



SAN ANTONIO HOUSING FINANCE
 CORPORATION MEETING
 FEBRUARY 5, 2025



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

BOARD OF DIRECTORS

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

ACTING PRESIDENT & CEO

Michael Reyes

SAN ANTONIO HOUSING FINANCE CORPORATION MEETING

1:00 p.m. | Wednesday | February 5, 2025

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 March 6, 2024, San Antonio Housing Finance Corporation meeting minutes

CONSENT ITEM

4. Consideration and approval regarding Resolution 25FIN-01-01, authorizing the refinancing of the Artisan at Mission Creek Apartments Project, including entering into a loan agreement and issuing the housing revenue refunding note (Artisan at Mission Creek Apartments Project), Series 2025, in an amount not to exceed \$14,500,000; the execution of all documentation necessary to carry out such transactions; and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)
5. Adjournment

Posted on 1/29/2025 5:00 PM

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

“Pursuant to § 30.06, Penal Code, (trespass by holder license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun.”

“Pursuant to § 30.07, Penal Code, (trespass by holder license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly.”



MINUTES OF SAN ANTONIO HOUSING FINANCE CORPORATION MEETING

I. Call to Order:

Chair Lopez called the San Antonio Housing Finance Corporation Meeting to order at 5:21 PM CST on March 6, 2024. The meeting was held at the Opportunity Home Central Office located at 818 S. Flores St. San Antonio, TX 78204.

Directors Present:

Chair Gabriel Lopez, Vice Chair Gilbert Casillas, Dalia Contreras, Leilah Powell, and Vincent Robinson.

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

President and CEO Ed Hinojosa, Jr.; and Miranda Castro, Director of Asset Management.

Vicky Cavazos Jones, Interpreter, BCC Languages LLC.

Directors Absent:

Estrellita Garcia-Diaz and Janet Garcia.

Quorum:

A quorum was established with five (5) voting members present.

Citizens to be Heard

I. Citizens to be Heard

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

Minutes

II. Minutes

Approval of the June 1, 2022, San Antonio Housing Finance Corporation meeting minutes

Consent Item

III. Resolution 24FIN-03-06

Consideration and approval regarding Resolution 24FIN-03-06, authorizing the sale of the Artisan at Salado Falls Apartments; and other matters in connection therewith (Miranda Castro, Director of Asset Management)



Main Motion Regarding Items 2-3

Moved by Vice Chair Casillas. Seconded by Directors Robinson and Contreras. The motion carried with five (5) in favor and none against by a voice vote.

IV. Adjournment

The meeting adjourned at 5:23 PM CST.

ATTEST:

Gabriel Lopez

Chair, Board of Directors

Date

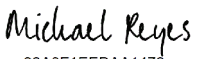
Michael Reyes

Acting Secretary/Treasurer

Date

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

RESOLUTION 25FIN-01-01, AUTHORIZING THE REFINANCING OF THE ARTISAN AT MISSION CREEK APARTMENTS PROJECT, INCLUDING ENTERING INTO A LOAN AGREEMENT AND ISSUING THE HOUSING REVENUE REFUNDING NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, IN AN AMOUNT NOT TO EXCEED \$14,500,000; THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTIONS; AND OTHER MATTERS IN CONNECTION THEREWITH

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Michael Reyes
Acting President and CEO

DocuSigned by:

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Miranda Castro
Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 25FIN-01-01, authorizing the refinancing of the Artisan at Mission Creek Apartments Project, including entering into a loan agreement and issuing the housing revenue refunding note (Artisan at Mission Creek Apartments Project), Series 2025, in an amount not to exceed \$14,500,000; the execution of all documentation necessary to carry out such transactions; and other matters in connection therewith.

SUMMARY:

The Project is located at 7423 Yarrow Blvd., San Antonio, Texas, and consists of 252 units, all of which are low-income housing tax credit units serving families at or below 60% AMI. The federal compliance period ended in 2022, and the extended use period ends in 2037.

The Partnership currently owns the Project. As previously authorized by Resolutions 6609, 24FAC-11-06, and 24LVFPC-11-04, San Antonio Housing Facility Corporation, or an affiliate thereof, has been authorized and expects to purchase and assume the limited partner interests in the Partnership. As required by the documents providing for the issuance of the 2006 Bonds, the Partnership requested the written consent of the loan servicer for the 2006 Bonds to proceed with such purchase and assumption of limited partner interests. The loan servicer is requiring a payment equal to 1% of the outstanding principal amount of the 2006 Bonds, or approximately \$126,740, as a condition to provide its written consent.

Accordingly, Asset Management has determined that financial and administrative efficiencies may be achieved by authorizing: (i) the General Partner to exercise the Partnership’s option to direct the Issuer to call the 2006 Bonds for redemption prior to maturity; (ii) SAHFC to create a component entity, of which SAHFC shall serve as sole member, for the purpose of assuming the General Partner interest and the Limited Partner interests provided for in the Transfer (the “Component Entity”); (iii) the Component Entity and the Issuer to enter into a loan agreement with Frost Bank in an amount not to exceed \$14,500,000, the proceeds of which will be loaned to the Component Entity and used to refund the 2006 Bonds prior to maturity and to pay the costs of issuance of the 2025 Note; (iv) the Issuer to issue the 2025 Note, which will be secured by a mortgage lien on the Project; and (v) the General Partner and the Component Entity to take necessary action to merge, convert, and/or dissolve the Partnership.

SAN ANTONIO HOUSING FINANCE CORPORATION

February 5, 2025

STRATEGIC OUTCOMES:

Residents have a sufficient supply of affordable housing options
Residents live in quality, affordable housing

ATTACHMENTS:

Resolution 25FIN-01-01
Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 25FIN-01-01**

The undersigned officer of the San Antonio Housing Finance 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 February 5, 2025 (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 25FIN-01-01, AUTHORIZING THE REFINANCING OF THE ARTISAN AT MISSION CREEK APARTMENTS PROJECT, INCLUDING ENTERING INTO A LOAN AGREEMENT AND ISSUING THE HOUSING REVENUE REFUNDING NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, IN AN AMOUNT NOT TO EXCEED \$14,500,000; THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTIONS; 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 5th day of February 2025.

Michael Reyes
Acting Secretary/Treasurer

**San Antonio Housing Finance Corporation
Resolution 25FIN-01-01**

RESOLUTION 25FIN-01-01, AUTHORIZING THE REFINANCING OF THE ARTISAN AT MISSION CREEK APARTMENTS PROJECT, INCLUDING ENTERING INTO A LOAN AGREEMENT AND ISSUING THE HOUSING REVENUE REFUNDING NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, IN AN AMOUNT NOT TO EXCEED \$14,500,000; THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT SUCH TRANSACTIONS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the San Antonio Housing Finance Corporation (the “Issuer”) has developed a program of issuing bonds and loaning their proceeds to defray, in whole or in part, all reasonable or necessary costs incidental to the acquisition, renovation, construction, and improvement of land, improvements, and related property intended to be occupied by persons of low or moderate income, and to refund such bonds; and

WHEREAS, the Issuer issued its Multifamily Housing Revenue Bonds (Artisan at Military Apartments Project), Series 2006 (the “2006 Bonds”), the proceeds of which were loaned to ARDC Military, Ltd., a Texas limited partnership (the “Partnership”), to finance the cost of acquiring, constructing, and equipping the Artisan at Mission Creek Apartments Project, located at 7423 Yarrow Boulevard, San Antonio, Texas 78224 and consisting of 252 units, all of which are low-income housing tax credit units serving families at or below 60% AMI (the “Project”); and

WHEREAS, Las Varas Public Facility Corporation (“LVPFC”) is the fee owner of the land on which the Project is located (the “Land”) and ground lessor under a Ground Lease by and between LVPFC, as the landlord, and the Partnership, as the tenant, dated as of May 10, 2006 (the “Ground Lease”), providing for a lease of the Land to the Partnership for the purpose of constructing and operating the Project upon the Land; and

WHEREAS, the Partnership is the fee owner of the improvements comprising the Project; and

WHEREAS, concurrent herewith, San Antonio Housing Facility Corporation (“SAHFC”) is authorizing the formation of a limited liability company, of which SAHFC will be the sole member, for the purpose of assuming the Limited Partner and General Partner interests in the Partnership (the “Component Entity”); and

WHEREAS, the Issuer has been requested to issue its “Multifamily Housing Revenue Refunding Note (Artisan at Mission Creek Apartments Project), Series 2025” in the aggregate principal amount of not to exceed \$14,500,000 (the “2025 Note”), the proceeds of which will be loaned to the Component Entity to finance the cost of refunding the 2006 Bonds and the costs of issuance of the 2025 Note (collectively, the “Refunding Project”); and

WHEREAS, the 2025 Note will be issued pursuant to a Loan Agreement (the “Loan Agreement”) by and among the Issuer, the Component Entity, as borrower, and Frost Bank, as lender (the “Lender”), which shall be subject to the terms of a Regulatory Agreement and Declaration of

Restrictive Covenants (the “Regulatory Agreement”) among the Issuer, the Borrower, and the Lender; and

WHEREAS, there have been presented to the Issuer forms of a Leasehold Deed of Trust, Security Agreement – Financing Statement of the Borrower for the benefit of the Issuer to secure the Borrower’s obligations under the Loan Agreement and the 2025 Note, and a Deed of Trust, Security Agreement – Financing Statement of LVPFC, as ground lessor under the Ground Lease, for the benefit of the Lender (together, the “Mortgage”); and

WHEREAS, the Issuer is authorized to issue the 2025 Note pursuant to the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, the Issuer has determined that issuance of the 2025 Note is necessary to effect the Refunding Project; and

WHEREAS, the forms of the Loan Agreement, the 2025 Note, the Regulatory Agreement, and the Mortgage have been made available to this Board of Directors for consideration; and

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the corporate purposes of the Issuer and that the terms and conditions of the 2025 Note and the above-described instruments are advisable.

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

Section 1. The terms of the Loan Agreement, the 2025 Note, the Regulatory Agreement, and the Mortgage in substantially the forms and to the effect presented to this Board of Directors are hereby approved.

Section 2. The Acting Secretary/Treasurer, and each officer of the Issuer (each an “Executing Officer”), or any of them, are hereby authorized and directed to negotiate, execute, and deliver (or to accept, as the case may be), any documents and other instruments, including, but not limited to, the Loan Agreement, the 2025 Note, the Regulatory Agreement, and the Mortgage upon the conditions therein described or necessary or desirable in connection with the issuance of the 2025 Note or to give effect to the actions authorized hereby and the intent hereof, and approval of the terms of any of the documents by the Executing Officer and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 3. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 4. The 2025 Note, in the aggregate principal amount not to exceed \$14,500,000 shall bear interest at an interest rate of not to exceed the maximum lawful rate, in substantially the form and substance set forth in the Loan Agreement, is hereby approved, and the Acting

Secretary/Treasurer and each Assistant Secretary/Treasurer are hereby authorized and directed, for and on behalf of the Issuer, to execute the 2025 Note, and such officers are hereby authorized and directed to deliver the 2025 Note. Authentication of the 2025 Note upon the terms and conditions and in the manner described in the Loan Agreement as the same may be modified is authorized by this Resolution. The final principal amount, interest rate, maturity date (not to exceed the amount, rate, and maximum term set forth above), and final redemption date and price for the 2025 Note shall be set forth in the final form of the Loan Agreement. The proceeds of the 2025 Note are hereby authorized to be utilized as set forth herein and in the Loan Agreement.

Section 5. This Board of Directors hereby determines and confirms that the issuance of the 2025 Note to effect the Refunding Project will promote the public purposes set forth in Section 394.002 of the Act.

Section 6. All acts heretofore taken by the officers of this Board in connection with the matters authorized by this Resolution are hereby ratified, confirmed, and approved by the Board.

Section 7. The 2025 Note shall be a limited obligation of the Issuer payable solely from the revenues, funds, and assets pledged under the Loan Agreement to secure payment of the 2025 Note, and under no circumstances shall the 2025 Note be payable from any other revenues, funds, assets, or income of the Issuer.

Section 8. The 2025 Note shall not constitute an indebtedness, liability, general, special, or moral obligation, or a pledge or loan of the faith and credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, or any other political subdivision or governmental unit.

Section 9. After the 2025 Note is issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provision for payment shall have been made pursuant to the Loan Agreement.

Section 10. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 11. 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 12. 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 13. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 14. This Resolution shall be in force and effect from and after its passage.

Passed and approved this 5th day of February 2025.

Gabriel Lopez

Chair, Board of Directors

Attested and approved as to form:

Michael Reyes

Acting Secretary/Treasurer

Artisan At Mission Creek Bond Defeasance and Refinance

Miranda Castro | Chief Asset Management Officer



Transaction History



Construction Completed
November 2007

Total Units: 252

100% at or below 60% AMI

Total Development Cost:
\$22,459,336 (\$89,124 per unit)

Occupancy Rate
92%

- Mixed finance transaction with Franklin Development, which closed on May 1, 2006.
- Project financed with mortgage debt (bonds issued by San Antonio Housing Finance Corporation) and tax credits.
- The last 15 years, Franklin Property Management has managed and overseen the property operations.

Bond Defeasance and Refinance



- Expenditure of MTW funds and Acquisition of the ILP Interest Limited Partner were Board Approved on December 4, 2024.
- The original plan presented at the December Board meeting was to assume the current mortgage and use MTW funding to pay out the ILP interest; however, due to changes in the market it is more prudent to defease the bond and refinance.
- Requesting Board authorization to defease the current bond and refinance the asset at acquisition with Frost Bank with a loan amount not to exceed \$14.5 million. The property has a current market value of \$21.5 million.

Per the last audit, the bond had a balance of **\$12,787,109.**

Docusign Envelope ID: 22C9BF0A-AF61-49D0-A381-D385E8242E15



ARTISAN AT MISSION CREEK
7423 Yarrow Blvd, San Antonio TX 78224



Questions?