

LAKESIDE PLACE PFC

2640 Fountain View Drive, Houston, Texas 77057

BOARD OF DIRECTORS MEETING

TUESDAY, APRIL 20, 2021

4:00 P.M.

**PURSUANT TO THE MARCH 16, 2020 NOTICE ISSUED BY THE OFFICE OF THE TEXAS ATTORNEY GENERAL
AND IN ACCORDANCE WITH APPLICABLE PORTIONS OF THE TEXAS OPEN MEETING ACT,
THIS MEETING IS BEING HELD VIA TELEPHONE CONFERENCE**

US Toll-free 1-888-475-4499; Local Number 1-346-248-7799; Meeting ID: 840 0577 7143

AGENDA

- I. Call to Order
- II. Roll Call
- III. Election of Board Officers
- IV. Approval of the December 15, 2020, Meeting Minutes
- V. New Business

Resolution No. LPPFC 21-01: Authorizing Lakeside Place PFC's acquisition and lease of that certain property to be known as the "Warehouse District Apartments", to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street ("805 Hardy"), 1702 Nance Street ("1702 Nance"), and that certain 0.37 acre parcel with frontage on Old Hardy Road, east of Hardy Street, located between and running perpendicular to Nance St. and Sterrett St., and adjacent to each of 805 Hardy and 1702 Nance, Houston, TX 77020, and the execution of all required documents therefor.

- VI. Adjournment

LAKESIDE PLACE PFC
2640 Fountain View Drive, Houston, Texas 77057

**MINUTES OF THE
LAKESIDE PLACE PFC
BOARD OF DIRECTORS MEETING
TUESDAY, DECEMBER 15, 2020**

A meeting of the Board of Directors (“Board”) of HHA Lakeside Place Public Facility Corporation was held on Thursday, December 15, 2020 via telephone conference pursuant to the March 16, 2020 Notice issued by the Office of the Texas Attorney General and in accordance with the applicable portions of the Texas Open Meetings Act. The U.S. toll-free number was 1-888-475-4499, the local number was 1-346-248-7799 and the meeting identification number was 867 8687 0005.

Director Snowden called the meeting to order at 4:18 p.m. Secretary Thiele called the roll and Director Snowden declared a quorum present.

Present: LaRence Snowden, Director
 Kristy Kirkendoll, Director
 Dr. Max A. Miller, Jr., Director
 Stephanie A.G. Ballard, Director
 Andrea Hilliard Cooksey, Director
 Guillermo “Will” Hernandez, Director
 Kris Thomas, Director
 Mark Thiele, Secretary

APPROVAL OF MINUTES

Director Snowden stated the Board has had an opportunity to review the November 17, 2020 Board of Directors meeting minutes. He asked for a motion to adopt the November 17, 2020 meeting minutes.

Director Thomas moved to adopt the minutes for the November 17, 2020 Board of Directors meeting. Director Ballard seconded the motion.

Director Snowden asked if there is any discussion or objection to the November 17, 2020 Board of Directors meeting minutes. Having none, the minutes are adopted.

Director Snowden said we will now move into our new business.

NEW BUSINESS

Resolution No. LPPFC 20-11: Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income for Torrey Chase Apartments

Director Snowden asked for a motion to adopt Resolution No. LPPFC 20-11.

Director Kirkendoll moved to adopt Resolution No. LPPFC 20-11. Director Thomas seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 20-11. Having none, Resolution No. LPPFC 20-11 is adopted.

Director Snowden said we will now move on to Resolution No. LPPFC 20-12.

Resolution No. LPPFC 20-12: Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate income for Reserve at Ella Apartments.

Director Snowden asked for a motion to adopt Resolution No. LPPFC 20-12.

Director Cooksey moved to approve Resolution No. LPPFC 20-12. Director Ballard seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 20-12. Having none, Resolution No. LPPFC 20-12 is adopted.

ADJOURNMENT

Director Snowden asked for a motion to adjourn.

Director Hernandez moved to adjourn. Director Thomas seconded the motion.

Director Snowden declared the meeting adjourned at 4:22 p.m.

LAKESIDE PLACE PFC

2640 Fountain View Drive, Houston, Texas 77057

REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Authorizing Lakeside Place PFC’s acquisition and lease of that certain property to be known as the “Warehouse District Apartments”, to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street (“805 Hardy”), 1702 Nance Street (“1702 Nance”), and that certain 0.37 acre parcel with frontage on Old Hardy Road, east of Hardy Street, located between and running perpendicular to Nance St. and Sterrett St., and adjacent to each of 805 Hardy and 1702 Nance, Houston, TX 77020, and the execution of all required documents therefor.

2. Date of Board Meeting: April 20, 2021

3. Proposed Board Resolution:

Resolution: That the Board of Directors of the Lakeside Place PFC, authorizes the PFC to execute any and all documents, or take any other action, that is necessary or desirable to:

- 1. Purchase certain real property to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street (“805 Hardy”), 1702 Nance Street (“1702 Nance”), and that certain 0.37 acre parcel with frontage on Old Hardy Road, east of Hardy Street, located between and running perpendicular to Nance St. and Sterrett St., and adjacent to each of 805 Hardy and 1702 Nance, Houston, TX 77020 (the “Land”) on which a 304-unit residential apartment development to be known as Warehouse District Apartments (the “Project”) will be constructed;
- 2. Lease the Land to DTC Warehouse District, LLC, a Delaware limited liability company (the “Owner”) to facilitate the development and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
- 3. Execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development and operation of the Project.

4. Department Head Approval Signature _____ Date: _____

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available Yes No Source Third Party Funding _____

6. Approval of President & CEO Signature Mark Thiele Date: 4/15/2021

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LAKESIDE PLACE PFC

MEMORANDUM

TO: LAKESIDE PLACE PFC BOARD OF DIRECTORS
FROM: MARK THIELE, SECRETARY
SUBJECT: AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF THAT CERTAIN PROPERTY TO BE KNOWN AS THE "WAREHOUSE DISTRICT APARTMENTS", TO BE LOCATED AT 813 MCKEE STREET, 850 MCKEE STREET, 805 HARDY STREET ("805 HARDY"), 1702 NANCE STREET ("1702 NANCE"), AND THAT CERTAIN 0.37 ACRE PARCEL WITH FRONTAGE ON OLD HARDY ROAD, EAST OF HARDY STREET, LOCATED BETWEEN AND RUNNING PERPENDICULAR TO NANCE ST. AND STERRETT ST., AND ADJACENT TO EACH OF 805 HARDY AND 1702 NANCE, HOUSTON, TX 77020, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.
DATE: APRIL 6, 2021

This memorandum recommends that the Lakeside Place PFC ("PFC") Board of Directors authorize PFC to execute any and all documents, or take any other action, that is necessary or desirable to:

1. Purchase certain real property to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street ("805 Hardy"), 1702 Nance Street ("1702 Nance"), and that certain 0.37 acre parcel with frontage on Old Hardy Road, east of Hardy Street, located between and running perpendicular to Nance St. and Sterrett St., and adjacent to each of 805 Hardy and 1702 Nance, Houston, TX 77020 (the "Land") on which a 304-unit residential apartment development to be known as Warehouse District Apartments (the "Project") will be constructed;
2. Lease the Land to DTC Warehouse District, LLC, a Delaware limited liability company (the "Owner") to facilitate the development and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
3. Execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development and operation of the Project.

BACKGROUND:

An affiliate of the PFC (the "**APV Member**") serves as a special member of the Owner.

The PFC desires to purchase the Land pursuant to certain assignments, a special warranty deed from the seller, and any other documentation required to consummate the acquisition of the Land (the "**Acquisition Documents**").

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Land pursuant to the terms of the Lease Agreement (the "**Lease Agreement**").

The Owner plans to own and operate the Project such that no less than 50% of the units in the Project are reserved or occupied by individuals or families earning less than 80% of area median income.

The PFC desires to enter into a Regulatory Agreement with the Owner providing that no less than 50% of the units in the Project are reserved or occupied by individuals or families earning less than 80% of area median income ("**Regulatory Agreement**").

In connection with the financing of the Project, the Owner will borrow a loan in an aggregate principal amount not to exceed \$36,100,000 (the "**Loan**") from IBERIABANK, a division of First Horizon Bank ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Land (collectively with all other documents contemplated thereby and necessary to evidence the Loan, the "**Loan Documents**").

APPROVALS

The Board of Directors of PFC (the "**PFC Board**") authorizes the PFC to execute and deliver all such documents, instruments and other writings of every nature whatsoever as the PFC, in its reasonable judgment, deems necessary to purchase the Land, lease the Land to the Owner, and otherwise assist and facilitate the development and operation of the Project by the Owner, including, without limitation, (i) the Acquisition Documents; (ii) the Lease Agreement; (iii) the Regulatory Agreement; (iv) Loan Documents that require execution by the PFC; and (v) such other and further documents, leases, instruments, resolutions and other writings of every nature whatsoever as the PFC deems necessary to consummate the transactions contemplated herein, or as may be required by the Lender, the APV Member or the Owner.

The PFC Board authorizes that all of the documents, instruments, or other writings executed by PFC in consummation of the transactions herein described (collectively and together with the Acquisition Documents, the Lease Agreement, the Regulatory Agreement, and the Loan Documents, the "**Transaction Documents**") shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof.

The PFC Board authorizes PFC to review, execute and approve all other documents necessary to effectuate the foregoing transactions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his/her execution and delivery thereof.

The PFC Board authorizes that any officer of PFC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of PFC, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the operation and financing of the Project, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting individually or in a representative capacity as identified in these resolutions), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of PFC, effective as of the date such action was taken.

The PFC Board authorizes that action by any of the officers of PFC, and any person or persons designated and authorized so to act by any such officer or manager, to do and perform, or cause to be

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done and performed, in the name and on behalf of PFC, or the execution and delivery, or causing to be executed and delivered, such other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications, in the name and on behalf of PFC or otherwise, as they, or any of them, may deem to be necessary or advisable in order to carry into effect the intent of the foregoing resolutions or to comply with the requirements of the instruments approved or authorized by the foregoing resolutions is hereby approved, ratified and confirmed.

The PFC Board finds the actions authorized by these resolutions may reasonably be expected to directly or indirectly benefit PFC.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Board of Directors of the Lakeside Place PFC (“PFC”), authorizes the PFC to execute any and all documents, or take any other action, that is necessary or desirable to:

1. Purchase certain real property to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street, Old Hardy Rd., and 1702 Nance Street, Houston, Texas 77020 (the “Land”) on which a 304-unit residential apartment development to be known as Warehouse District Apartments (the “Project”) will be constructed;
2. Lease the Land to DTC Warehouse District, LLC, a Delaware limited liability company (the “Owner”) to facilitate the development and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
3. Execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development and operation of the Project.

EXHIBIT A
LAKESIDE PLACE PFC
RESOLUTION NO. LPPFC 21-01

Resolution of the Board of Directors of Lakeside Place PFC (“PFC”) authorizing PFC to execute any and all documents, or take any other action, that is necessary or desirable to:

- 1. Purchase certain real property to be located at 813 McKee Street, 850 McKee Street, 805 Hardy Street (“805 Hardy”), 1702 Nance Street (“1702 Nance”), and that certain 0.37 acre parcel with frontage on Old Hardy Road, east of Hardy Street, located between and running perpendicular to Nance St. and Sterrett St., and adjacent to each of 805 Hardy and 1702 Nance, Houston, TX 77020 (the “Land”) on which a 304-unit residential apartment development to be known as Warehouse District Apartments (the “Project”) will be constructed;**
- 2. Lease the Land to DTC Warehouse District, LLC, a Delaware limited liability company (the “Owner”) to facilitate the development and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and**
- 3. Execute any such further documentation as necessary or desirable, including any financing documentation, to facilitate the development and operation of the Project.**

WHEREAS, an affiliate of the PFC (the “**APV Member**”) serves as a special member of the Owner;

WHEREAS, the PFC desires to purchase the Land pursuant to certain assignments, a special warranty deed from the seller, and any other documentation required to consummate the acquisition of the Land (the “**Acquisition Documents**”);

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Land pursuant to the terms of the Lease Agreement (the “**Lease Agreement**”);

WHEREAS, the Owner plans to own and operate the Project such that no less than 50% of the units in the Project are reserved or occupied by individuals or families earning less than 80% of area median income;

WHEREAS, the PFC desires to enter into a Regulatory Agreement with the Owner providing that no less than 50% of the units in the Project are reserved or occupied by individuals or families earning less than 80% of area median income (“**Regulatory Agreement**”);

WHEREAS, in connection with the financing of the Project, the Owner will borrow a loan in an aggregate principal amount not to exceed \$36,100,000 (the “**Loan**”) IBERIABANK, a division of First Horizon Bank (“**Lender**”), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Land (collectively with all other documents contemplated thereby and necessary to evidence the Loan, the “**Loan Documents**”).

BE IT RESOLVED, that the PFC is hereby authorized to execute and deliver all such documents, instruments and other writings of every nature whatsoever as the PFC, in its reasonable judgment, deems necessary to purchase the Land, lease the Land to the Owner, and otherwise assist and facilitate the development and operation of the Project by the Owner, including, without limitation, (i) the Acquisition Documents; (ii) the Lease Agreement; (iii) the Regulatory Agreement; (iv) Loan Documents that require execution by the PFC; and (v) such other and further documents, leases, instruments, resolutions and other writings of every nature whatsoever as the PFC deems necessary to consummate the transactions contemplated herein, or as may be required by the Lender, the APV Member or the Owner; and it is further

RESOLVED, that all of the documents, instruments, or other writings executed by PFC in consummation of the transactions herein described (collectively and together with the Acquisition Documents, the Lease Agreement, the Regulatory Agreement, and the Loan Documents, the "**Transaction Documents**") shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof; and it is further,

RESOLVED, that PFC review, execute and approve all other documents necessary to effectuate the foregoing transactions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his/her execution and delivery thereof; and it is further

RESOLVED, that any officer of PFC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of PFC, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the operation and financing of the Project, including but not limited to, the Transaction Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting individually or in a representative capacity as identified in these resolutions), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of PFC, effective as of the date such action was taken; and it is further

RESOLVED, that action by any of the officers of PFC, and any person or persons designated and authorized so to act by any such officer or manager, to do and perform, or cause to be done and performed, in the name and on behalf of PFC, or the execution and delivery, or causing to be executed and delivered, such other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or

communications, in the name and on behalf of PFC or otherwise, as they, or any of them, may deem to be necessary or advisable in order to carry into effect the intent of the foregoing resolutions or to comply with the requirements of the instruments approved or authorized by the foregoing resolutions is hereby approved, ratified and confirmed; and it is further

RESOLVED, that the Board of Directors finds the actions authorized by these resolutions may reasonably be expected to directly or indirectly benefit PFC.

This resolution shall be in full force and effect from and upon its adoption.

[Remainder of page intentionally left blank for signature]

PASSED this ____ day of _____, 2021.

CHAIR

ATTEST:

Secretary