

AGENDA

**A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
will be held at Riverwalk Conference Room
100 Military Plaza, San Antonio, TX 78205
and virtually via ZOOM:**

<https://us02web.zoom.us/j/87664461867?pwd=luWCay9UawUbFpzB7elrhduGMMgKsc.1>

DIAL-IN NUMBER: 1-346-248-7799 MEETING ID: 876 6446 1867 PASSWORD: 277888

On Tuesday, December 13, 2022, beginning at 12:00 p.m.

NOTICE: *A quorum of the board of directors will be physically located at 100 Military Plaza, San Antonio, TX 78205 at 12:00 p.m. One or more of the Directors may attend this meeting by video conference pursuant to the requirements set forth in the Texas Open Meetings Act. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

NOTICE: *This meeting of the Board, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director.*

1. Call to Order and Roll Call.
2. Discussion and possible action to approve minutes of October 21, 2022.
3. Public Comment – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
4. Discussion and possible action to authorize the Viento Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of all the membership interest of SAHT Viento apartments GP, LLC and its admission as the general partner of Viento Apartments Ltd.; and authorizing the financing for such transaction; and authorizing the San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.
5. **Executive Session:** Real Estate/Consultation with Attorney. Deliberate the management, purchase, exchange, lease or value of certain real properties and obtain legal advice regarding related legal issues for SAHT Port SA, LP, LLC pursuant to Texas Government Code Section 551.072 (real property) and 551.071 (consultation with attorney)

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION

BOARD MEMBERS:

Council Member Jalen McKee-Rodriguez (District 2), Council Member Phyllis Viagran (District 3), Council Member Dr. Adriana Rocha Garcia (District 4), Council Member Teri Castillo (District 5), Council Member John Courage (District 9), Jane Paccione, Jordan Ghawi

Attendance by Other Elected or Appointed Officials: It is possible that members City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of any other boards, commissions and/or committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or take action on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretative services must be made 48 hours prior to this meeting. Please contact Nicole Collazo, for concerns or requests, at (210) 735-2772 or FAX (210) 735-2112.

**San Antonio Housing Trust Public Facility Corporation
Agenda Item 2**

This item includes the approval of minutes from the **October 21, 2022**, meeting.

SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES

DATE: Friday, October 21, 2022

TIME AND PLACE: The Public Facility Corporation met in session at 2:50 p.m., via Zoom and in person at 114 W Commerce St, San Antonio, TX 78205.

PRESENT: Antoinette Brumfield, Mark Carmona, Councilwoman Teri Castillo, Eric Cooper, Councilman John Courage, Jordan Ghawi, Rachell Hathaway, Marinella Murillo, Jane Pacione, Councilwoman Adriana Rocha Garcia, and Councilwoman Phyllis Viagran.

ABSENT: Mark Carmona and Councilman Jalen McKee-Rodriguez

STAFF/VISITORS PRESENT:

Pedro Alanis- Executive Director San Antonio Housing Trust Foundation INC.; Nicole Collazo- Director of Operations San Antonio Housing Trust Foundation INC.; John Hernandez- Senior Asset Manager; Lauren Bejaran- Sr. Administrative Assistant San Antonio Housing Trust Foundation INC.; Ruben Lizalde- D3; Edward Muniga- D4; Ileana Sandoval- D9; Steve Poppoon- LPDC; Jim Plummer- Attorney Bracewell; Clarissa Rodriguez- Attorney DNRBZ.

1. **CALL TO ORDER AND ROLL CALL:** The meeting was called to order by President Adriana Rocha Garcia and the roll was called by Lauren Bejaran.
2. **DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES OF SEPTEMBER 16, 2022.**
Councilwoman Teri Castillo motioned, and Jane Paccione seconded for approval of the September 16, 2022, minutes with the noted corrections.
AYES: 6
NAYS:
ABSTAINED:
THE MOTION PASSED.
3. **CITIZENS TO BE HEARD-INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS; A TOTAL OF 15 MINUTES WILL BE PROVIDED.**
NONE.
NO ACTION WAS TAKEN.
4. **DISCUSSION AND POSSIBLE ACTION TO APPROVE A RESOLUTION AUTHORIZING THE ASSISTANT SECRETARY TO AMEND THE PRESERVE AT BILLY MITCHELL DEVELOPMENT AGREEMENT, LEASE AGREEMENT, REGULATORY AGREEMENT, AND OTHER SUPPORTING DOCUMENTS.**
Pete Alanis briefed to the board on Item# 4. Staff is recommending revising income and

rent restrictions that would support the same level of 30% units and affordability for Preserve at Billy Mitchell to ensure completion of the renovations, lease-up, and stabilization with a revised permanent mortgage of \$48.37 million.

MINUTES COMMISSION ACTION:

Councilwoman Teri Castillo motioned, and Councilwoman Phyllis Viagran seconded for approval of a resolution authorizing the Assistant Secretary to amend the Preserve at Billy Mitchell Development Agreement, Lease Agreement, Regulatory Agreement, and other supporting documents.

AYES: 6

NAYS:

ABSTAINED:

THE MOTION PASSED.

5. ADJOURNMENT

President Adriana Rocha Garcia adjourned the meeting. There being no further business, the meeting adjourned at 3:07 p.m.

**San Antonio Housing Trust Public Facility Corporation
Agenda Item 3**

Public Comment

Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided.

To sign up for Public Comment please call 210-735-2772 24 hours prior to this meeting to place your name on the list.

Los oradores interesados tendrán 3 minutos cada uno para dirigirse a la Junta sobre temas de la agenda o asuntos relacionados con la política de vivienda; Se proporcionará un total de 15 minutos.

Para inscribirse en Comentario Público, llame al 210-735-2772 24 horas antes de esta reunión para incluir su nombre en la lista.

**San Antonio Housing Trust Public Facility Corporation
Agenda Item 4**

Discussion and possible action to authorize the Viento Apartments transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of all the membership interest of SAHT Viento apartments GP, LLC and its admission as the general partner of Viento Apartments Ltd.; and authorizing the financing for such transaction; and authorizing the San Antonio Housing Trust Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.

Summary:

Viento at Vida is a proposed 324-unit, 4% LIHTC apartment community located on 15 acres of vacant land at 10348 S. Zarzamora Street in City Council District 4. All units will be rent and income restricted to families at varying incomes between 30% and 70% AMI and will provide for 1 to 4 bedroom units. 49 Units will serve families at or below 30% of Area Median Income; 161 units will serve families at or below 60% of Area Median Income; and 114 units will serve families at or below 70% of Area Median Income.



The site is in a combined equity score area of 7 of 10. The project will feature a community garden, BBQ stations, pool, covered playground, clubhouse, business center, fitness center, children's study, picnic area. The units will feature walk in closets, granite countertops, open floor plan, and covered balconies.

The development will commit to providing 32 units built to accessible standards, which is an increase from 7% required by State to 10%. The remaining first floor units will be convertible to accessible standards as needed at the cost of the development.

The PFC will own the land and lease it to a tax credit partnership. The tax credit partnership will be with the NRP Group (developer), SAHT PFC (GP LLC Entity), and Huntington Capital as the tax credit investor. Opportunity Home SA will provide \$38 million in Tax Exempt Bonds from an existing TBRB carryforward reservation, which is set to expire at the end of FY 2022. Due to holiday office closings, it is imperative that this transaction close before year end.

Unit Mix & Affordability				
	30% AMI	60% AMI	70% AMI	Total
1 Bedroom	2	6	4	12
2 Bedroom	20	66	46	132
3 Bedroom	22	71	51	144
4 Bedroom	5	18	13	36
Total	49	161	114	324

The project is expected to cost approximately \$81.3 million with a total development cost per door of \$250,882. The expected permanent sources of funds include:

\$34,100,000 - 40 Year Permanent Mortgage
 32,392,609 - Tax Credit Equity
 6,565,103 - Deferred Developer Fees
 2,977,833 - Cash Flow and Reinvestment Income
 2,250,000 - COSA HOME Loan
 2,057,946 - COSA Housing Bond
942,054 - COSA NSP Loan
\$81,285,545 Total Funding Sources

Additionally, SAHT PFC is receiving a \$2,500,000 ARPA (American Recovery Plan Act) pass through grant from Bexar County which will be used to pay for a portion of the land acquisition cost.

The PFC will require the creation of a \$486,000 (\$1,500 per unit) Tenant Assistance Fund to support existing tenants of the Viento at Vida with emergency grant or loan assistance and/or tenant services, programming, or other tenant support. At closing, \$32,400 of the developer fee received by SAHTPFC will be deposited into the reserve. The additional \$453,600 will be funded from the GC Management Fees and Development fees earned through stabilization. The PFC will also require compliance with the SAHT Tenant Protection Policy.

Fiscal Impact

The PFC is *estimated* to receive the following revenue as a result of our partnership:

- \$1,005,959 - 40% of Developer Fees (closing thru stabilization)
- \$2,626,041 - 40% of Deferred Developer Fees (Y5-16)
- \$470,623 - 50% of Cash Flow (YR 16-18)
- \$405,253 - GC Management Fee (25% of Projected Sales Tax Savings)
- Second position for the Bargain Purchase Right (behind Opportunity Home SA) at year 15

Opportunity Home SA will earn all bond fees associated with the Bond Issuance and shall be in first position for Bargain Purchase Right at year 15. The SAHT PFC shall be in second position for this Bargain Purchase Right.

Staff recommend to the Finance and Audit Committee that the Public Facility Corporation provide inducement approval of the project to apply for LIHTC and other financing necessary to support Viento at Vida at our 40%.

Recommendation:

Finance and Audit Committee met on December 7, 2022 and approved to move this item forward to the Public Facility Corporation board to consider authorization of the Viento Apartments transaction.

VIENTO APARTMENTS

CERTIFICATE FOR RESOLUTION

The undersigned officer San Antonio Housing Trust Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas ("SAHTPFC") hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of SAHTPFC (the "Board") held a meeting on December 13, 2022, (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 THE VIENTO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF ALL THE MEMBERSHIP INTEREST OF SAHT VIENTO APARTMENTS GP, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF VIENTO APARTMENTS LTD.; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; 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 Bylaws of SAHTPFC.

SIGNED December 13, 2022.

Pedro A. Alanis, Assistant Secretary

RESOLUTION AUTHORIZING THE VIENTO APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF ALL THE MEMBERSHIP INTEREST OF SAHT VIENTO APARTMENTS GP, LLC AND ITS ADMISSION AS THE GENERAL PARTNER OF VIENTO APARTMENTS LTD.; AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Viento Apartments Ltd., a Texas limited partnership (the “Partnership”), and SAHT Viento Apartments GP, LLC, a Texas limited liability company and its general partner (the “General Partner”), have been formed to acquire and construct a 324-unit multifamily housing facility (the “Housing Facility”) to be located at approximately 10210 South Zarzamora Street, San Antonio, Texas (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, the San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) has agreed to (i) serve as the sole member of the General Partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”) and (iii) serve as the general contractor for the Project;

WHEREAS, the Partnership has requested that the Las Varas Public Facility Corporation (“LVPFC”) issue its Multifamily Housing Revenue Bonds (Viento Apartments) Series 2022 (the “Bonds”) to finance the Project (the “Bond Financing”);

WHEREAS, LVPFC will issue the Bonds in an amount not to exceed \$38,000,000 and loan such proceeds to the Partnership;

WHEREAS, in connection with the Bond Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to the Indenture, Loan Agreement, Promissory Note, the Regulatory Agreement and Declaration of Restrictive Covenants, the Tax Exemption Certificate and Agreement and a Ground Lease (collectively, the “Bond Documents”);

WHEREAS, in connection with the financing, the Partnership will sell the bonds to and enter into a construction loan transaction with KeyBank National Association, a national banking association (“KeyBank”) in an amount not to exceed \$38,000,000 (the “Construction Loan”), pursuant to which KeyBank will purchase the Bonds;

WHEREAS, in connection with the execution of the Construction Loan, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including, but not limited to, a Construction Loan Agreement, a Fee and Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, an Assignment of Rents, a Ground

Lease Non-Disturbance, Attornment and Estoppel Agreement, a Security Agreement, an Environmental and Hazardous Substances Indemnity Agreement, and various other agreements, certificates, assignments and pledges (collectively, the “Construction Loan Documents”);

WHEREAS, upon satisfaction of certain conditions for conversion of the Construction Loan from construction to permanent financing, the Construction Loan will convert from the construction phase to the permanent phase (the “Permanent Financing”), and Massachusetts Mutual Life Insurance Company (the “Permanent Lender”) will purchase the Bonds as part of the Permanent Financing;

WHEREAS, in connection with the Permanent Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including, but not limited to, a Permanent Loan Agreement, an Amended and Restated Promissory Note, an Amended and Restated Leasehold Deed of Trust, Security Agreement and Fixture Filing with Joinder of Ground Lessor, an Operating Reserve and Security Agreement, a Capital Improvements Reserve and Security Agreement, a Subordination and Intercreditor Agreement, an Environmental Indemnification Agreement, a Ground Lease Estoppel Agreement, a Forward Bond Purchase Agreement, a Promissory Note (Delivery Assurance), a Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (with Power of Sale) with Joinder of Fee Owner (Breakage Fees), various other agreements, certificates, assignments and pledges, or other such similarly titled documents (collectively, the “Permanent Financing Documents”);

WHEREAS, the developer, on behalf of the Partnership, has applied for approximately \$36,416,046 in low income housing tax credits (the “LIHTCs”) from the Texas Department of Housing and Community Affairs (“TDHCA”);

WHEREAS, in connection with the application for LIHTCs, it is anticipated that the Partnership, General Partner and/or SAHTPFC will be required to execute, complete and deliver various applications, agreements, documents, certificates and instruments to TDHCA (the “TDHCA Documents”);

WHEREAS, the Partnership will contribute approximately \$32,410,281 of equity to the construction of the Project, which will be raised from the sale of tax credits (the “Equity Financing”);

WHEREAS, in connection with the Equity Financing, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to an Amended and Restated Agreement of Limited Partnership, and including the documents attached as exhibits thereto, and closing certificates (collectively, the “Equity Documents”);

WHEREAS, in connection with the financing for the Project, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into one or more bridge loans from KeyBank. (collectively, the “Bridge Loan”), including, but not limited to, a loan in the approximate amount of \$24,000,000, which will be documented in certain agreements, including, but not limited to, a Bridge Loan Agreement, a Promissory Note, a Fee and Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, an Assignment of Leases and Rent, an Environmental and Hazardous Substances Indemnity Agreement, a Ground Lease Non-

Disturbance, Attornment and Estoppel Agreement, or such other similarly titled documents, and various other ancillary agreements, assignments, documents and certificates relating to or required in connection with the Bridge Loan (collectively, the “Bridge Loan Documents”);

WHEREAS, in order to provide additional funds for the construction of the Project to the Partnership, the partnership may enter into one or more subordinate loan transactions, including, but not limited to, a loan of HOME funds from the City of San Antonio in the approximate amount of \$2,250,000; a loan of Neighborhood Stabilization Program funds from the City of San Antonio in the approximate amount of \$942,054; a loan of City of San Antonio Housing Bond funds from the City of San Antonio in the approximate amount of \$2,057,946 (collectively, the “COSA Loans”);

WHEREAS, in connection with the COSA Loans, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to, program, development or loan agreements, promissory notes, deeds of trust, restrictive covenants, security agreements, pledge agreements, intercreditor and subordination agreements, and various other ancillary agreements, assignments, documents and certificates relating to or required in connection with the Sponsor Loans (collectively, the “COSA Loan Documents”);

WHEREAS, SAHTPFC desires to partially fund its purchase of the Land (the “Land Purchase”) with general funds of SAHTPFC in the approximate amount of \$383,454;

WHEREAS, the SAHTPFC desires to accept a grant of American Rescue Plan Act Funds in the approximate amount of \$2,500,000 to partially fund the Land Purchase (the “ARPA Financing”);

WHEREAS, in connection with the ARPA Financing, SAHTPFC will be required to enter into certain agreements, including but not limited to one or more program or grant agreements related to the ARPA Funds, loan agreements, promissory notes, deeds of trust, restrictive covenants, security agreements, pledge agreements, intercreditor and subordination agreements, and various other ancillary agreements, assignments, documents and certificates relating to or required in connection with the ARPA Financing (collectively, the “ARPA Documents”);

WHEREAS, in order to obtain additional funds for the construction of the Project, the Partnership may enter into such other subordinate loan transactions as it deems necessary (collectively, the “Subordinate Loans”);

WHEREAS, in connection with the Subordinate Loans, the Partnership, the General Partner, and/or SAHTPFC will be required to enter into certain agreements, including but not limited to, loan agreements, promissory notes, deeds of trust, restrictive covenants, security agreements, pledge agreements, intercreditor and subordination agreements, and various other ancillary agreements, assignments, documents and certificates relating to or required in connection with the Subordinate Loans (collectively, the “Subordinate Loan Documents”);

WHEREAS, to reduce the cost of the Project by eliminating sales tax on the construction of the Project, SAHTPFC will serve the general contractor and enter into any required construction contracts and ancillary documents (the “Construction Documents”);

WHEREAS, the board of directors of SAHTPFC (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 so that the Partnership may construct the Project;

WHEREAS, the Board has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of SAHTPFC;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION, THAT:

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the Bond Financing, the Construction Loan, the Permanent Financing, the Equity Financing, the Bridge Loan, the COSA Loans, the ARPA Financing, and the Subordinate Loans and the terms of the Bond Documents, the Construction Loan Documents, the Permanent Financing Documents, the TDHCA Documents, the Equity Documents, Bridge Loan Documents, the COSA Loan Documents, the ARPA Documents, the Subordinate Loan Documents, and the Construction Documents, are hereby authorized and approved when such documents are executed by the officers provided below.

Section 2. The President, any Vice President, the Secretary, the Treasurer, the Executive Director, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Bond Documents, the Construction Loan Documents, the Permanent Financing Documents, the TDHCA Documents, the Equity Documents, Bridge Loan Documents, the COSA Loan Documents, the ARPA Documents, the Subordinate Loan Documents, and the Construction Documents, indemnity agreements and guaranties covering the Land or the Project, and all other documents relating to the Bond Financing, the Construction Loan, the Permanent Financing, the Equity Financing, the Bridge Loan, the COSA Loans, the ARPA Financing, and the Subordinate Loans, to which the Partnership, the General Partner, and/or SAHTPFC is a party.

Section 3. The Land Purchase, the Ground Lease, the creation of the General Partner by SAHTPFC and its admission as the general partner of the Partnership, and the role of SAHTPFC as the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by SAHTPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of SAHTPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by SAHTPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to SAHTPFC, and approval of the terms of

any of the documents by such officers and the Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of the 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 6. The officers of the Board hereby approve the selection of Bracewell LLP as counsel to the General Partner and SAHTPFC for this transaction.

Section 7. If any section, paragraph, clause, or provisions 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 8. 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 9. 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 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.