

AN ORDINANCE 2006-04-20-0501

AUTHORIZING THE SAN ANTONIO HOUSING FINANCE CORPORATION TO ISSUE TAX EXEMPT MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$15,000,000.00 FOR THE ARTISAN AT MILITARY PROJECT LOCATED AT 7423 YARROW BOULEVARD IN DISTRICT 4.

* * * * *

WHEREAS, the San Antonio Housing 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 (the "Act"); and

WHEREAS, the Corporation has approved the issuance of tax-exempt revenue bonds in an amount not to exceed \$15,000,000.00 (the "Bonds") for use by ARDC Military, Ltd.; and

WHEREAS, Article IV, Section 11 of the bylaws of the Corporation provides limitations on the powers of the Corporation unless the Council otherwise authorizes; and

WHEREAS, in accordance with its bylaws, the Corporation has requested that the Council authorize the Corporation's issuance of the Bonds to support the construction of the Artisan at Military project, which will provide affordable housing within the corporate limits of the City of San Antonio; and

WHEREAS, in order to timely assist in the completion of the construction (the "Project"), it is now necessary to authorize the issuance and disbursement of the Bonds; **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 Artisan at Military project identified and described in Attachment I affixed hereto and incorporated herein for all purposes, the San Antonio Housing Finance Corporation is hereby authorized to issue tax exempt revenue bonds in an amount not to exceed \$15,000,000.00.

SECTION 2. 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 the Act. Additionally, the Mayor is hereby authorized to execute the Approval Certificate after a public hearing has been conducted pursuant to the requirements of section 147(f) of the Internal Revenue Code of 1986, as amended.

SECTION 3. 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 4. 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 5. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

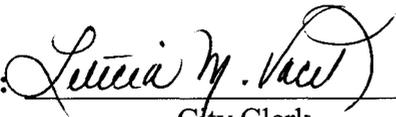
SECTION 6. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 7. 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.

SECTION 8. This ordinance shall be effective on and after the 30th day of April, 2006.

PASSED AND APPROVED this 20th day of April, 2006


MAYOR

ATTEST: 
City Clerk

I, the undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I read, passed upon, and approved as to form the foregoing Ordinance prior to its adoption and passage as aforesaid.

APPROVED AS TO FORM: 
City Attorney
City of San Antonio, Texas

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April 18, 2006

BY MESSENGER

Ms. Denise Monday
City Attorney's Office
Riverview Towers, 10th Floor
111 Soledad
San Antonio, TX 78205

Re: San Antonio Housing Finance Corporation Multifamily Housing Mortgage
Revenue Bonds (Artisan at Military Apartments Project) Series 2006

Dear Denise:

I enclose five copies of the Approval Certificate and six copies of the General Certificate of the City relating to the captioned financing. I also enclose a copy of the certified Bond Resolution for your records. Please forward the General Certificate of the City and the Approval Certificate to the appropriate parties for signature. Once the copies of the enclosed documents have been signed, please have your assistant call our office and we will arrange for a messenger to pick up the enclosed signature pages.

Thank you for your assistance. If you have any questions regarding the enclosures, please call me at 270-7118.

Very truly yours,


Connie C. Lock

CCL/mjw
Enclosures

CERTIFICATE FOR RESOLUTION

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 April 6, 2006 (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 AUTHORIZING SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS (ARTISAN AT MILITARY APARTMENTS PROJECT) SERIES 2006; 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 AND SEALED April 6, 2006.

Secretary/Treasurer



RESOLUTION AUTHORIZING SAN ANTONIO HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS (ARTISAN AT MILITARY APARTMENTS PROJECT) SERIES 2006; 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 at least 90% of which is intended to be occupied by persons of low or moderate income, as determined by the Issuer, all in order to alleviate a shortage of affordable rental housing within San Antonio, Texas, for such persons of low or moderate income, and to refund such bonds;

WHEREAS, the Issuer has been requested to issue its "Multifamily Housing Mortgage Revenue Bonds (Artisan at Military Apartments Project) Series 2006" in the aggregate principal amount not to exceed \$16,000,000, which may include both a tax-exempt series (not to exceed \$15,000,000) and a taxable series (not to exceed \$1,000,000) (the "Bonds"), the proceeds of which will be used to finance the cost of acquiring, constructing, and equipping a proposed 252-unit multifamily apartment facility to be known as the Artisan at Military Apartments, to be located at 7423 Yarrow Boulevard, San Antonio, Texas 78224 (the "Project") for ARDC Military, Ltd., a Texas limited partnership (the "Borrower");

WHEREAS, the Issuer desires to issue the Bonds pursuant to a Trust Indenture dated as of May 1, 2006 (the "Indenture") between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and to loan (or otherwise make available) the proceeds thereof to the Borrower pursuant to a Loan and Financing Agreement dated as of May 1, 2006 (the "Loan Agreement") between the Issuer and the Borrower, all subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 1, 2006 (the "Regulatory Agreement") among the Issuer, the Trustee, and the Borrower;

WHEREAS, there have been presented to the Issuer the forms of a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases and Financing Statement dated as of May 1, 2006 (the "Deed of Trust") of the Borrower for the benefit of the Issuer securing the Borrower's obligations under the Loan Agreement and the Promissory Note issued thereunder (the "Note") and an Assignment of Note, Liens, Security Interests, and Other Documents dated as of May 1, 2006 (the "Assignment") from the Issuer in favor of the Trustee;

WHEREAS, the Issuer is authorized to issue the Bonds pursuant to the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended;

WHEREAS, the Issuer has determined that issuance of the Bonds is necessary to finance the costs of acquiring, constructing, and equipping the Project;

WHEREAS, the forms of the Indenture, the Loan Agreement, the Note, the Regulatory Agreement, the Deed of Trust, and the Assignment have been made available to this Board of Directors for consideration;

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 Bonds and the above-described instruments, including without limitation the dates, interest rates, maturities, redemption terms, and sales price of the Bonds and the manner of disbursing the proceeds thereof are advisable;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING FINANCE CORPORATION THAT:

Section 1. The terms of the Indenture, the Loan Agreement, the Note, the Regulatory Agreement, the Deed of Trust, and the Assignment, in substantially the forms and to the effect presented to this Board of Directors, are hereby approved. Such approval shall include the approval of a second loan agreement, note, deed of trust and assignments in substantially the same form and to the effect presented to this Board should it be determined that the Issuer will issue taxable bonds for the Project, and each authorization below shall be deemed to include such documents.

Section 2. The President, the Vice President, the Secretary/Treasurer and any Assistant Secretary, or any of them, are authorized and directed to execute (to the extent required to be executed or acknowledged by the Issuer) and deliver (or to accept, as the case may be) the Indenture, the Loan Agreement, the Regulatory Agreement, the Note, the Deed of Trust, and the Assignment, and any and all certificates (including tax certificates) and other instruments described therein upon the conditions therein described or necessary or desirable in connection with the issuance of the Bonds and the loan of the proceeds thereof to the Borrower, all upon the terms herein approved, and the President, the Vice President, or the Secretary/Treasurer are authorized to negotiate and approve such changes in the terms of each such instrument (prior to the execution and delivery thereof) 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 3. The Bonds, in the aggregate principal amount of not to exceed \$16,000,000 (the tax-exempt bonds not to exceed \$15,000,000 in principal amount, with an initial interest rate (not including applicable premium) not to exceed 6.25%, and with a maturity date not to exceed forty-five (45) years from the date of issuance, in substantially the form and substance set forth in the Indenture, and the taxable bonds not to exceed \$1,000,000 in principal amount, with an initial interest rate (not including premium) of not to exceed 9%, and with a maturity date not to exceed forty-five (45) years from the date of issuance, in substantially the form and substance set forth in the Indenture), are hereby approved, and the President, the Vice President, or the Secretary/Treasurer and each Assistant Secretary, or any of them, are hereby authorized and directed, for and on behalf of the Issuer, to execute the Bonds or have their facsimile signatures placed upon them, and such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Issuer is hereby authorized and directed to be affixed or placed in facsimile on the Bonds. Authentication of the Bonds upon the terms and conditions and in the manner described in the Indenture as the same may be modified is authorized by this Resolution. The final principal amounts, interest rates, maturity dates (not to exceed the amounts, the rates, and the maximum term set forth above), and final redemption dates and prices for the Bonds shall be set forth in the final form of the Indenture. The sale and delivery of the Bonds to MuniMae TEI