DM:bh
06/19/2014
Item #33

AN ORDINANCE 2014-06-19-0468

AUTHORIZING THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION TO ISSUE TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED $18,000,000.00 TO PROVIDE FINANCING FOR THE CONSTRUCTION OF THE MASTER RANCH APARTMENTS PROJECT LOCATED IN COUNCIL DISTRICT 3; AUTHORIZING $297,287.00 IN SAN ANTONIO WATER SYSTEMS (SAWS) IMPACT FEE WAIVERS; ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDINANCE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

* * * * *

WHEREAS, the San Antonio Housing Trust Finance Corporation (the "Corporation") was heretofore created pursuant to action of the City Council (the "Council") of the City of San Antonio, Texas (the "City") and is existing and operating pursuant to Chapter 394, Texas Local Government Code, as amended; and

WHEREAS, the Corporation has approved the issuance of Tax-Exempt Multi-Family Housing Revenue Bonds in one or more series in an amount not to exceed $18,000,000.00 (the "Bonds") for use by Masters SA Apartments, LP.; and

WHEREAS, Article IV of the Articles of Incorporation, the Corporation provides limitations on the powers of the Corporation unless the Council otherwise authorizes; and

WHEREAS, in accordance with its Articles of Incorporation, the Corporation has requested that the Council authorize the Corporation's issuance of the Bonds to support the construction of the Masters Ranch Apartments Project (the "Project"), which will provide affordable housing within the corporate limits of the City of San Antonio; and

WHEREAS, in connection with said Project, San Antonio Water Systems (SAWS) has estimated the total impact fees at $576,000.00 to help recover capital costs associated with providing the infrastructure and other required improvements to provide service to the new development; and

WHEREAS, to mitigate the impact of the fee on the Project budget, the developer has requested a waiver of up to one percent (1%) of the total project investment, in accordance with the guidelines of the Inner City Reinvestment Infill Policy (ICRIP); and

WHEREAS, the total investment for this Project is estimated at $29,728,721.00; therefore, the maximum waiver permitted under the program is $297,287.00; and

WHEREAS, in order to timely assist in the completion of the construction of the Project, it is now necessary to authorize the issuance and disbursement of the Bonds and to approve the impact fee waivers; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. So as to enable financing certain costs for the Masters Ranch Apartments Project, the San Antonio Housing Trust Finance Corporation is hereby authorized to issue Tax-Exempt Multi-Family Housing Revenue Bonds in one or more series in an amount not to exceed $18,000,000.00, with an interest rate not to exceed 4%, with a final maturity of no more than December 31, 2020, upon approval by the Corporation's Board of Directors of substantially final documents, including offering documents and the recommendation of their and the City's financial advisor.

SECTION 2. San Antonio Water Systems (SAWS) impact fee waivers in the amount of $297,287.00 are approved in accordance with the City's Inner City Reinvestment Infill Policy (ICRIP) guidelines.

SECTION 3. The Mayor, City Manager, and the City Clerk hereby are authorized jointly and severally to execute and deliver all documents necessary to effectuate the purposes of Chapter 394, Texas Local Government Code, as amended.

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 Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 5. All ordinances and resolutions, or parts thereof which are in conflict or inconsistent with any provision of this Ordinance are hereby superseded by this Ordinance to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 6. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 8. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

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SECTION 9. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 19th day of June, 2014.

M A Y O R
Julián Castro

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

for Robert F. Greenblum, City Attorney

Agenda Item:	**33**
Date:	06/19/2014
Time:	12:17:02 PM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the San Antonio Housing Trust Finance Corporation to issue an amount up to $18,000,000 in Multifamily Housing Revenue Bonds for the Masters Ranch Multifamily Housing Project located in City Council District 3; and authorizing $297,287.00 in SAWS Impact Fee Waivers. [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor				x		
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3			x			
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				x
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

City Council Meeting Agenda Item #33

June 19, 2014

Masters Ranch

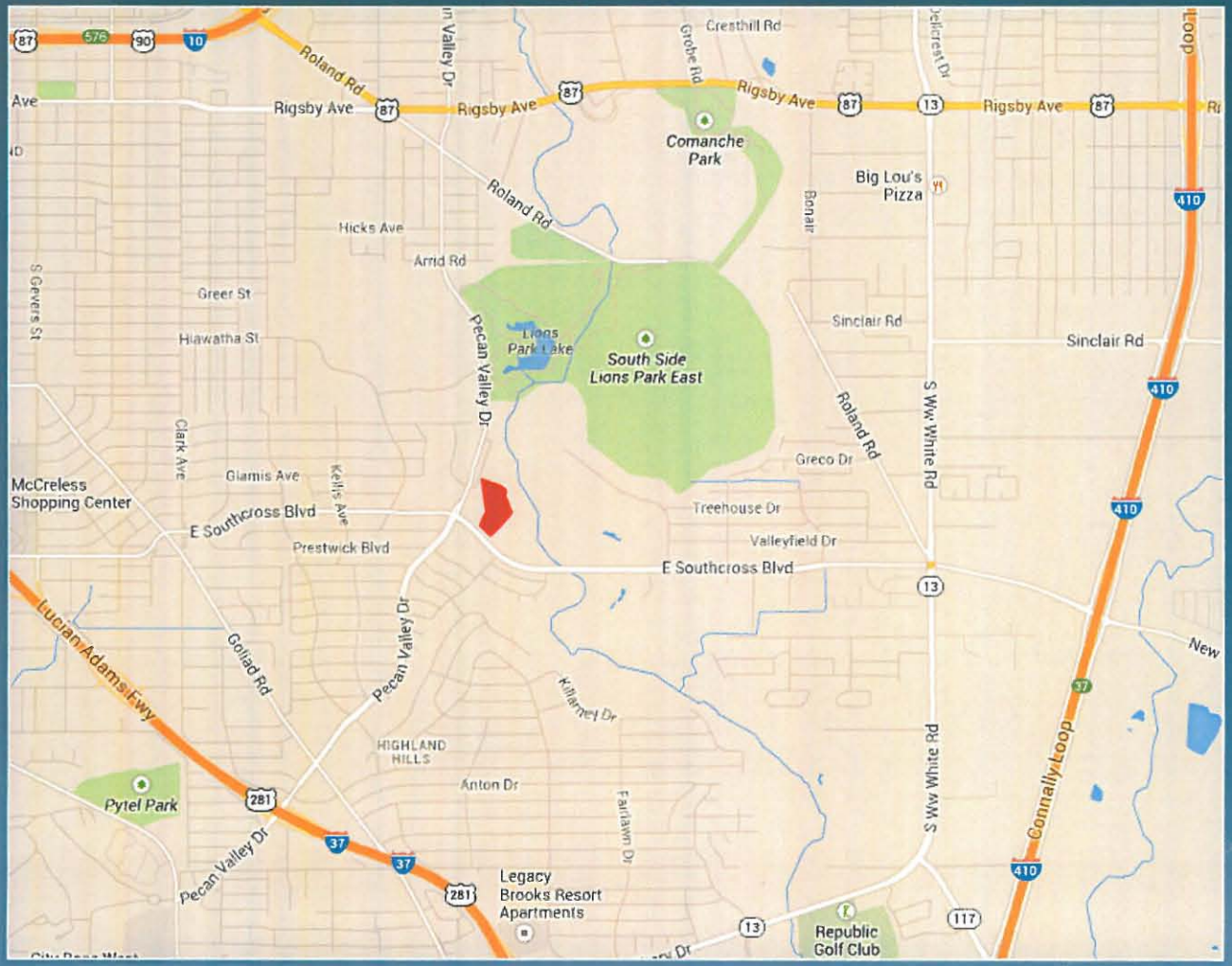
San Antonio Housing Trust Finance Corporation

Presented by John M. Dugan

Department of Planning and Community Development

Project Location

- Masters Ranch to be located at 3435 E. Southcross in CD 3



Project Description

- 252 new rental units in 13 new three-story residential buildings
  - 237 affordable residences
  - 15 market rate residences
  - 84 ground floor units are accessible
- New single story community building and sports court
- 14 seer energy efficiency HVAC
- Accessible swimming pool
- Adjacent to public transportation
- Large residences, 9ft ceilings, hardwood floors, appliance package

Project History

Timeline	Description
November 2012	•SAHT PFC Board approved authorization to proceed with Masters Ranch Application •Approved the inducement resolution for up to $18M
April 2013	•HOME funds reprogrammed for Multi-family projects
October 2013	•TDHCA Board approval of the application for private activity bonds and tax credits filed
February 2014	•SAHT PFC Board approved resolution authorizing Masters SA Apartments, LP to submit $21M application to Texas Military Value Revolving Loan Fund
June 2014	•Community meeting hosted by CD 3 Councilwoman •SAHT PFC Board approved financing structure and resolution to issue bonds •Quality of Life Committee recommends approval •TEFRA Hearing for bond issuance
July 2014	•Closing and commencement of construction
September 2015	•Project Substantially Complete

Sources & Uses of Financing

Sources:

First Mortgage (Bonds)	$18,000,000
HUD 221(d)(4)	1,150,000
COSA Federal HOME Funds	1,467,158
Sale of Tax Credits-Percentage Purchase	7,575,783
Developer Equity	1,841,382
Total Sources:	**$30,034,323**

Total Uses:

Land and Direct Construction Costs	$21,072,190
Indirect Costs (D &E, fees, insur. legal, etc.)	4,334,847
Financing Costs	3,131,490
Reserves	1,495,796
Total Uses:	**$30,034,323**

SAWS utility fee ($297K) netted out to reflect proposed Fee Waiver

Recommendation

Quality of Life Committee recommends approval of the San Antonio Housing Trust (SAHT) Finance Corporation to issue an amount up to $18,000,000 in Multifamily Housing Revenue Bonds, for the Masters Ranch Multifamily Housing Project to be located in City Council District 3 and owned by the SAHT Public Facility Corporation; and authorizing $297,287 in SAWS Impact Fee Waivers.