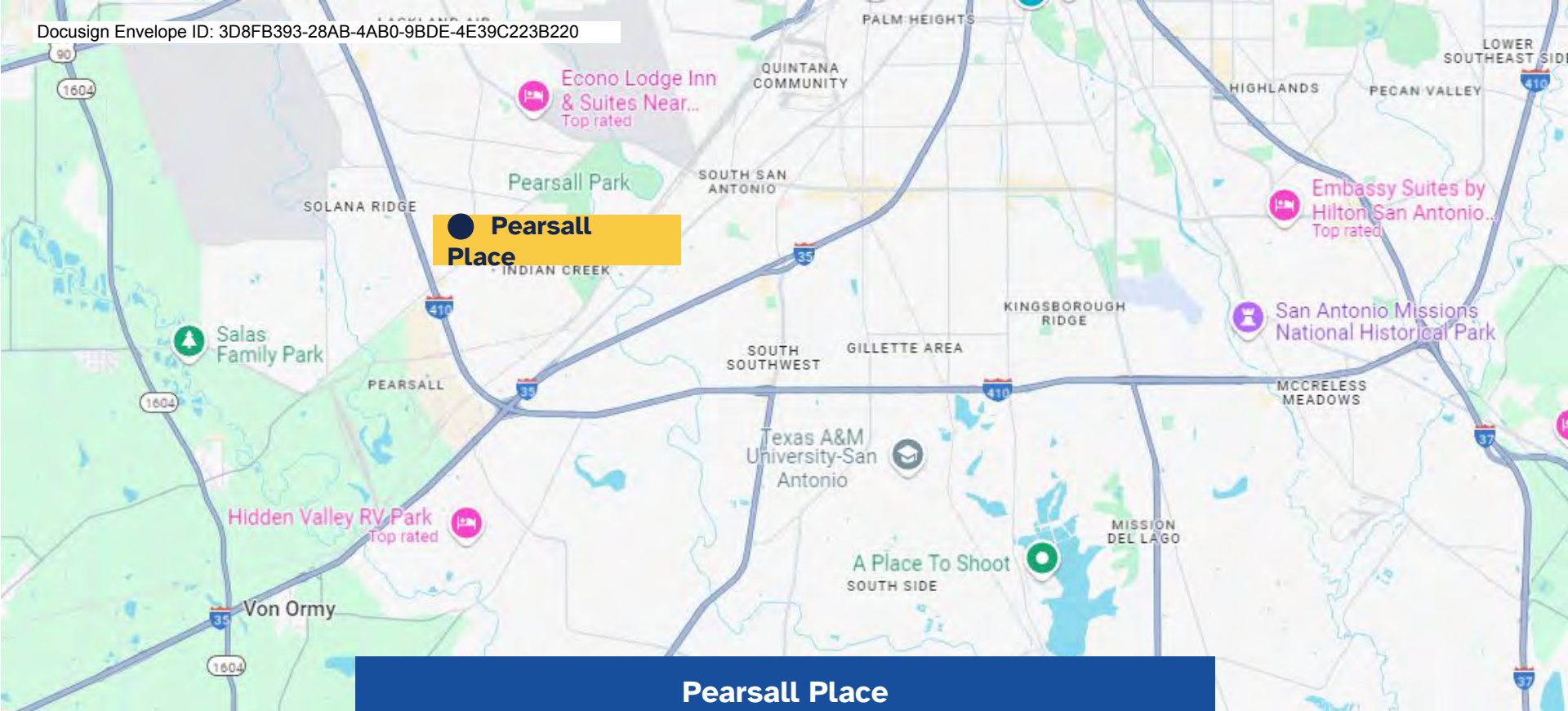
CROSS SUBSIDY FOR TARGETED AFFORDABILITY

The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities



Pearsall Place

Pearsall Place
SW Loop 410 and Old Pearsall Rd.

Development Information



City Council District 4

Southwest ISD

Total Units: **252**

- **100%** Units \leq 60% AMI

Unit Mix

- 1 BR - **44**
- 2 BR - **104**
- 3 BR - **104**

4% Tax Credits/Bonds

Total Development Cost

\$75,223,466

PROFORMA BREAKDOWN (approximate)

Land Costs	\$3,000,000
Construction Costs	\$46,576,980
Soft Costs	\$25,646,486
Total Development Cost	\$75,223,466

Questions?

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

RESOLUTION 24LVPFC-10-09, CONCERNING THE APPLICATION OF THE NRP GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LAKESIDE LOFTS APARTMENT PROJECT, TO BE LOCATED AT 5606 US HIGHWAY 87 E, SAN ANTONIO, TEXAS 78222; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Michael Reyes
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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:
Lorraine Robles
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Lorraine Robles
Chief Real Estate and Development Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-09, concerning the application of the NRP Group or an affiliate thereof relating to the proposed financing of up to \$45,000,000 of the costs of the acquisition, construction, and equipping of the Lakeside Lofts Apartment Project, to be located at 5606 US Highway 87 E, San Antonio, Texas 78222; and other matters in connection therewith.

SUMMARY:

Today, we seek authority to file applications for the proposed Lakeside Lofts 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply 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. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to approve or be bound to this project specifically. These are non-binding resolutions.*** This will enable us to move forward, make an application for a volume cap, begin to put the financing together, and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Lakeside Lofts apartment project, proposed by the NRP Group, will be located at 5606 US Highway 87 E, San Antonio, Texas, 78222.

The Lakeside Lofts apartment project is projected to contain 336 units, of all will be reserved for tenants earning between 30% and 70% AMI.

The total project cost is estimated to be approximately \$91,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds in an amount of up to \$45,000,000.

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-09

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-09**

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 October 9, 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-10-09, CONCERNING THE APPLICATION OF THE
NRP GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED
FINANCING OF UP TO \$45,000,000 OF THE COSTS OF THE
ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LAKESIDE
LOFTS APARTMENT PROJECT, TO BE LOCATED AT 5606 US HIGHWAY 87
E, SAN ANTONIO, TEXAS 78222; 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-09**

RESOLUTION 24LVPFC-10-09, CONCERNING THE APPLICATION OF THE NRP GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$45,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE LAKESIDE LOFTS APARTMENT PROJECT, TO BE LOCATED AT 5606 US HIGHWAY 87 E, SAN ANTONIO, TEXAS 78222; 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, the NRP Group 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 proposed 336-unit multifamily housing project located at 5606 US Highway 87 E, San Antonio, Texas 78222, to be known as the Lakeside Lofts apartment project (the “Project”); and (ii) the Issuer file a 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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 the 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 of up to \$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 an "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 that the Board of Directors of 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 of up to \$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 the 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 2025 and/or 2026 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 a 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 hearing and the date, place, and manner of its 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 of up to \$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 Acting President, Vice President, Secretary/Treasurer, or any Assistant Secretary/Treasurer 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 this 9th day of October 2024.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

Michael Reyes

Acting Secretary/Treasurer

Lakeside Lofts

Overview

- Today we are requesting approval for Bond inducement for Lakeside Lofts.
- Approval will allow this project to submit an application for a bond reservation.
- At this point Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.

Community and Resident Impact

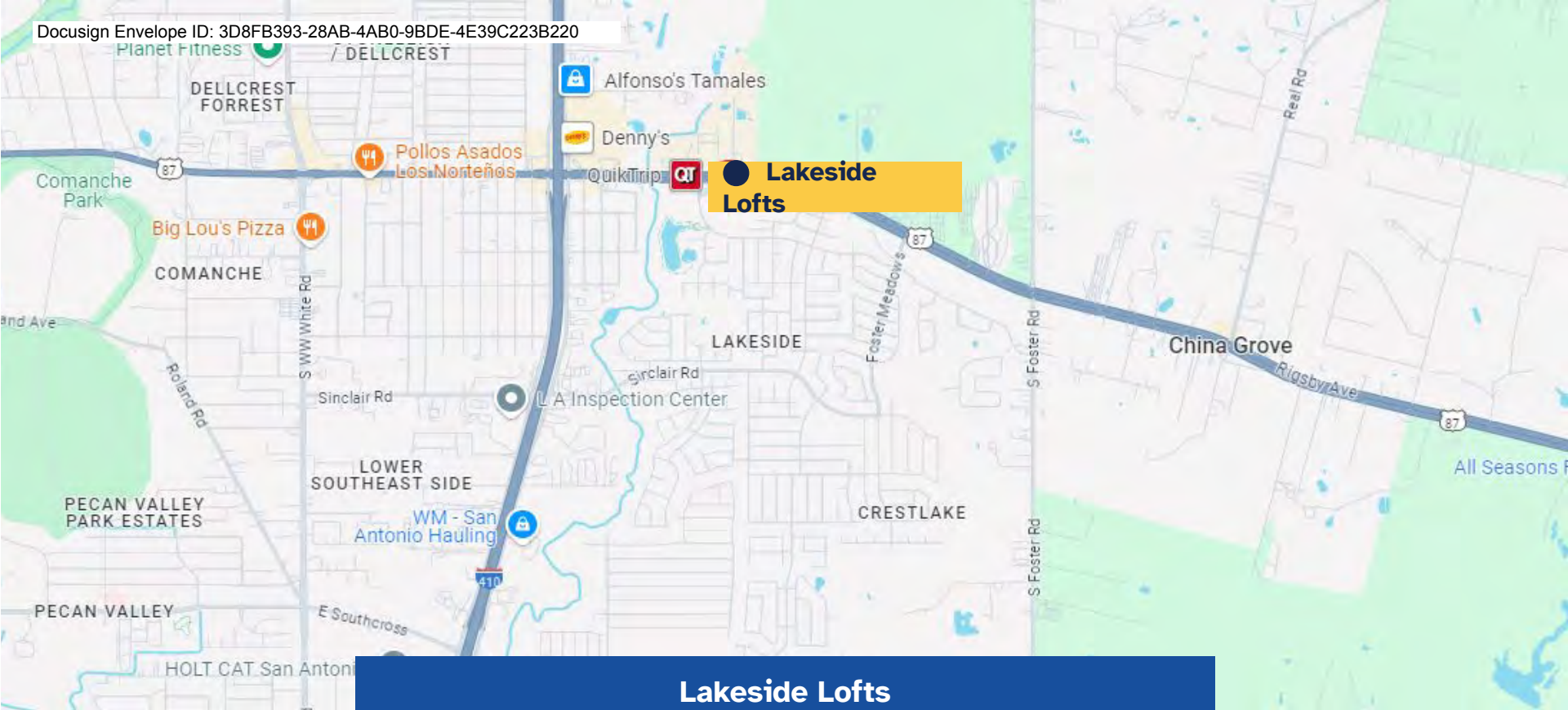
CROSS SUBSIDY FOR TARGETED AFFORDABILITY

The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities



Lakeside Lofts
5606 US Highway 87 E

Development Information



City Council District 2

East Central ISD

Total Units: **Approximately 336**

- **34** Units \leq 30% AMI
- **207** Units \leq 60% AMI
- **95** Units \leq 70% AMI

Unit Mix

- 1 BR - **12**
- 2 BR - **144**
- 3 BR - **132**
- 4 BR - **48**

4% Tax Credits/Bonds

Total Development Cost
\$90,844,733

PROFORMA BREAKDOWN (approximate)

Acquisition Costs	\$5,500,000
Construction Costs	\$46,368,000
A&E	\$2,013,935
Other Soft Costs, etc.	\$35,945,956
Per Unit Cost	\$270,371
Rentable per Square Foot Costs	\$163
Construction Contingency	\$1,016,842
Total Development Cost	\$90,844,733

Questions?

BOARD OF DIRECTORS
Las Varas Public Facility Corporation Meeting

RESOLUTION 24LVPFC-10-10, CONCERNING THE APPLICATION OF KITTLE PROPERTY GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE EMBERSTONE APARTMENTS PROJECT, TO BE LOCATED ON A TRACT OF LAND CONTAINING APPROXIMATELY 12.67 ACRES DIRECTLY ADJACENT TO AND NORTH OF THE TRACT OF LAND AT 14970 WATSON ROAD, SAN ANTONIO, TEXAS 78073; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Michael Reyes
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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:
Lorraine Robles
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Lorraine Robles
Chief Real Estate and Development Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-10, concerning the application of Kittle Property Group or an affiliate thereof relating to the proposed financing of up to \$35,000,000 of the costs of the acquisition, construction, and equipping of the Emberstone Apartments Project, to be located on a tract of land containing approximately 12.67 acres directly adjacent to and north of the tract of land at 14970 Watson Road, San Antonio, Texas 78073; and other matters in connection therewith.

SUMMARY:

Today, we seek authority to file applications for the proposed Emberstone Apartments 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply 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. Accordingly, we are asking you to authorize these actions so that we may get in line, but **we are not asking you to approve or be bound to this project specifically. These are non-binding resolutions.** This will enable us to move forward, make an application for a volume cap, begin to put the financing together, and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Emberstone Apartments project is a project proposed by Kittle Property Group, which will be located on a tract of land containing approximately 12.67 acres north of 14970 Watson Road, San Antonio, Texas, 78073.

The Emberstone Apartments project is projected to contain 228 units, of which approximately 10% (or 23 units) will be reserved for tenants earning 30% or less of area median income, and 90% (or 205 units) will be reserved for tenants earning 60% or less of area median income.

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

The total project cost is estimated to be approximately \$58,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds in an amount of up to \$35,000,000.

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-10

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-10**

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 October 9, 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-10-10, CONCERNING THE APPLICATION OF KITTLE PROPERTY GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE EMBERSTONE APARTMENTS PROJECT, TO BE LOCATED ON A TRACT OF LAND CONTAINING APPROXIMATELY 12.67 ACRES DIRECTLY ADJACENT TO AND NORTH OF THE TRACT OF LAND AT 14970 WATSON ROAD, SAN ANTONIO, TEXAS 78073; 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-10**

RESOLUTION 24LVPFC-10-10, CONCERNING THE APPLICATION OF KITTLE PROPERTY GROUP OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$35,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE EMBERSTONE APARTMENTS PROJECT, TO BE LOCATED ON A TRACT OF LAND CONTAINING APPROXIMATELY 12.67 ACRES DIRECTLY ADJACENT TO AND NORTH OF THE TRACT OF LAND AT 14970 WATSON ROAD, SAN ANTONIO, TEXAS 78073; 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, Kittle Property Group 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 proposed 228-unit multifamily housing project to be located on a tract of land containing approximately 12.67 acres directly adjacent to and north of 14970 Watson Road, San Antonio, Texas 78073, to be known as the Emberstone apartments project (the “Project”); and (ii) the Issuer file a 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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 the 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 of up to \$35,000,000 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 an "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 that the Board of Directors of 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 of up to \$35,000,000;

(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 the 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 2025 and/or 2026 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 a 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 hearing and the date, place, and manner of its 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 of up to \$35,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting 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 this 9th day of October 2024.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

Michael Reyes

Acting Secretary/Treasurer

Emberstone Apartments



Overview

- Today we are requesting approval for Bond inducement for Emberstone Apartments.
- Approval will allow this project to submit an application for a bond reservation.
- At this point Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.

Community and Resident Impact

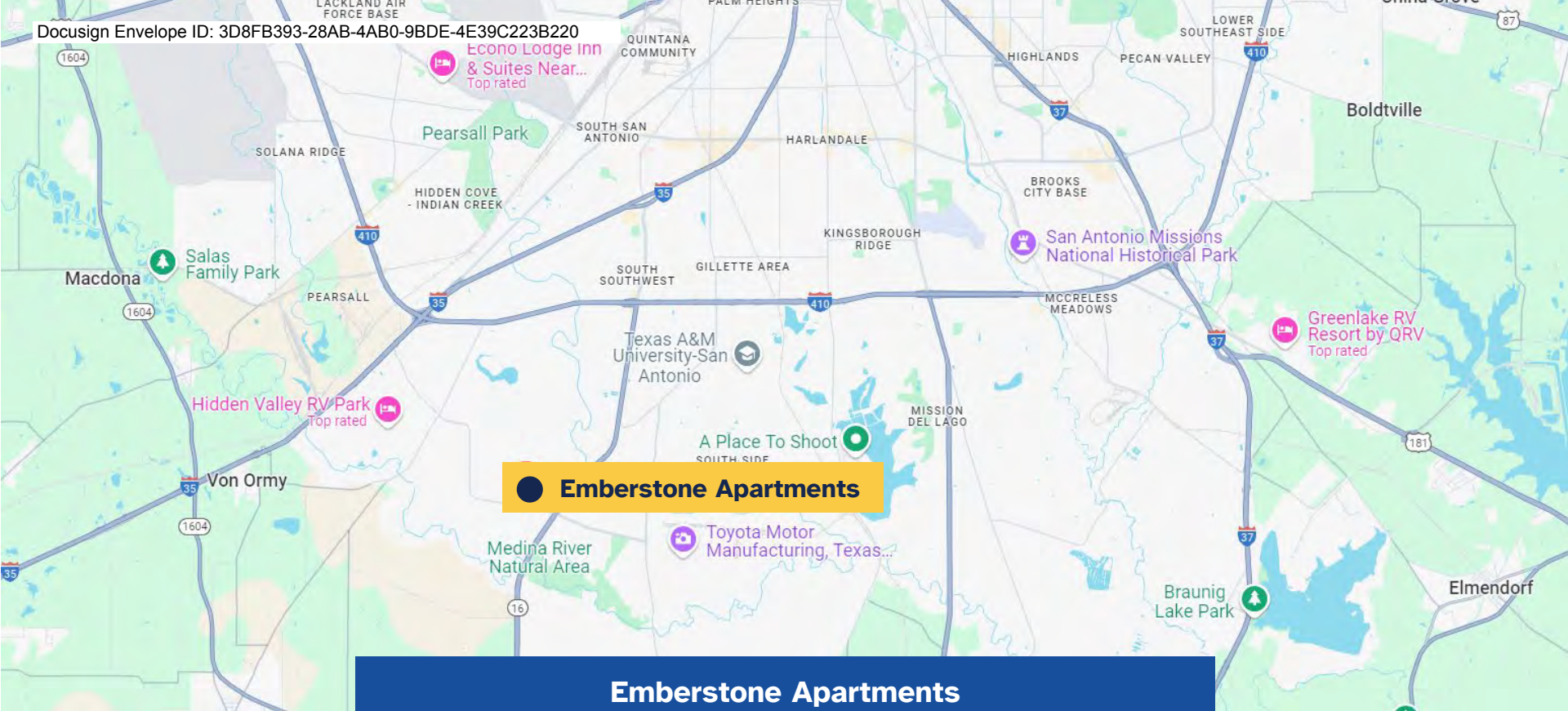
CROSS SUBSIDY FOR TARGETED AFFORDABILITY

The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities



● **Emberstone Apartments**

Emberstone Apartments
14970 Watson Road

Development Information



City Council District 4

Southwest ISD

Kittle Property Group

Total Units: **Approximately 228**

- **23** Units \leq 30% AMI
- **205** Units \leq 60% AMI

Unit Mix

- 1 BR - **60**
- 2 BR - **108**
- 3 BR - **54**
- 4 BR - **6**

4% Tax Credits/Bonds

Total Development Cost

\$58 Million

PROFORMA BREAKDOWN (approximate)

Acquisition Costs	\$3,035,479
Construction Costs	\$31,710,240
Construction Contingency	\$1,415,800
Other Soft Costs, etc.	\$23,261,892
Per Unit Cost	\$254,419
Cost per Rentable Square Foot	\$250
Total Development Cost	\$58,007,611

Questions?

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

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

RESOLUTION 24LVPFC-10-11, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 UNION AT COMMERCE PROJECT, TO BE LOCATED AT 1231 E. COMMERCE ST, SAN ANTONIO, TEXAS, 78205; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Michael Reyes
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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:
Lorraine Robles
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Lorraine Robles
Chief Real Estate and Development Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-11, concerning the application of Union Development Holdings, LLC 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 Union at Commerce Project, to be located at 1231 E. Commerce St, San Antonio, Texas, 78205; and other matters in connection therewith.

SUMMARY:

Opportunity Home seeks authority to file one or more applications relating to the Union at Commerce 4% tax credit project. All 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until later this year or early next year, if any volume cap is available. We need to submit our applications as soon as we can.

We are asking you to authorize these actions so that we may get in line, but ***we are not asking you to approve or be bound to this project specifically. These are non-binding Resolutions.*** This will enable us to move forward, make an application for a volume cap, begin to put the financing together, and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Union at Commerce project (the "Project") is proposed by Union Development Holdings, LLC, located near the northwest corner of Commerce Street and Cherry Street, San Antonio, Texas 78205. The Project is projected to contain 244 units, of which approximately 10% will be reserved for tenants earning 30% or less of area median income, 10% will be reserved for tenants earning 50% or less of area median income, 53% will be reserved for tenants earning 60% or less of median income, 13% will be reserved for tenants earning 70% or less of area median income, and the remaining 14% of units will be reserved for tenants earning 80% or less

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

of area median income, whereby we can reduce the current funding gap from \$9,000,000 to \$4,200,000. We understand that Councilperson McKee-Rodriguez aims to provide 10% of units at 30% median income; this is an aim we can achieve; however, we expect the funding gap to increase.

The total project cost for the Union at Commerce Project is approximately \$73,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-11

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVFPC-10-11**

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 Issuer (the "Board") held a meeting on October 9, 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 24LVFPC-10-11, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 UNION AT COMMERCE PROJECT, TO BE LOCATED AT 1231 E. COMMERCE ST, SAN ANTONIO, TEXAS, 78205; 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-11**

RESOLUTION 24LVPFC-10-11, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 UNION AT COMMERCE PROJECT, TO BE LOCATED AT 1231 E. COMMERCE ST, SAN ANTONIO, TEXAS, 78205; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, TX, a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), 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 (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 issuance of housing revenue bonds; and

WHEREAS, Union Development Holdings, LLC 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 244-unit multifamily housing facility located at 1231 E Commerce St, San Antonio, Texas 78205 to be known as Union at Commerce apartment project (the “Project”); and (ii) the Issuer file 2025 and/or 2026 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 the 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 \$50,000,000 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

payment 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 137.001 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 an “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 improvements 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 that 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 \$50,000,000;

(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 the 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 payment the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within the 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 payment principal of, interest on, redemption premiums on, payment 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 with 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 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 2025 and/or 2026 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 revised required 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 hearing 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 \$50,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 provisions 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 this 9th day of October 2024.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

Michael Reyes

Acting Secretary/Treasurer

Union at Commerce



Overview

- Today we are requesting approval for Bond inducement for Union at Commerce.
- Approval will allow this project to submit an application for a bond reservation.
- At this point Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.
- Union Development Holdings, LLC, is the developer on this project, dba The Annex Group.

Community and Resident Impact

CROSS SUBSIDY FOR TARGETED AFFORDABILITY

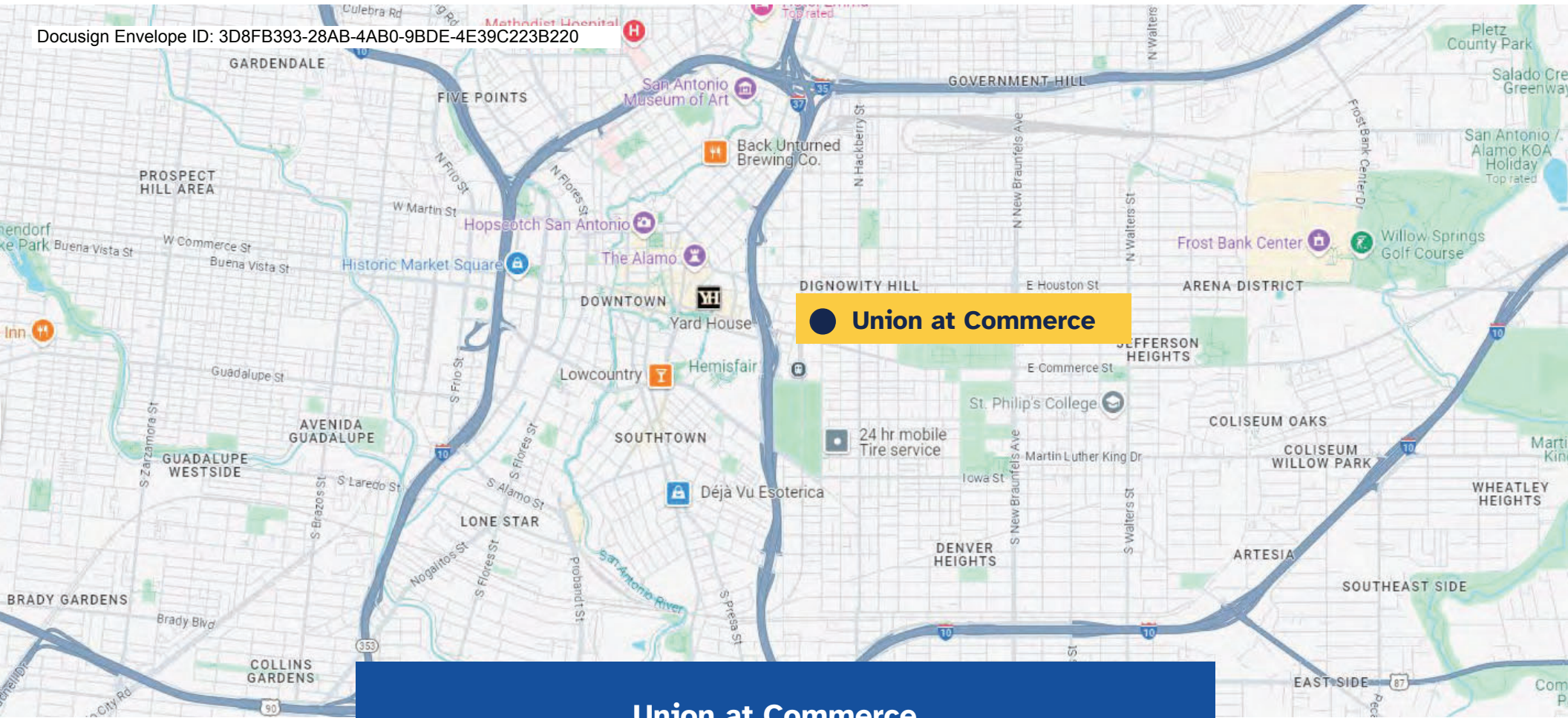
The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities

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Union at Commerce

Union at Commerce

Development Information



City Council District 2

San Antonio ISD

Total Units: **Approximately 244**

- **25** Units \leq 30% AMI
- **25** Units \leq 50% AMI
- **128** Units \leq 60% AMI
- **32** Units \leq 70% AMI
- **34** Units \leq 80% AMI

Unit Mix

- 1 BR - **73**
- 2 BR - **98**
- 3 BR - **73**

4% Tax Credits/Bonds

Total Development Cost
\$72,344,259

PROFORMA BREAKDOWN (approximate)

Acquisition Costs	\$3,750,000
Construction Costs	\$42,021,938
A&E	\$1,738,000
Other Soft Costs, etc.	\$22,537,875
Per Unit Cost	\$152,753
Rentable per Square Foot Costs	\$166.30
Construction Contingency	\$2,296,446
Total Development Cost	\$72,344,259

Questions?

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

RESOLUTION 24LVPFC-10-16, CONCERNING THE APPLICATION OF MISSION DEVELOPMENT GROUP, LLC OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE WESTWOOD PLAZA PROJECT, LOCATED AT 2600 WESTWARD DRIVE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Michael Reyes
33A0F1EEDAA1479...
Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:
Lorraine Robles
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Lorraine Robles
Chief Real Estate and Development Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-16, concerning the application of Mission Development Group, LLC or an affiliate thereof relating to the proposed financing not to exceed \$20,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Westwood Plaza Project, located at 2600 Westward Drive, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

We seek authority to file one or more applications relating to the proposed Westwood Plaza 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until later this year or early next year, if any volume cap is available. We need to submit our applications as soon as we can. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to approve or be bound to this project specifically. These are non-binding Resolutions.*** This will enable us to move forward, make an application for a volume cap, begin to put the financing together, and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Westwood Plaza project (the "Project") is to be acquired and rehabilitated by Mission Development Group, LLC, located at 2600 Westward Drive, San Antonio, Texas, 78227. The Project consists of 308 units, all reserved for tenants earning 60% or less of the median income.

The total project cost is approximately \$20,00,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-16

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-16**

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 Issuer (the “Board”) held a meeting on October 9, 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-10-16, CONCERNING THE APPLICATION OF
MISSION DEVELOPMENT GROUP, LLC OR AN AFFILIATE THEREOF
RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000
OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING
OF THE WESTWOOD PLAZA PROJECT, LOCATED AT 2600 WESTWARD
DRIVE, 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-16**

RESOLUTION 24LVPFC-10-16, CONCERNING THE APPLICATION OF MISSION DEVELOPMENT GROUP, LLC OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE WESTWOOD PLAZA PROJECT, LOCATED AT 2600 WESTWARD DRIVE, 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 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 (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, Mission Development Group, LLC or an affiliate thereof (the “User”), has filed an Application (the “Application”) requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of a 308-unit multifamily housing facility located at 2600 Westward Drive (the “Project”) and known as Westwood Plaza (the “Project”); and (ii) the Issuer file 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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, rehabilitation, 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 the acquisition, rehabilitation, 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 \$20,000,000 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and payment 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 137.001 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 an "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, rehabilitation, equipping, and improvements 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 that 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 of up to \$20,000,000;

(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 the 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, rehabilitation, 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, rehabilitation, 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 payment the costs of completing the acquisition, rehabilitation, equipping, and improvement of the Project, as requested by the User and within the 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 payment principal of, interest on, redemption premiums on, payment 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, rehabilitation, 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 with 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 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 2025 and/or 2026 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 revised required 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 hearing 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 \$20,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 provisions 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 this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Westwood Plaza



Overview

- Today we are requesting approval for Bond inducement for Westwood Plaza.
- Approval will allow this project to submit an application for a bond reservation.
- At this point the Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.
- The developer plans to rehabilitate the property.

Community and Resident Impact

CROSS SUBSIDY FOR TARGETED AFFORDABILITY

The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities



Westwood Plaza
2600 Westward Drive
San Antonio, TX 78227

Development Information



City Council District 6

Northside ISD

Total Units: **308**

- **100%** Units \leq 60% AMI

Unit Mix

- Studio - **77**
- 1 BR - **118**
- 2 BR - **113**

4% Tax Credits/Bonds


Total Development Cost

\$20 Million

Questions?

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

RESOLUTION 24LVPFC-10-17, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 CENTRAL AT MLK PROJECT, TO BE LOCATED AT 2500 MARTIN LUTHER KING DR, SAN ANTONIO, TEXAS, 78203; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:

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Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:

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Lorraine Robles
Chief Real Estate and Development Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-17, concerning the application of Union Development Holdings, LLC 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 central at MLK Project, to be located at 2500 Martin Luther King Dr, San Antonio, Texas, 78203; and other matters in connection therewith.

SUMMARY:

Opportunity Home seeks authority to file one or more applications relating to the Central at MLK 4% tax credit project. All 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. Opportunity Home San Antonio will apply for a volume cap, which may not be awarded until later this year or early next year, if any volume cap is available. Certain state agencies have the right to use the available volume cap before local agencies, and last year, the state agencies used almost all of the volume cap. The volume cap available to local agencies is awarded on a first-come, first-served basis, according to when the application is submitted. Therefore, Opportunity Home San Antonio must submit applications as soon as possible.

Opportunity Home San Antonio must also apply for tax credits to the Texas Department of Housing and Community Development. Accordingly, staff is requesting that the Board authorize these actions so that Opportunity Home San Antonio may begin the process, but **Opportunity Home San Antonio is not asking to approve or be bound to these projects specifically. These are non-binding resolutions.** This will enable us to move forward, make applications for volume cap and tax credits, and begin to coordinate the financing and negotiate the specific terms of the deals, which will be brought back for Board approval. The project we intend to seek a volume cap for is listed below:

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

The Central at MLK project (the “Project”) is proposed by Union Development Holdings, LLC, located at 2500 Martin Luther King Dr, San Antonio, TX 78203. The Project is projected to contain 300 units, of which approximately 10% will be reserved for tenants earning 30% or less of the area median income and 90% for tenants earning 60% or less of the area median income.

The total project cost for the Central at MLK Project is approximately \$85,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

The attached resolution authorizes the inducement of the above-described project and certain actions.

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-17

Slides

CERTIFICATE FOR RESOLUTION
Resolution 24LVPFC-10-17

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

1. In accordance with its bylaws of the Issuer, the Board of Directors of the Issuer (Board) held a meeting on October 9, 2024 (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-10-17, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 CENTRAL AT MLK PROJECT, TO BE LOCATED AT 2500 MARTIN LUTHER KING DR, SAN ANTONIO, TEXAS, 78203; 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 Bylaws of the Issuer.

SIGNED this 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-17**

RESOLUTION 24LVPFC-10-17, CONCERNING THE APPLICATION OF UNION DEVELOPMENT HOLDINGS, LLC 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 CENTRAL AT MLK PROJECT, TO BE LOCATED AT 2500 MARTIN LUTHER KING DR, SAN ANTONIO, TEXAS, 78203; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas, a/k/a Opportunity Home San Antonio ("Opportunity Home San Antonio"), 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 (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, Central at MLK, L.P., a Texas limited partnership (User), has filed an Application (Application) requesting that (i) the Issuer finance the acquisition, construction, rehabilitation, improvement, and equipping of an approximately 300-unit multifamily housing facility located at 2500 Martin Luther King, San Antonio, Texas, 78203 to be known as the Central at MLK (Project); and (ii) the Issuer file a 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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 (Board) of the Issuer to issue housing revenue bonds pursuant to the Act (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 the 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 not to exceed \$50,000,000 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 (Allocation Act), and various provisions of the Internal Revenue Code of 1986, as amended (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 an "Application for Carryforward for Private Activity Bonds" (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 requires 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 (Expenditures) and expects to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (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 that the Board of Directors of 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 \$50,000,000;

(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 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 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 (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, 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 issuance from time to time in the future of additional bonds 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 (State), Opportunity Home, 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, 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 to be 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 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) 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.

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 an 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 any one 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 2025 and/or 2026 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 to 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 exist 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 a 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 hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's bond counsel. The hearing shall be held by the Corporation'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 that will not exceed \$50,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 Board hereby authorizes the filing and any resubmission of an Application with the Texas Bond Review Board, that Cantu Harden Montoya LLP be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution.

Section 15. 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 16. 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 17. 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 18. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 19. This Resolution shall be in force and effect from and after its passage.

Passed and approved this 9th day of October 2024.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

Michael Reyes

Acting Secretary/Treasurer

Central at MLK

Overview

- Today we are requesting approval for Bond inducement for Central at MLK.
- Approval will allow this project to submit an application for a bond reservation.
- At this point Opportunity Home San Antonio has no financial obligation in the project or participation commitment except for bond inducement.
- Union Development Holdings, LLC, is the developer on this project, dba The Annex Group.

Community and Resident Impact

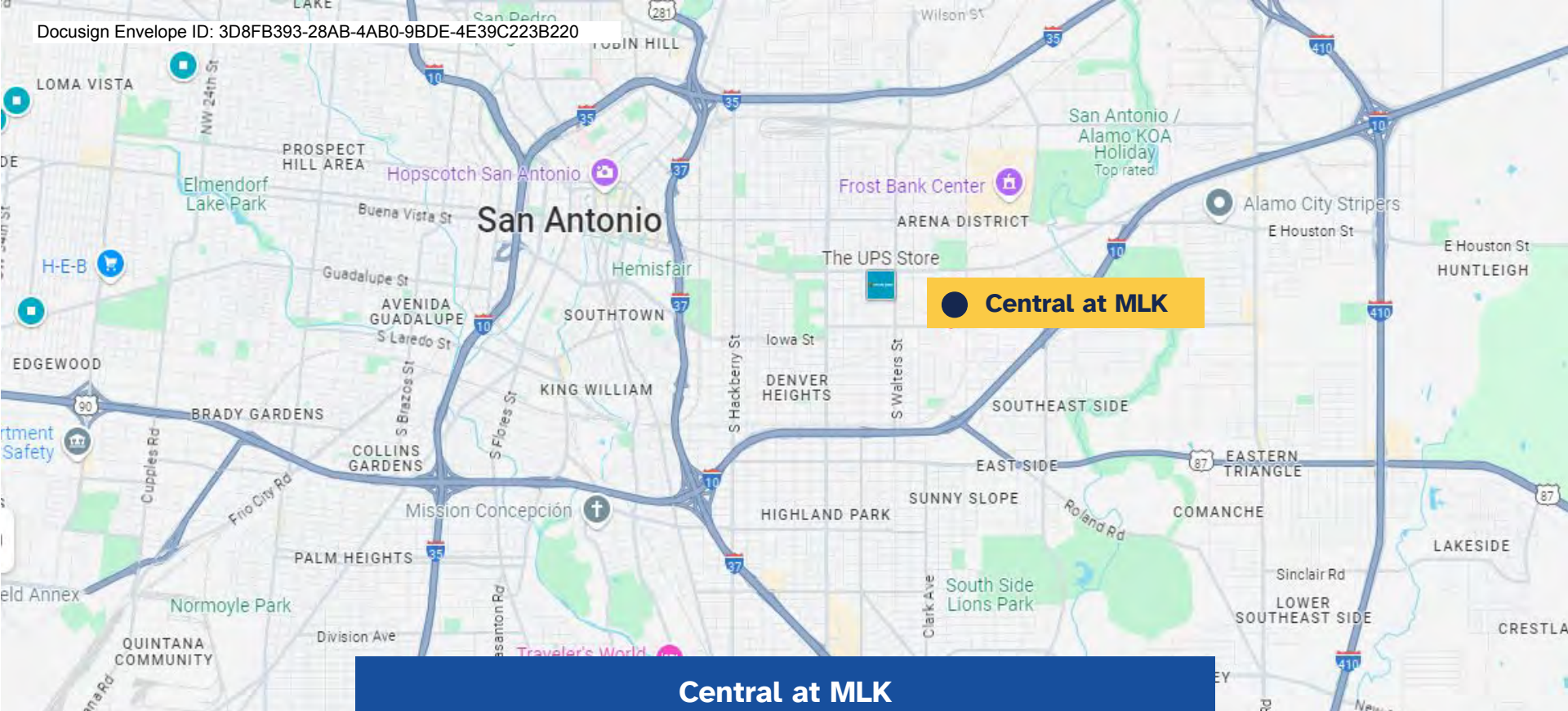
CROSS SUBSIDY FOR TARGETED AFFORDABILITY

The proceeds received from this project will be utilized to support very low income residents by maintaining and creating affordable housing and resident services:

- **30%** creating new units serving 50% AMI and below
- **30%** preserving and upgrading existing Public Housing units
- **30%** Supportive Services to include Risk Mitigation fund
- **10%** Reserves to ensure we are adequately capitalized

The development offers:

- Access to workforce housing in an area with limited affordable housing supply
- Support to pathways to opportunities for accessible education, job training, recreation, and other amenities
- Links to existing transportation and employment opportunities



Central at MLK
2500 Martin Luther King Dr

Development Information



City Council District 2

San Antonio ISD

Total Units: **Approximately 300**

- **30** Units \leq 30% AMI
- **270** Units \leq 60% AMI

Unit Mix

- 1 BR - **78**
- 2 BR - **146**
- 3 BR - **76**

4% Tax Credits/Bonds

Total Development Cost

\$84,825,644


PROFORMA BREAKDOWN (approximate)

Acquisition Costs	\$3,000,000
Construction Costs	\$46,141,012
A&E	\$1,300,000
Other Soft Costs, etc.	\$31,863,083
Per Unit Cost	\$152,753
Rentable per Square Foot Costs	\$109,742
Construction Contingency	\$2,521,549
Total Development Cost	\$84,825,644

Questions?

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

RESOLUTION 24LVPFC-10-18, CONCERNING THE APPLICATION OF RUFINO CONTRERAS AFFORDABLE HOUSING, INC. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$12,000,000 OF THE COSTS OF THE CONSTRUCTION, REHABILITATION, AND EQUIPPING OF THE SACRED HEART VILLA APARTMENTS PROJECT, LOCATED AT APPROXIMATELY 120 S. TRINITY STREET, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:

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Michael Reyes
 Acting Secretary/Treasurer

DocuSigned by:

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Miranda Castro
 Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-18, concerning the application of Rufino Contreras Affordable Housing, Inc. or an affiliate thereof relating to the proposed financing of up to \$12,000,000 of the costs of the construction, rehabilitation, and equipping of the Sacred Heart Villa Apartments Project, located at approximately 120 S. Trinity Street, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

Today, we seek authority to file applications for the proposed Sacred Heart Villa Apartments project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap allocation, which may not be awarded until the end of the year or next year, if any volume cap is available. We need to apply as soon as possible. Accordingly, we ask the Board to authorize these actions to seek a volume cap allocation. **We are not asking the Board to specifically approve or be bound to this project at this time.** This will enable us to move forward, participate in the volume cap allocation process, begin to put together a financing strategy and negotiate specific terms of the deal, which will be presented to the Board for approval at a later date.

The Sacred Heart Villa Apartments project is a 48-unit rehabilitation project proposed by Rufino Contreras Affordable Housing, Inc. ("User"), located at 120 S. Trinity Street, San Antonio, Texas. User is also exploring possibly constructing an additional 48 units on the same site. It is proposed that 100% of the units will be reserved for tenants earning 60% or less of median income. The rehabilitation will include improvements to the existing units. The total project cost is estimated to be approximately \$18.5 million.

Las Varas Public Facility Corporation will be the proposed issuer of the Bonds. The attached resolution authorizes Las Varas Public Facility Corporation to approve an Inducement Resolution for the above project. No Opportunity Home affiliate will serve as the general partner in this project.

CONTRACT OVERSIGHT:

Miranda Castro, Chief Asset Management Officer

STRATEGIC OUTCOME:

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

ATTACHMENTS:

Resolution 24LVPFC-10-18

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-18**

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

1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the “Board”) held a meeting on October 9, 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-10-18, CONCERNING THE APPLICATION OF RUFINO CONTRERAS AFFORDABLE HOUSING, INC. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$12,000,000 OF THE COSTS OF THE CONSTRUCTION, REHABILITATION, AND EQUIPPING OF THE SACRED HEART VILLA APARTMENTS PROJECT, LOCATED AT APPROXIMATELY 120 S. TRINITY STREET, 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 9th day of October 2024.

Michael Reyes

Acting Secretary/Treasurer

**Opportunity Home San Antonio
Resolution 24LVPFC-10-18**

RESOLUTION 24LVPFC-10-18, CONCERNING THE APPLICATION OF RUFINO CONTRERAS AFFORDABLE HOUSING, INC. OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING OF UP TO \$12,000,000 OF THE COSTS OF THE CONSTRUCTION, REHABILITATION, AND EQUIPPING OF THE SACRED HEART VILLA APARTMENTS PROJECT, LOCATED AT APPROXIMATELY 120 S. TRINITY STREET, 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, Rufino Contreras Affordable Housing, Inc., or an affiliate thereof (the “User”), has filed an Application (the “Application”) requesting that (i) the Issuer finance the construction, rehabilitation, and equipping of an existing 48-unit multifamily housing facility located at approximately 120 S. Trinity Street, San Antonio, Texas, and to be known as the Sacred Heart Villa Apartments (the “Project”); and (ii) the Issuer file a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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 construction, rehabilitation, 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 financing costs permitted by the Act (“Development Costs”) for the Project; and

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that construction, rehabilitation, 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 not to exceed \$12,000,000 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, rehabilitation, 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 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 an "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, rehabilitation, 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 rehabilitate the Project.

NOW, THEREFORE, BE IT RESOLVED that 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 \$12,000,000;
- (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); construction, rehabilitation, 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, rehabilitation, 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 construction, rehabilitation, equipping, and improvement of the Project, as requested by the User and within the 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, rehabilitation, 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 a 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 hearing and the date, place, and manner of its 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 that will not exceed \$12,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting 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 this 9th day of October 2024.

Attested and approved as to form:

Gabriel Lopez

Chair, Board of Directors

Michael Reyes

Acting Secretary/Treasurer

Sacred Heart Villa Bond Inducement

Miranda Castro | Chief Asset Management Officer

AUTHORIZING BONDS

Sacred Heart

REHAB DETAILS

- We are asking the board to authorize this action in order to seek a volume cap allocation

Total Project Cost

\$12 million

- **48 unit** rehab projects by Rufino Contreras Affordable Housing, Inc.

Unit Mix Proposed 1

100% of units 60% < AMI

- Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

EXISTING

SACRED HEART VILLA



PROJECT DESCRIPTION

Sacred Heart Villa in San Antonio, Texas, is an existing 48-unit HUD 202 Senior property built in 1983. The Cesar Chavez Foundation (CCF) is seeking housing tax credits, bond funds, and additional funding sources to rehab the existing property and add a new building to the site that would potentially double the unit count of low-income senior housing at this property.

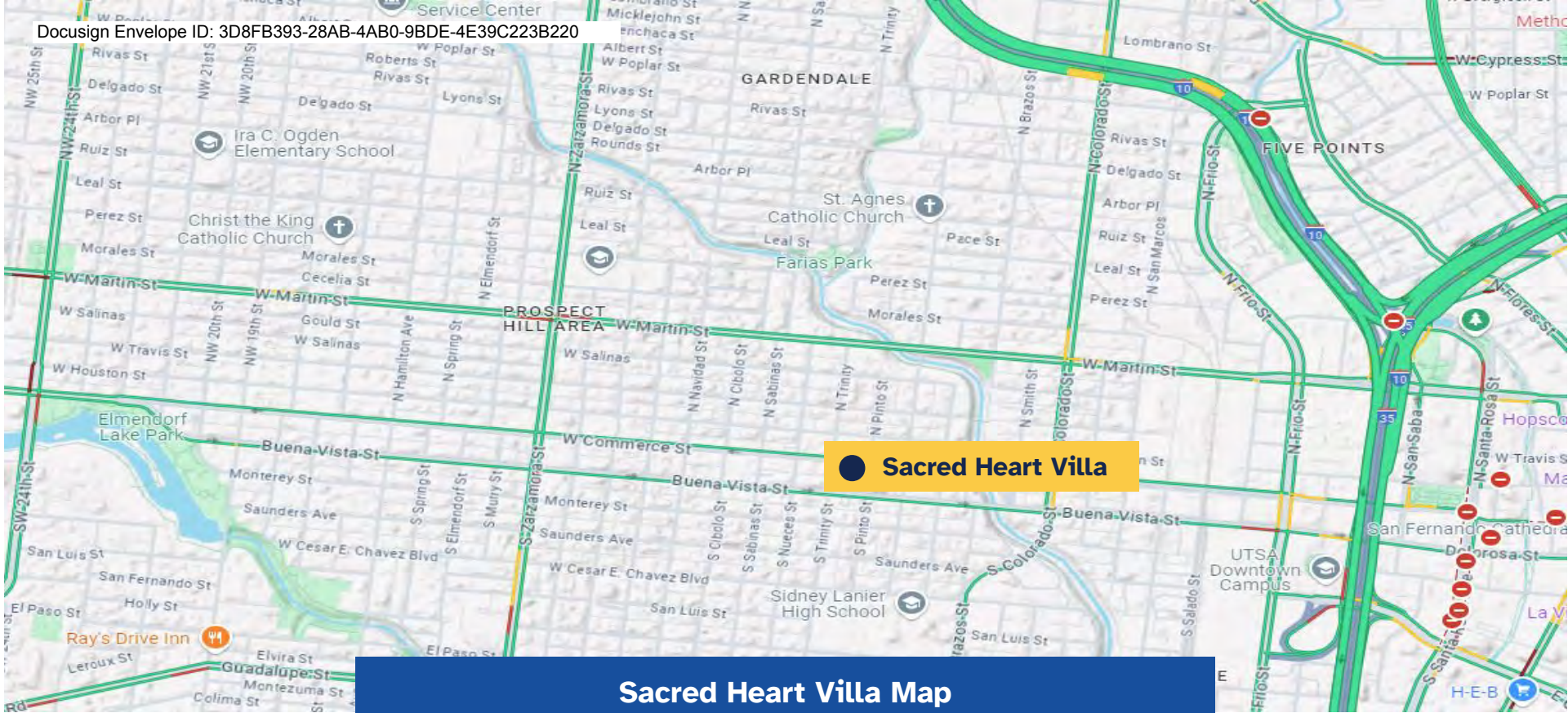
UNIT MIX

The property is designated 100% to low-income seniors. There are 46 one-bedroom/one-bathroom units and 2 two-bedroom/one-bathroom units. The one-bedroom units are 554 square feet (SF), except for the 2 one-bedroom units that are designated as handicapped/wheelchair accessible and they are 681 SF. Of the two-bedroom units, 1 is 798 SF and the other one is designated as handicapped/wheelchair accessible and is 917 SF.

CCF has obtained the zoning change from the City of San Antonio to allow construction of the additional building on the Property.

Site Location

The site is located at 120 S. Trinity Street, San Antonio, Texas 78207, Census Tract: 1702, and is 1.86 acres in total.



● Sacred Heart Villa

Sacred Heart Villa Map
120 S. Trinity Street



SOUTH ELEVATION
SACRED HEART VILLA

Rendering Of Proposed New Addition



Graphic Designs Of Proposed Addition

Questions?

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

RESOLUTION 24LVPFC-10-20, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$30,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE VILLAS DE COSTA VALENCIA PROJECT, LOCATED AT 13656 O’CONNOR ROAD, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:

33A0F1CEDA1479...
Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:

4D1BA70BDE004B0...
Miranda Castro
Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-20, concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$30,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Villas de Costa Valencia Project, located at 13656 O’Connor Road,, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

We seek authority to file one or more applications for the proposed Villas de Costa Valencia 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until later this year or early next year if any volume cap is available. We need to submit our applications as soon as we can. Accordingly, we are asking you to authorize these actions so that we may get in line, but **we are not asking you to approve or be bound to this project specifically. These are non-binding Resolutions.** This will enable us to move forward, apply for a volume cap, begin to put the financing together and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Villas de Costa Valencia project (the “Project”), located at 13656 O’Connor Road, San Antonio, Texas, 78227, is to be acquired and rehabilitated by Opportunity Home San Antonio. The Project consists of 230 units, all reserved for tenants earning 60% or less of the median income.

The total project cost is approximately \$30,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

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

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-20

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-20**

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 Issuer (the “Board”) held a meeting on October 9, 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-10-20, CONCERNING THE APPLICATION OF
OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF
RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$30,000,000
OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING
OF THE VILLAS DE COSTA VALENCIA PROJECT, LOCATED AT 13656
O’CONNOR DRIVE, 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-20**

RESOLUTION 24LVPFC-10-20, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$30,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE VILLAS DE COSTA VALENCIA PROJECT, LOCATED AT 13656 O’CONNOR ROAD, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), 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 (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, Opportunity Home San Antonio or an affiliate thereof (the “User”) has filed an Application (the “Application”) requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of a 230-unit multifamily housing facility located at 13656 O’Connor Road (the “Project”) and known as Villas de Costa Valencia (the “Project”); and (ii) the Issuer file 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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, rehabilitation, 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 the acquisition, rehabilitation, 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 \$30,000,000 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and payment 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 137.001 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 an "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, rehabilitation, equipping, and improvements 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 that 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 of up to \$30,000,000;

(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 the 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, rehabilitation, 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, rehabilitation, 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 payment the costs of completing the acquisition, rehabilitation, equipping, and improvement of the Project, as requested by the User and within the 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 payment principal of, interest on, redemption premiums on, payment 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, rehabilitation, 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 with 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 2025 and/or 2026 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 revised required 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 hearing 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 \$30,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 provisions 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 this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Villas de Costa Valencia

Miranda Castro | Chief Asset Management Officer

Resyndication



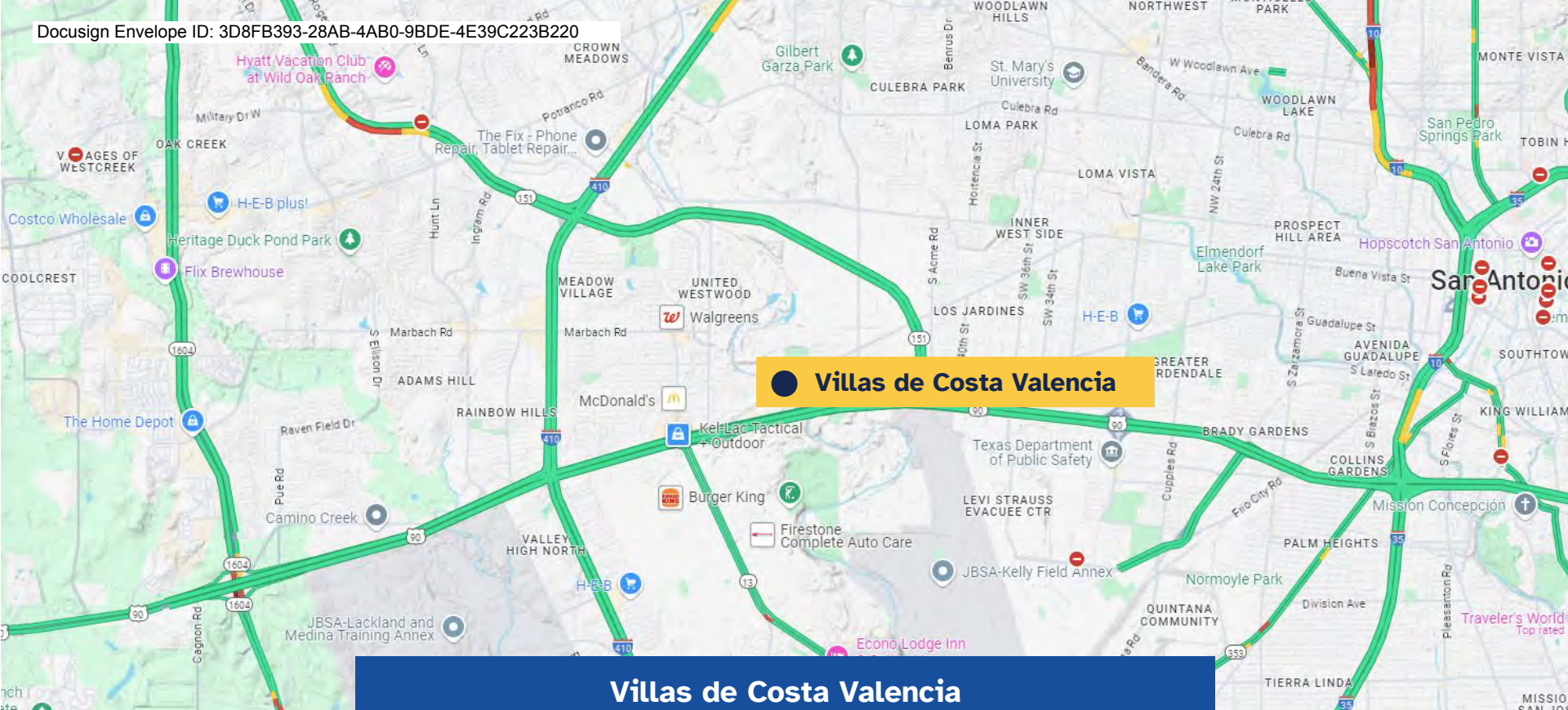
Total Units: **230**

- **100%** at 60% AMI

Approximately a **\$30,000,000 bond allocation** to be issued by Las Varas Public Facility Corporation.

Property to be acquired and rehabilitated by a **developer to be determined.**

4% Tax Credit application to be submitted.



Villas de Costa Valencia

Villas de Costa Valencia
6303 US Highway 90W

Questions?

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

RESOLUTION 24LVPFC-10-21, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$35,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE ROSEMONT AT HIGHLAND PARK PROJECT, LOCATED AT 1303 RIGSBY DRIVE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:


Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:


Miranda Castro
Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-21, concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$35,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Rosemont at Highland Park Project, located at 1303 Rigsby Drive, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

We seek authority to file one or more applications for the proposed Rosemont at Highland Park 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until later this year or early next year, if any volume cap is available. We need to submit our applications as soon as we can. Accordingly, we are asking you to authorize these actions so that we may get in line, but ***we are not asking you to approve or be bound to this project specifically. These are non-binding Resolutions.*** This will enable us to move forward, apply for a volume cap, begin to put the financing together and negotiate the specific terms of the deal, which we will bring back to you for approval.

Opportunity Home San Antonio is to acquire and rehabilitate the Rosemont at Highland Park Project at 1303 Rigsby Drive, San Antonio, Texas, 78210. The Project comprises 252 units, all reserved for tenants earning 60% or less of the median income.

The total project cost is approximately \$35,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

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

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-21

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-21**

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 Issuer (the “Board”) held a meeting on October 9, 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-10-21, CONCERNING THE APPLICATION OF
OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF
RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$35,000,000
OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING
OF THE ROSEMONT AT HIGHLAND PARK PROJECT, LOCATED AT 1303
RIGSBY DRIVE, 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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-21**

RESOLUTION 24LVPFC-10-21, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$35,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE ROSEMONT AT HIGHLAND PARK, LOCATED AT 1303 RIGSBY DRIVE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), 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 (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, Opportunity Home San Antonio or an affiliate thereof (the “User”) has filed an Application (the “Application”) requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of a 252-unit multifamily housing facility located at 1303 Rigsby Drive (the “Project”) and known as Rosemont at Highland Park (the “Project”); and (ii) the Issuer file 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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, rehabilitation, 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 the acquisition, rehabilitation, 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 \$35,000,000 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and payment 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 137.001 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 an "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, rehabilitation, equipping, and improvements 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 that 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 of up to \$35,000,000;

(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 the 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, rehabilitation, 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, rehabilitation, 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 payment the costs of completing the acquisition, rehabilitation, equipping, and improvement of the Project, as requested by the User and within the 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 payment principal of, interest on, redemption premiums on, payment 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, rehabilitation, 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 with 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 2025 and/or 2026 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 revised required 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 hearing 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 \$35,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 provisions 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 this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

Rosemont at Highland Park

Miranda Castro | Chief Asset Management Officer

Resyndication



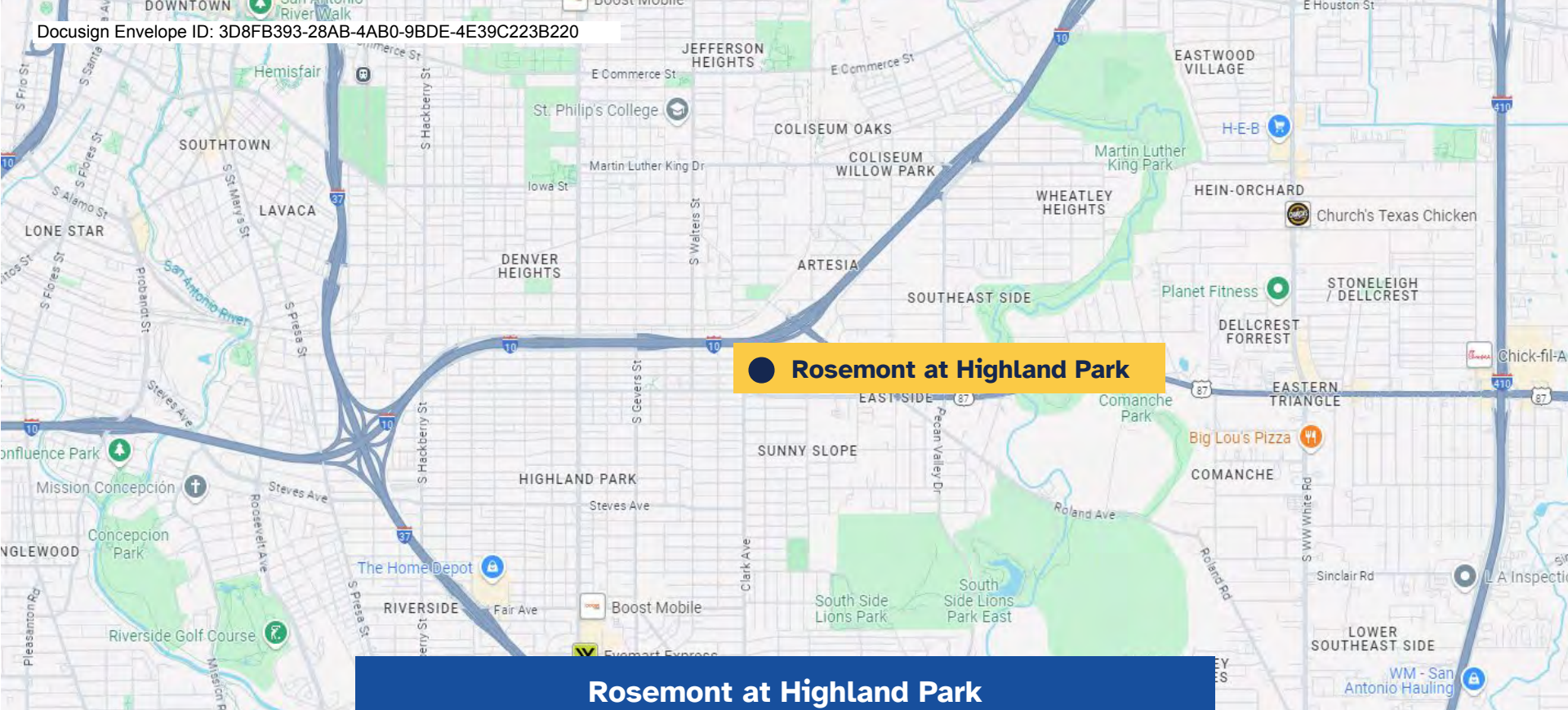
Total Units: **252**

- **100%** at 60% AMI

Approximately a **\$35,000,000 bond allocation** to be issued by Las Varas Public Facility Corporation.

Property to be acquired and rehabilitated by a **developer to be determined.**

4% Tax Credit application to be submitted.



Rosemont at Highland Park

Rosemont at Highland Park
1303 Rigsby Ave

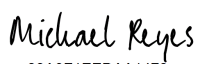
Questions?

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

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

RESOLUTION 24LVPFC-10-22, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE PARK AT SUTTON OAKS PROJECT, LOCATED AT 1010 LOCKE LANE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:


Michael Reyes
Acting Secretary/Treasurer

DocuSigned by:


Miranda Castro
Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 24LVPFC-10-22, concerning the application of Opportunity Home San Antonio or an affiliate thereof relating to the proposed financing not to exceed \$20,000,000 of the costs of the acquisition, rehabilitation, and equipping of the Park at Sutton Oaks, located at 1010 Locke Lane Drive, San Antonio, Texas; and other matters in connection therewith.

SUMMARY:

We seek authority to file one or more applications for the proposed Park at Sutton Oaks 4% tax credit project. As you will recall, all 4% tax credit projects must be financed partly with tax-exempt bonds. The issuer must obtain a volume cap allocation from the Texas Bond Review Board to issue tax-exempt bonds. This is time-sensitive and can be competitive. We will apply for a volume cap, which may not be awarded until later this year or early next year if any volume cap is available. We need to submit our applications as soon as we can. Accordingly, we are asking you to authorize these actions so that we may get in line, but **we are not asking you to approve or be bound to this project specifically. These are non-binding Resolutions.** This will enable us to move forward, apply for a volume cap, begin to put the financing together and negotiate the specific terms of the deal, which we will bring back to you for approval.

The Park at Sutton Oaks project (the "Project") will be acquired and rehabilitated by Opportunity Home San Antonio, located at 1010 Locke Lane Drive, San Antonio, Texas, 78208. The Project comprises 208 units, all reserved for tenants earning 60% or less of the median income.

The total project cost is approximately \$20,000,000. Las Varas Public Facility Corporation will be the proposed issuer of the bonds.

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

LAS VARAS PUBLIC FACILITY CORPORATION

October 9, 2024

STRATEGIC OUTCOMES:

Opportunity Home residents live in quality affordable housing.

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

ATTACHMENTS:

Resolution 24LVPFC-10-22

Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 24LVPFC-10-22**

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 Issuer (the “Board”) held a meeting on October 9, 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-10-22, CONCERNING THE APPLICATION OF
OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF
RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000
OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING
OF THE PARK AT SUTTON OAKS PROJECT, LOCATED AT 1010 LOCKE LANE,
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 9th day of October 2024.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 24LVPFC-10-22**

RESOLUTION 24LVPFC-10-22, CONCERNING THE APPLICATION OF OPPORTUNITY HOME SAN ANTONIO OR AN AFFILIATE THEREOF RELATING TO THE PROPOSED FINANCING NOT TO EXCEED \$20,000,000 OF THE COSTS OF THE ACQUISITION, REHABILITATION, AND EQUIPPING OF THE PARK AT SUTTON OAKS PROJECT, LOCATED AT 1010 LOCKE LANE, SAN ANTONIO, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Housing Authority of the City of San Antonio, Texas a/k/a Opportunity Home San Antonio (“Opportunity Home San Antonio”), 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 (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, Opportunity Home San Antonio or an affiliate thereof (the “User”), has filed an Application (the “Application”) requesting that (i) the Issuer finance the acquisition, rehabilitation, and equipping of a 208-unit multifamily housing facility located at 1010 Locke Lane (the “Project”) and known as Park at Sutton Oaks (the “Project”); and (ii) the Issuer file 2025 and/or 2026 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications 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, rehabilitation, 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 the acquisition, rehabilitation, 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 \$20,000,000 and to expend the proceeds thereof to pay Development Costs, including costs of acquisition, rehabilitation, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and payment 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 137.001 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 an "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, rehabilitation, equipping, and improvements 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 that 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 of up to \$20,000,000;

(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 the 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, rehabilitation, 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, rehabilitation, 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 payment the costs of completing the acquisition, rehabilitation, equipping, and improvement of the Project, as requested by the User and within the 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 payment principal of, interest on, redemption premiums on, payment 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, rehabilitation, 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 with 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 2025 and/or 2026 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 revised required 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 hearing 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 \$20,000,000. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 13. The Board authorizes the Acting President, Vice President, Acting 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 provisions 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 this 9th day of October 2024.

Gabriel Lopez
Chair, Board of Directors

Attested and approved as to form:

Michael Reyes
Acting Secretary/Treasurer

The Park at Sutton Oaks

Miranda Castro | Chief Asset Management Officer

Resyndication



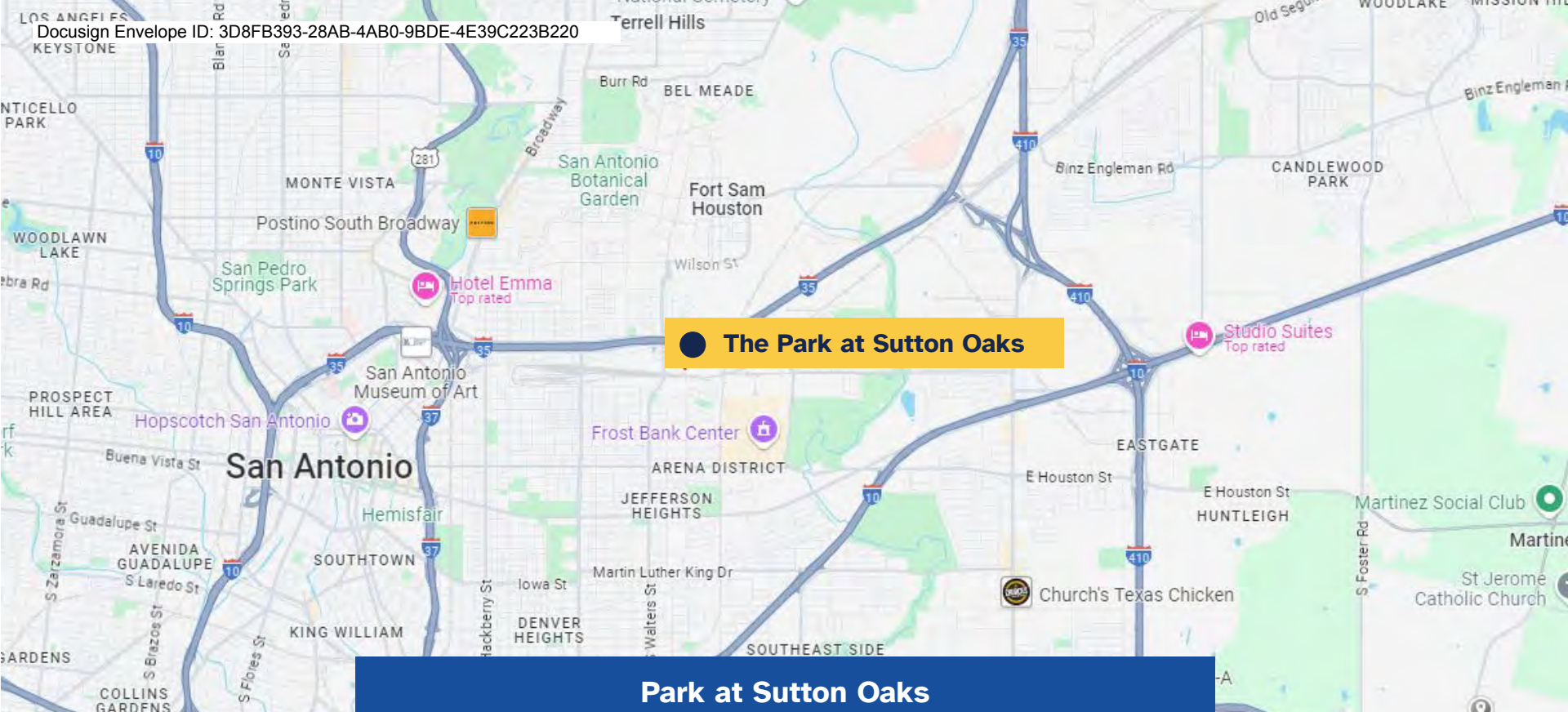
Total Units: **208 units** (49 Public Housing)

- **49** Units \leq 30% AMI
- **25** Units \leq 50% AMI
- **88** Units \leq 60% AMI
- **46** Units \leq Market Rate

Approximately a **\$20,000,000 bond allocation** to be issued by Las Varas Public Facility Corporation.

Property to be acquired and rehabilitated by a **developer to be determined.**

4% Tax Credit application to be submitted.



● **The Park at Sutton Oaks**

Park at Sutton Oaks
1010 Locke St, 78208

Questions?