

**Boerne Public
Facility Corporation**

Agenda Memorandum

Agenda Item Number: [1]

Agenda Date: 4-8-2025

In Control: Boerne Public Facility Corporation

SUBJECT:

Consideration and possible action regarding a resolution authorizing the transfer of partnership interests of 3 Shooting Club SLP, LLC in LIV Boerne Hills, LP to AHP Housing Fund 205, LLC or an affiliate thereof; and authorizing the execution of an amendment to the Development Sub-Agreement and any other documents in connection therewith; and other matters in connection therewith

BACKGROUND:

This is a low-income housing tax credit project for which the Boerne PFC issued tax-exempt bonds. It also owns the land and serves as the sole member of the general partner of the tenant partnership and serves as a co-developer for the project, which entitles the PFC to a split of the developer fee when and if paid. It was decided previously that the PFC would defer some of its rights to those payments in connection with some construction delays and other hardships.

The developer in this project is Mission Development Group, an affiliate of the special limited partner in the tenant partnership. Mission has proposed to transfer all of its interest in the project, including its ownership of the special limited partner and its rights to any developer fee, to the other existing limited partner, AHP. These two entities have entered into an agreement to make such transfers, but the consent of the PFC as the sole member of the general partner is required to consummate the transactions.

In connection with the transfer, the PFC will receive \$400,000 of the developer fee it is owed, which will bring the total developer fee received by the PFC to \$600,000 and will true-up the developer fee split to 60/40 as originally contemplated in the documents. If this sale does not occur, it will likely take the PFC several years to receive this money through cash flow from the project.

FISCAL IMPACT:

The PFC will receive \$400,000 upon the closing of the transfer.

RECOMMENDATION:

Staff recommends the Boerne PFC consent to the transfer.