

A RESOLUTION
81-33-62

AUTHORIZING THE ESTABLISHMENT OF THE SAN ANTONIO HOUSING FINANCE CORPORATION AS THE PUBLIC NON-PROFIT CORPORATION FOR THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS FOR MODERATE REHABILITATION HOUSING.

* * *

WHEREAS, an application in writing requesting the authorization and approval of the creation of a nonprofit housing finance corporation, under the provisions of the "Housing Finance Corporations Act" as amended, has been filed with the governing body of the City of San Antonio, Texas, (being its City Council) by at least three natural persons, each of whom is at least 18 years of age, and each of whom is a qualified elector of the City of San Antonio, Texas; and,

WHEREAS, the City of San Antonio, Texas, is a duly incorporated Home Rule City, having more than 5,000 inhabitants operating and existing under the Constitution and laws of the State of Texas and the duly adopted Home Rule Charter of said City; NOW, THEREFORE,

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

Section 1. That, the governing body of the City of San Antonio, Texas, has found and determined, and hereby finds and determines, that said application is in proper form and that it has been signed by at least three natural persons, each of whom is at least 18 years of age, and each of whom is a qualified elector of the City of San Antonio, Texas.

Section 2. That, the governing body of the City of San Antonio, Texas, has found and determined, and hereby finds and determines, that it is advisable that a nonprofit housing finance corporation be authorized and created, with such nonprofit housing finance corporation to be known as "San Antonio Housing Finance Corporation".

Section 3. That, the governing body of the City of San Antonio, Texas, hereby approves the Articles of Incorporation and the Bylaws proposed to be used in organizing the nonprofit housing finance corporation in substantially the form as attached hereto as Exhibit A, which exhibit is incorporated herein by reference and hereby grants authority for the incorporation of the nonprofit housing finance corporation, and the initial directors named in said Articles of Incorporation shall be deemed to have been appointed, and are hereby appointed, as the initial directors by the governing body of the City of San Antonio, Texas.

Section 4. That, the bylaws shall contain a provision that the corporation shall be limited to issuing tax exempt revenue bonds for the purpose of providing financing for Moderate Rehabilitation Housing under the provisions of the U. S. Housing Act of 1937, unless the City Council otherwise authorizes. Any bonds so issued shall be in furtherance of the purposes and goals set forth for housing financing in the Housing Finance Corporations Act, as amended, as same are applicable to financing in connection with Moderate Rehabilitation Housing, or such other housing financing as the City Council may be Resolution authorize.

Section 5. That, the nonprofit housing finance corporation is hereby authorized to agree with any person, firm, corporation, or other entity to issue bonds, in accordance with and subject to the provisions of the Housing Finance Corporations Act, as amended, not to exceed in principal amount for any one project the limitations for same as set forth in the Housing Finance Corporations Act, as amended, V.A.T.S. Article 12691-7, for the sole purpose of providing financing in connection with Moderate Rehabilitation Housing under Section 8 of the U. S. Housing Act of 1937.

PASSED AND APPROVED this 25th day of June, 1981.

Henry Cisneros
MAYOR.

ATTEST:

Anna S. Rodriguez
City Clerk.

81-33

APPROVED AS TO FORM:

John S. Kullay

City Attorney

ADD-ON

S.A. HOUSING
FINANCE CORP.

48

ITEM NO.

MEETING OF THE CITY COUNCIL

DATE: 6-25-81

MOTION BY: Euseste

SECONDED BY: Alderete

ORD. NO.

ZONING CASE

RESOL.

81-33-62

PETITION

- AVIATION
- BUDGET & RESEARCH
- BUILDING INSPECTIONS
- CITY WATER BOARD
- CITIZEN ACTION & PUBLIC INFORMATION
- COMMERCIAL RECORDER
- CONVENTION & VISITORS BUREAU
- CONVENTION FACILITIES
- ECONOMIC & EMPLOYMENT DEVELOPMENT
- EQUAL EMPLOYMENT OPPORTUNITY
- FINANCE DIRECTOR
 - ASSESSOR
 - CONTROLLER
 - TREASURY DIVISION
 - GRANT SECTION
 - INTERNAL AUDIT
 - RISK MANAGEMENT
- FIRE CHIEF
- HEMISFAIR PLAZA
- HUMAN RESOURCES & SERVICES
- LEGAL-CITY ATTORNEY
- LIBRARY DIRECTOR
- MARKET SQUARE
- METROPOLITAN HEALTH DISTRICT
- MUNICIPAL COURTS
- PARKS & RECREATION
- PERSONNEL DIRECTOR
- PLANNING
- POLICE CHIEF
- PUBLIC UTILITIES SUPERVISOR
- PUBLIC WORKS DIRECTOR
 - ENGINEERING DIVISION
 - WASTEWATER ENGINEERING
 - RIGHT-OF-WAY & LAND ACQUISITION
 - TRAFFIC ENGINEERING DIVISION
- PURCHASING
- ZONING ADMINISTRATION

COUNCIL MEMBER	ROLL CALL	AYE	NAY
MARIA A. BERRIOZABAL PLACE 1		✓	
JOE WEBB PLACE 2		✓	
HELEN DUTMER PLACE 3			X
FRANK D. WING PLACE 4	-	✓	
BERNARDO EURESTE PLACE 5		✓	
BOB THOMPSON PLACE 6		✓	
JOE ALDERETE, JR. PLACE 7		✓	
GENE CANAVAN PLACE 8		✓	
VAN ARCHER PLACE 9			X
JAMES C. HASSLOCHER PLACE 10			X
HENRY G. CISNEROS PLACE 11 (MAYOR)		✓	

(File) Boards & Commissions

81-33

Yolan (Include in Board Book)
SAHA

ARTICLES OF INCORPORATION
OF
SAN ANTONIO HOUSING FINANCE CORPORATION

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age, a citizen of the State of Texas, and a resident of the City of San Antonio, Texas, acting as incorporators of a corporation under the Texas Housing Finance Corporations Act, Article 12691-7 Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE I

The name of the Corporation is SAN ANTONIO HOUSING FINANCE CORPORATION.

ARTICLE II

The Corporation is a public non-profit corporation.

ARTICLE III

The duration of the Corporation shall be perpetual.

ARTICLE IV

The Corporation is organized solely to carry out the purposes of the Texas Housing Finance Corporations Act and shall have and possess all powers enumerated in such Act except the powers specified in subsections (13) through (18), both inclusive, of Section 13 of the Act.

ARTICLE V

The Corporation shall have no members.

ARTICLE VI

All powers of the Corporation shall be vested in a Board of Directors consisting of five (5) persons, each of whom shall be appointed by the governing body of the City of San Antonio, Texas, and each of whom shall be a resident of such city. The members of the Board of Commissioners of the Housing Authority of the City of San Antonio, Texas, shall

at all times serve as the members of the Board of Directors of the Corporation unless the governing body of the City of San Antonio otherwise provides. An appointment of an individual to the Board of Commissioners of the Housing Authority of the City of San Antonio, Texas, shall be deemed to be an appointment of such individual to the Board of Directors of the Corporation by the governing body of the City of San Antonio unless the governing body of the City of San Antonio by written resolution otherwise appoints persons to the Board of Directors of the Corporation who are not members of the Board of Commissioners of the of the San Antonio Housing Authority of the City of San Antonio, Texas. When an individual is no longer a member of the Board of Commissioners of the Housing Authority of the City of San Antonio, Texas, such individual shall be deemed to have resigned from the Board of Directors of the Corporation. Furthermore, any member of the Board of Directors of the Corporation may be removed from office at any time, with or without cause, by written resolution of the governing body of the City of San Antonio, Texas.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the bylaws of the Corporation, so long as such bylaws are not inconsistent with these Articles of Incorporation, the Act, or any other law of the State of Texas.

ARTICLE VII

The street address of the initial registered office of the Corporation is 400 Labor, San Antonio, Texas, 78295, and the name of its initial registered agent at such address is Apolonio Flores.

ARTICLE VIII

The number of directors constituting the initial Board of Directors of the Corporation is five (5). The names and addresses of the initial directors, each of whom resides within the City of San Antonio, Texas, are:

<u>Name</u>	<u>Address</u>
Guadalupe Torres	1121 West Mistletoe San Antonio, Texas 78201
L. C. Rutledge	4634 Kay Ann Drive San Antonio, Texas 78220

Edward L. Minarich, Jr.	12123 Orchid Blossom San Antonio, Texas 78247
Roberto R. Garcia	507 Artemis San Antonio, Texas 78218
Michael A. Garcia, Jr.	1511 Texas Avenue San Antonio, Texas 78201

ARTICLE IX

The names and street addresses of the incorporators, each of whom resides within the City of San Antonio, Texas, are:

<u>Name</u>	<u>Address</u>
Guadalupe Torres	1121 West Mistletoe San Antonio, Texas 78201
L. C. Rutledge	4634 Kay Ann Drive San Antonio, Texas 78220
Edward L. Minarich, Jr.	12123 Orchid Blossom San Antonio, Texas 78247
Roberto R. Garcia	507 Artemis San Antonio, Texas 78218
Michael A. Garcia, Jr.	1511 Texas Avenue San Antonio, Texas 78201

ARTICLE X

On _____, 1981, the governing body of the City of San Antonio, Texas, duly adopted a resolution approving the form of these Articles of Incorporation and approving the creation of the Corporation.

ARTICLE XI

These Articles of Incorporation may be amended at any time and from time to time by the Board of Directors with the approval of the governing body of the City of San Antonio, Texas, or by the governing body of the City of San Antonio, Texas, in its sole discretion, subject, however, to limitations on the impairment of contracts entered into by the Corporation, all under and in accordance with the provisions of the Act.

IN WITNESS WHEREOF, we have hereunto set our hands this
_____ day of _____, 1981.

Guadalupe Torres

L. C. Rutledge

Edward L. Minarich, Jr.

Roberto R. Garcia

Michael A. Garcia, Jr.

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

I, _____, A Notary Public, do
hereby certify that on this _____ day of _____, 1981,
personally appeared before me:

Guadalupe Torres,
L. C. Rutledge,
Edward L. Minarich, Jr.,
Roberto R. Garcia and
Michael A. Garcia, Jr.

who each being by me first duly sworn, severally declared
that they are the persons who signed the foregoing document
as incorporators, and that the statements therein contained
are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public in and for
The State of Texas

My Commission Expires:

(SEAL)

CERTIFICATE FOR BYLAWS

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §
 §
CITY OF SAN ANTONIO §

I, the undersigned officer of the San Antonio Housing Finance Corporation (the "Corporation"), do hereby make and execute this certificate and I do hereby certify as follows:

1. I am the duly chosen, qualified and acting officer of the Corporation for the office shown beneath my signature, and in such capacity I am familiar with the matters contained in this Certificate.

2. This Certificate is provided for the benefit of all persons interested in the validity of all actions and proceedings of the Corporation.

3. That the attached and following is a true, correct and complete copy of the bylaws of the Corporation adopted on the _____ day of _____, 1981, that the original of said bylaws are on file in the official records of the Corporation; and that said bylaws have not been amended and are in full force and effect.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CORPORATION, this _____ day of _____, 1981.

Secretary

(SEAL)

BYLAWS OF
SAN ANTONIO HOUSING FINANCE CORPORATION

ARTICLE I

BOARD OF DIRECTORS

Section 1. Powers, Number and Term of Office. Subject to the restrictions contained in the Texas Housing Finance Corporations Act, Article 12691-7, Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), and the Articles of Incorporation of the Corporation (the "Articles of Incorporation"), all powers of the Corporation shall be vested in a Board of Directors consisting of five (5) persons, each of whom shall be appointed and hold office according to the provisions of Article VI of the Articles of Incorporation.

Section 2. Meetings of Directors. The directors may hold their meetings at such place or places in the State of Texas as the Board of Directors may from time to time determine; provided, however, in the absence of any such determination by the Board of Directors, the meetings shall be held at the registered office of the Corporation.

Section 3. Regular Meetings. Regular meetings of the Board of Directors may be held, without the necessity for advance notice, at such times and places as shall be designated from time to time by resolution of the Board of Directors. No notice shall be required for a regular meeting.

Section 4. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the president, by the secretary, by a majority of the directors then in office, or upon advice or request by the City Manager of the City of San Antonio (the "City").

The secretary shall give notice of each special meeting to each director in person or by mail, telephone, or telegraph, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon.

Section 5. Quorum. A majority of the directors fixed by the Articles of Incorporation shall constitute a quorum for the consideration of any matter pertaining to the purposes of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law.

Section 6. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the president shall preside, and in the absence of the president, the vice-president shall exercise the powers of the president.

The secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Executive Committee. The Board of Directors, by resolution passed by a majority of the directors in office, may designate two or more directors to constitute an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation, except where action of the Board of Directors is specified by law. The executive committee shall act in the manner provided in such resolution. The executive committee so designated shall keep regular minutes of the transactions of its meetings, shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board of Directors from time to time.

Section 8. Compensation of Directors. Directors shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE II

OFFICERS

Section 1. Titles and Terms of Office. The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall not exceed three years.

All officers shall be subject to removal from office, with or without cause, at any time, by a vote of a majority of the whole Board of Directors.

A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the President. The president shall be the chief executive officer of the Corporation and, subject to the Board of Directors, he shall be in general charge of the properties and affairs of the Corporation; he shall preside at all meetings of the Board of Directors; in furtherance of the purposes of this Corporation, he may sign and execute all bonds, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Corporation.

Section 3. Vice President. The vice president shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by a vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have custody of all the funds and securities of the Corporation which come into his hands. When necessary or proper, he may endorse for collection, on behalf of the Corporation, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he may sign all receipts and vouchers for payments made to the Corporation, either alone

or jointly with such other officers as may be designated by the Board of Directors; whenever required by the Board of Directors, he shall render a statement of his cash accounts; he shall enter or cause to be entered regularly in the books of the Corporation to be kept by him for that purpose full and accurate accounts of all monies received and paid out on account of the Corporation; he shall perform all acts incident to the position of treasurer, subject to the control of the Board of Directors; and he shall, if required by the Board of Directors, give such bond for the faithful discharge of his duties as the Board of Directors may require.

Section 5. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he shall attend to the giving and serving of all notices; in furtherance of the purposes of this Corporation, he may sign with the president in the name of the Corporation and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; he shall have charge of the corporate books, records, documents, and instruments, except the books of account and financial records and securities of which the treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon application at the office of the Corporation during normal business hours; and he shall, in general, perform all duties incident to the office of secretary, subject to the control of the Board of Directors.

Section 6. Compensation. Officers shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE III

PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 1. Effective Date. These Bylaws shall become effective upon their adoption by the Board of Directors of the Corporation.

Section 2. Article to Articles of Incorporation and Bylaws. The Articles of Incorporation may at any time and

from time to time be amended, provided that the Board of Directors files with the Council of the City under whose auspices the Corporation was created a written application requesting that the Council approve such amendment to the Articles of Incorporation, specifying in such application the amendment or amendments proposed to be made. If the Council by appropriate resolution finds and determines that it is wise, expedient, necessary, or advisable that the proposed amendment be made, authorizes the same to be made and approves the form of the proposed amendment, the Board of Directors shall proceed to amend the articles as provided in the Act.

The Articles of Incorporation may also be amended at any time at the sole discretion of the Council of the City under whose auspices the Corporation was created by adopting an amendment to the Articles of Incorporation of the Corporation by resolution of the Council and delivering the articles of amendment to the Secretary of State as provided in the Act.

The Bylaws may be amended by majority vote of the Board of Directors.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstances shall not be affected thereby.

ARTICLE IV

GENERAL PROVISIONS

Section 1. Principal Office. The principal office of the Corporation shall be located in San Antonio, Texas.

The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose business office is identical with such registered office, as required by the Act. The registered office may

be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors, pursuant to the requirements of the Act.

Section 2. Fiscal Year. The fiscal year of the Corporation shall be as determined by resolution of the Board of Directors.

Section 3. Seal. The seal of the Corporation shall be as determined by the Board of Directors.

Section 4. Notice and Waiver of Notice. Whenever any notice whatsoever is required to be given under the provisions of the Act, the Articles of Incorporation or these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless required by the Board of Directors. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Resignations. Any director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 6. Action Without a Meeting of Directors or Committees. Any action which may be taken at a meeting of the Board of Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors,

or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State pursuant to the Act.

Section 7. Books and Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors.

CITY OF SAN ANTONIO

Add-on

Interdepartment Correspondence Sheet AGENDA ITEM NO. 48

16-01-01

TO: City Council through City Manager
FROM: Narciso Cano, Director, Department of Economic & Employment Development
COPIES TO: File
SUBJECT: Multifamily Mortgage Bond Program

Date June 25, 1981

SUMMARY

The Texas Housing Finance Corporations Act, Article 12691-7, as amended, permits cities to issue tax-exempt revenue bonds to provide financing for housing. The act requires that a public non-profit housing finance corporation be established to issue the revenue bonds. The San Antonio Housing Authority (SAHA) is requesting the City of San Antonio to establish the San Antonio Housing Finance Corporation (SAHFC) as the public non-profit corporation for the issuance of these bonds for Section 8 mod rehab housing.

BACKGROUND

SAHA is the City's designated housing authority. They are proposing the establishment of SAHFC as the public non-profit corporation that will issue tax-exempt revenue bonds for the rehabilitation of existing structures for Section 8 mod rehab housing. SAHFC will have the same Board of Directors that SAHA has. By limiting the use of these bonds for Section 8 mod rehab housing, the benefit will be for those persons of low and moderate income. Staff has also requested that SAHA coordinate each bond issue with appropriate City staff as they occur.

The approval for any bond issue will be contingent on compliance with Internal Revenue Service Regulations and approval from the Texas Industrial Commission. This proposal was presented to the Housing Task Force on May 18, 1981. They recommended submitting the proposal to City Council.

FINANCIAL DATA

SAHFC will not charge any "up front" fees for the issuance of the bonds. When and if such fees were ever to be charged, staff recommends they be equally divided between SAHA and the City. SAHFC will, however, collect administrative fees during the management phase of the rehab project of approximately \$25 per unit.

SAHA has had requests from several developers for revenue bonds to finance the rehabilitation of existing structures. Within 2 years, SAHA is projecting 800-1000 units will be financed with these bonds. Since the bonds will be used only for rehab of existing structures, they will help eliminate slum and blight as well as benefiting low and moderate income persons.

The issuance of these bonds will not nor will any of their agreements or obligations constitute agreements or obligations of City affect the borrowing credit nor the liability of the City of San Antonio or the SAHFC.

CONCLUSION AND RECOMMENDATION

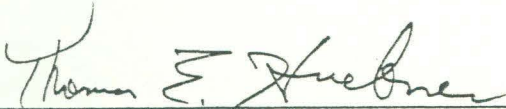
The use of tax-exempt revenue bonds for Section 8 mod rehab housing will help the City attain its CD goals by eliminating slum and blight and creating housing for low and moderate income persons.

SAHA currently administers Section 8 mod rehab and existing housing in the City. Based on this and based on the recommendation of the Housing Task Force, staff recommends the creation of SAHFC for the issuance of tax-exempt revenue bonds for Section 8 mod rehab housing.



NARCISO CANO, Director
Department of Economic
& Employment Development

RECOMMENDATION APPROVED:



THOMAS E. HUEBNER
City Manager