



LAS VARAS PUBLIC FACILITY
CORPORATION MEETING
FEBRUARY 5, 2025



A COMMUNITY OF POSSIBILITIES

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 | 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 December 4, 2024, Las Varas Public Facility Corporation meeting minutes

CONSENT ITEMS

4. Consideration and approval regarding Resolution 25LVPFC-01-01, authorizing the exercise of ARDC Military, Ltd.'s option to refund the San Antonio Housing Finance Corporation multifamily housing revenue bonds (Artisan at Military Apartments Project), Series 2006; the transfer of the general partner interest in such partnership to a newly formed component entity of San Antonio Housing Facility Corporation, take necessary action to merge, convert, and/or dissolve such partnership, execute certain instruments in connection with the issuance of the San Antonio Housing Finance Corporation multifamily housing revenue note (Artisan at Mission Creek Apartments Project), Series 2025, and conduct 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.”



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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 2:25 PM CDT on December 4, 2024. The meeting was held at the Opportunity Home San Antonio Central Office at 818 S. Flores St., San Antonio, TX 78204.

Directors Present:

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

Adviser Present:

Doug Poneck, General Counsel.

Guests Present:

Michael Reyes, Acting President and CEO; and Miranda Castro, Chief Asset Management Officer.

Directors Absent:

Janet Garcia.

Quorum:

A quorum was established with six (6) voting members present.

Citizens to be Heard

II. Citizens to be Heard

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

Minutes

III. Minutes

Approval of the October 9, 2024, Las Varas Public Facility Corporation meeting minutes.

Main Motion Regarding Item III

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

Consent Items

IV. Resolution 24LVPFC-11-04

Consideration and approval regarding Resolution 24LVPFC-11-04, authorizing Las Varas Public Facility Corporation, as sole member of the general partner of ARDC Military, Ltd.,



A COMMUNITY OF POSSIBILITIES

to authorize and execute documents necessary to effect the purchase of the limited partner interests in such partnership by San Antonio Housing Facility Corporation or an affiliate thereof, the expenditure of Moving to Work funds to effect such purchase, and other matters in connection therewith (Miranda Castro, Chief Asset Management Officer)

Main Motion Regarding Resolution 24LVPFC-11-04

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

V. Adjournment

With no objections, Chair Lopez adjourned the meeting at 2:26 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 25LVPFC-01-01, AUTHORIZING THE EXERCISE OF ARDC MILITARY, LTD.'S OPTION TO REFUND THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (ARTISAN AT MILITARY APARTMENTS PROJECT), SERIES 2006; THE TRANSFER OF THE GENERAL PARTNER INTEREST IN SUCH PARTNERSHIP TO A NEWLY FORMED COMPONENT ENTITY OF SAN ANTONIO HOUSING FACILITY CORPORATION, TAKE NECESSARY ACTION TO MERGE, CONVERT, AND/OR DISSOLVE SUCH PARTNERSHIP, EXECUTE CERTAIN INSTRUMENTS IN CONNECTION WITH THE ISSUANCE OF THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, AND CONDUCT OTHER MATTERS IN CONNECTION THEREWITH

DocuSigned by:
Michael Reyes
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Michael Reyes
Acting President and CEO

DocuSigned by:
Miranda Castro
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Miranda Castro
Chief Asset Management Officer

REQUESTED ACTION:

Consideration and approval regarding Resolution 25LVPFC-01-01, authorizing the exercise of ARDC Military, Ltd.'s option to refund the San Antonio Housing Finance Corporation multifamily housing revenue bonds (Artisan at Military Apartments Project), Series 2006; the transfer of the general partner interest in such partnership to a newly formed component entity of San Antonio Housing Facility Corporation, take necessary action to merge, convert, and/or dissolve such partnership, execute certain instruments in connection with the issuance of the San Antonio Housing Finance Corporation multifamily housing revenue note (Artisan at Mission Creek Apartments Project), Series 2025, and conduct 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 24LVPFC-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

LAS VARAS PUBLIC FACILITY CORPORATION

February 5, 2025

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.

STRATEGIC OUTCOMES:

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

ATTACHMENTS:

Resolution 25LVPFC-01-01
Slides

**CERTIFICATE FOR RESOLUTION
RESOLUTION 25LVPFC-01-01**

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

1. In accordance with the bylaws of LVPFC, the Board of Directors of LVPFC (the “Board”) held a meeting on 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 25LVPFC-01-01, AUTHORIZING THE EXERCISE OF ARDC MILITARY, LTD.’S OPTION TO REFUND THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (ARTISAN AT MILITARY APARTMENTS PROJECT), SERIES 2006; THE TRANSFER OF THE GENERAL PARTNER INTEREST IN SUCH PARTNERSHIP TO A NEWLY FORMED COMPONENT ENTITY OF SAN ANTONIO HOUSING FACILITY CORPORATION, TAKE NECESSARY ACTION TO MERGE, CONVERT, AND/OR DISSOLVE SUCH PARTNERSHIP, EXECUTE CERTAIN INSTRUMENTS IN CONNECTION WITH THE ISSUANCE OF THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, AND CONDUCT OTHER MATTERS IN CONNECTION THEREWITH

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

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

SIGNED this 5th day of February 2025.

Michael Reyes
Acting Secretary/Treasurer

**Las Varas Public Facility Corporation
Resolution 25LVPFC-01-01**

RESOLUTION 25LVPFC-01-01, AUTHORIZING THE EXERCISE OF ARDC MILITARY, LTD.'S OPTION TO REFUND THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS (ARTISAN AT MILITARY APARTMENTS PROJECT), SERIES 2006; THE TRANSFER OF THE GENERAL PARTNER INTEREST IN SUCH PARTNERSHIP TO A NEWLY FORMED COMPONENT ENTITY OF SAN ANTONIO HOUSING FACILITY CORPORATION, TAKE NECESSARY ACTION TO MERGE, CONVERT, AND/OR DISSOLVE SUCH PARTNERSHIP, EXECUTE CERTAIN INSTRUMENTS IN CONNECTION WITH THE ISSUANCE OF THE SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE NOTE (ARTISAN AT MISSION CREEK APARTMENTS PROJECT), SERIES 2025, AND CONDUCT OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), provides that certain non-profit corporations created by housing authorities shall constitute public facility corporations, which are public corporations, constituted authorities, and instrumentalities authorized of the applicable housing authority; and

WHEREAS, the Housing Authority of the City of San Antonio, Texas, a/k/a Opportunity Home San Antonio (the "Authority"), approved and created Las Varas Public Facility Corporation ("LVPFC") and San Antonio Housing Facility Corporation ("SAHFC") pursuant to and in accordance with the provisions of the Act; and

WHEREAS, LVPFC is the sole member of 252 Military, LLC, a Texas limited liability company, the general partner (the "General Partner") of ARDC Military, Ltd., a Texas limited partnership (the "Partnership"), which is leasehold owner of the land and fee owner of the improvements comprising the Artisan at Mission Creek Apartments Project (the "Project"); and

WHEREAS, 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 Project was financed, in part, with the proceeds of the San Antonio Housing Finance Corporation Multifamily Housing Mortgage Revenue Bonds (Artisan at Military Apartments Project), Series 2006 (the "2006 Bonds"), issued in the original aggregate principal amount of \$15,000,000, pursuant to a Trust Indenture dated as of May 1, 2006 (the "2006 Indenture"), by and between San Antonio Housing Finance Corporation, as issuer (the "Issuer"), and Wells Fargo Bank, National Association, as trustee; and

WHEREAS, the proceeds of the 2006 Bonds were loaned to the Partnership pursuant to a Loan and Financing Agreement dated as of May 1, 2006 (the “2006 Loan Agreement”), by and between the Issuer and the Partnership, as borrower; and

WHEREAS, the 2006 Bonds are currently outstanding in the aggregate principal amount of approximately \$12,787,109 pursuant to the Loan Agreement and are secured by a Leasehold Deed of Trust, Security Agreement, and Assignment of Rents and Leases dated as of May 1, 2006 (the “2006 Deed of Trust”), and an Assignment of Note and Deed of Trust dated as of May 1, 2006 (“2006 Assignment of Note and Deed of Trust,” and with the 2006 Indenture, the 2006 Loan Agreement, and the 2006 Deed of Trust, the “2006 Bond Documents”); and

WHEREAS, pursuant to the 2006 Bond Documents, the Partnership has the option to direct the Issuer to refund the 2006 Bonds prior to maturity; and

WHEREAS, pursuant to Resolutions 6609, 24FAC-11-06, and 24LVPFC-11-04, the Board of Commissioners of the Authority, the Board of Directors of SAHFC, and the Board of Directors of LVPFC (the “Board”), respectively, previously authorized SAHFC, or an affiliate thereof, to purchase the interests of each of BF Holdings II SLP Inc., a Delaware corporation, the current special limited partner (the “Special Limited Partner”), MMA Artisan at Military, LLC, a Delaware limited liability company, the current investor limited partner (the “Investor Limited Partner”), and Aubra Franklin, in his individual capacity, the current Class B Limited Partner (the “Class B Limited Partner” and with the Special Limited Partner and the Investor Limited Partner, the “Limited Partners”) of the Partnership at an agreed upon aggregate purchase price of not to exceed \$2,000,000 (collectively, the “Transfer”) using Moving to Work funds to effect the Transfer, and further authorized LVPFC to authorize and execute documents necessary to effect the Transfer; and

WHEREAS, as required by the 2006 Bond Documents, the Partnership requested written consent of the loan servicer with respect to the 2006 Bonds (the “Servicer”) to effect the Transfer; and

WHEREAS, the Servicer has requested additional and unforeseen fees as a condition to providing its written consent to the Transfer; accordingly, staff have 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 (the “Call for Optional Redemption”); (ii) SAHFC to create a single member limited liability company, of which SAHFC shall serve as sole member, for the purpose of assuming the General Partner interest and the Limited Partner interests pursuant to the Transfer (the “Component Entity”); (iii) the Component Entity to enter into a loan agreement with the Issuer and Frost Bank in an amount not to exceed \$14,500,000 (the “2025 Loan”), the proceeds

of which will be used to refund the 2006 Bonds prior to maturity and to pay the costs of issuance of the 2025 Note, as hereinafter defined (the "Refunding Project"); (iv) the Issuer to issue its Multifamily Housing Revenue Refunding Note (Artisan at Military Apartments Project), Series 2025 (the "2025 Note"), which will be secured by a mortgage lien on the Project; and (v) the General Partner to take necessary action to merge, convert, and/or dissolve the Partnership (the "Partnership Dissolution"); and

WHEREAS, the Board of Directors of LVPFC (the "Board") has determined that it is in the public interest and to the benefit of the citizens and residents of San Antonio for the various entities to enter into the transactions described above.

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

Section 1. The Call for Optional Redemption and all actions of LVPFC required in connection with the 2025 Loan, the issuance of the 2025 Note, the Refunding Project, and the Partnership Dissolution are hereby authorized by this Board.

Section 2. The Acting Secretary/Treasurer, and each officer of LVPFC (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, a deed of trust or other mortgage instrument with respect to the Land necessary to secure the 2025 Note, an assignment and assumption of the General Partner interest in the Partnership to the Component Entity, an amendment to or assignment of the Ground Lease, or other such instruments necessary or desirable to give effect to the actions authorized hereby and carry out 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. 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 5. 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 6. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 7. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

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

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

Passed and approved this 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%

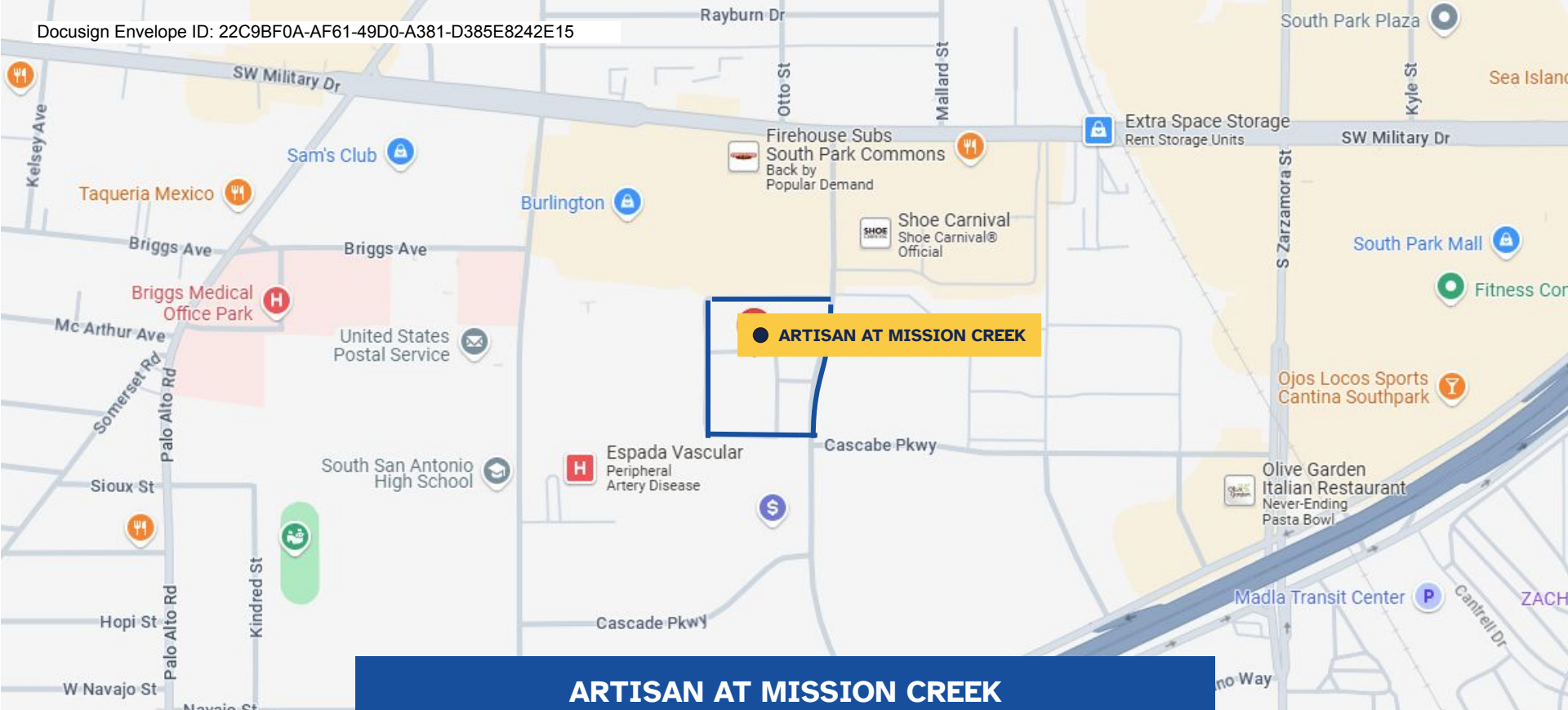
- Mixed finance transaction with Franklin Development, which closed on May 1, 2006.
- Project financed with mortgage debt (bonds issued by San Antonio Housing Finance Corporation) and tax credits.
- The last 15 years, Franklin Property Management has managed and overseen the property operations.

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.**



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

Questions?