

# LAKESIDE PLACE PFC

2640 Fountain View Drive ♦ Houston, Texas 77057

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## BOARD OF DIRECTORS MEETING

MONDAY, SEPTEMBER 19, 2022

3:30 pm *OR UPON ADJOURNMENT OF THE HOUSTON HOUSING  
AUTHORITY BOARD MEETING*

Houston Housing Authority Central Office  
2640 Fountain View Drive, Houston TX 77057

### AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of the September 7, 2022 Meeting Minutes
- IV. New Business

**Resolution No. LPPFC 22-35:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "Ariza Gosling," located at 23217 Gosling Road, Spring, Texas 77389, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-36:** Authorizing Lakeside Place PFC's Bond Inducement for Barely Lane Apartments located at or about 10770 Barely Lane, Houston, Texas 77070.

**Resolution No. LPPFC 22-37:** Authorizing Lakeside Place PFC's Bond Inducement for The Life at Timber Ridge located at or about 5350 Aeropark Drive and 5335 Aldine Bender Road, Houston, Texas 77032.

**Resolution No. LPPFC 22-38:** Authorizing Lakeside Place PFC's Bond Inducement for The Life at Brighton Estates located at or about 131 Aldine Bender Road, Houston, Texas 77060.

**Resolution No. LPPFC 22-39** Authorizing Lakeside Place PFC's Bond Inducement for Spring Prairie Apartments, located at or about 21935 Rhodes Road, Spring, Texas 77389.

**Resolution No. LPPFC 22-40:** Authorizing Lakeside Place PFC's Bond Inducement for Willow Creek Manor located at or about 10601 Cossey Road, Houston, Texas 77070.

**Resolution No. LPPFC 22-41:** Authorizing Lakeside Place PFC's Bond Inducement for Oakwood Trails Apartments located at or about 0 Louetta Road, Spring, Texas 77379.

**Resolution No. LPPFC 22-42:** Authorizing Lakeside Place PFC's Bond Inducement for The Life at Sterling Woods located at or about 8625 Winkler Drive, Houston, Texas 77017.

**Resolution No. LPPFC 22-43:** Authorizing Lakeside Place PFC's Bond Inducement for The Life at Clearwood located at or about 9465 Clearwood Drive, Houston, Texas 77075.

**Resolution No. LPPFC 22-44:** Authorizing Lakeside PFC's Bond Inducement for Continental Park Apartments located at or about SE corner of FM 1960 Rd. East and Continental Parkway, Humble, Texas.

**Resolution No. LPPFC 22-45:** Authorizing Lakeside Place PFC's Bond Inducement for Mansions of Turkey Creek located at or about 20919 Birnamwood Blvd, Humble Texas 77338.

**Resolution No. LPPFC 22-46:** Authorizing Lakeside Place PFC's Bond Inducement for Pinnacle at Wilcrest located at or about 9520 Wilcrest, Houston, Texas 77099.

**Resolution No. LPPFC 22-47:** Authorizing Lakeside Place PFC's Bond Inducement for Fuqua Park Apartments located at or about 4807 West Fuqua St., Houston, Texas 77045.

**Resolution No. LPPFC 22-48:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "Estates at Bellaire", located at 4807 Pin Oak Park, Houston, Texas 77081, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-49:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "AMLI Uptown to be known as Post Oak", located at 2525 McCue Rd., Houston, Texas 77056, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-50:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as AMLI River Oaks to be known as West Gray, located at 1340 W. Gray St., Houston, Texas 77019, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-51:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "The Carlton", located at 3805 W. Alabama Street, Houston, Texas 77027, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-52:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as "Providence Uptown", located at 3323 McCue Rd., Houston, Texas 77056, and the execution of all required documents therefor.

**Resolution No. LPPFC 22-53:** Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as "Alta Med Main", located at 9330 S. Main St., Houston, Texas 77025, and the execution of all required documents therefor.

**V.** Adjournment

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

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**MINUTES OF THE  
LAKESIDE PLACE PFC  
AUGUST BOARD OF DIRECTORS MEETING  
WENESDAY, SEPTEMBER 7, 2022**

A meeting of the Board of Directors (“Board”) of HHA Lakeside Place Public Facility Corporation was held on WEDNESDAY, SEPTEMBER 7, 2022 at the Houston Housing Authority Central Office located at 2640 Fountain View Drive, Houston, TX 77057

Director Snowden called the meeting to order at 6:17 p.m. Secretary Northern called the roll and Director Snowden declared a quorum present.

Present:           LaRence Snowden, Director (Chair)  
                      Kristy Kirkendoll, Director  
                      Kris Thomas, Director  
                      Stephanie A.G. Ballard, Director  
                      Andrea Hilliard Cooksey, Director  
                      David A. Northern, Sr., Secretary

Absent:            Dr. Max A. Miller, Jr., Director  
                      Guillermo “Will” Hernandez, Director

**APPROVAL OF MINUTES**

Director Snowden stated the Board has had an opportunity to review the July 19, 2022 Board of Directors meeting minutes. He asked for a motion to adopt the July 19, 2022 meeting minutes.

Director Kirkendoll moved to adopt the minutes for the July 19, 2022 Board of Directors meeting. Director Cooksey seconded the motion.

Director Snowden asked if there is any discussion or objection to the July 19, 2022 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 22-31:** Authorizing Lakeside Place PFC’s acquisition and lease of that certain property to be known as the “Allora Cinco Ranch”, to be located at 20304 FM 1093, Richmond, Texas 77407, and the execution of all required documents, therefor.

Director Snowden asked for a motion to adopt Resolution No. LPPFC 22-31.

Director Ballard moved to adopt Resolution No. LPPFC 22-31. Director Kirkendoll seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 22-31. Having none, Resolution No. LPPFC 22-31 is adopted.

**Resolution No. LPPFC 22-32: Authorizing Lakeside Place PFC's acquisition and lease of that certain property to be known as the "The Lawndale", to be located at 8225 Lawndale, Houston, Texas 77012, and the execution of all required documents therefor.**

Director Snowden asked for a motion to adopt Resolution No. LPPFC 22-32.

Director Kirkendoll moved to adopt Resolution No. LPPFC 22-32. Director Ballard seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 22-32. Having none, Resolution No. LPPFC 22-32 is adopted.

**Resolution No. LPPFC 22-33: Authorizing (i) UG EADO Highline, LP, a Texas limited partnership, to the borrower no more than \$4,000,000.00 from Great Southern Bank, N.A. (the "Loan") to fund Lakeside Place PFC's acquisition of the real property located at 3122 Leeland Street, Houston, Texas, 77003 (the "Site"), upon which Site the Partnership will construct the CoOp at EADO apartments, (ii) the recordation of a leasehold deed of trust with a joinder by the PFC against the Partnership's leasehold interest in the Site to secure the Loan (the "Deed of Trust"); and (iii) the execution of all required documents therefor.**

Director Snowden asked for a motion to adopt Resolution No. LPPFC 22-33.

Director Cooksey moved to adopt Resolution No. LPPFC 22-33. Director Kirkendoll seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 22-33. Having none, Resolution No. LPPFC 22-33 is adopted.

**Resolution No. LPPFC 22-34: Authorizing Lakeside Place PF to facilitate the matters approved in resolution LPPFC 22-25 with respect to acquisition of the Metro Midtown apartments and the placement of affordable rental units therein (the "MM Project") and resolution no. LPPFC 22-30 (the foregoing resolutions the "Prior Resolutions") with respect to the acquisition of the necessary land and construction of the Waterworks Phase II apartment complex thereupon (the "W2 Project", and collectively with the MM Project, the "Project") transactions with new tenants that will replace those identified in the Prior Resolutions.**

Director Snowden asked for a motion to adopt Resolution No. LPPFC 22-34.

Director Thomas moved to adopt Resolution No. LPPFC 22-34. Director Kirkendoll seconded the motion.

Director Snowden asked if there is any discussion or objection to Resolution No. LPPFC 22-34. Having none, Resolution No. LPPFC 22-34 is adopted.

**ADJOURNMENT**

Director Snowden declared the meeting adjourned at 6:20 p.m.

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ 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 improved property known as the "Ariza Gosling," located at 23217 Gosling Road, Spring, Texas 77389, and the execution of all required documents therefor.
2. **Date of Board Meeting:** September 19, 2022
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 that certain improved real property located at 23217 Gosling Road, Spring, Texas 77389 and commonly known as Ariza Gosling (the "**Project**");
2. Execute a Lease Agreement with Ariza Gosling Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 


DocuSigned by:  
  
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      Date: 9/14/2022

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 

DocuSigned by:  
  
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      Date: 9/14/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF ARIZA GOSLING, LOCATED AT 23217 GOSLING ROAD, SPRING, TEXAS 77389, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 13, 2022

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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 that certain improved real property located at 23217 Gosling Road, Spring, Texas 77389 and commonly known as Ariza Gosling (the "**Project**");
2. Execute a Lease Agreement with Ariza Gosling Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**").

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$44,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of

trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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 authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

1. Purchase that certain improved real property located at 23217 Gosling Road, Spring, Texas 77389 and commonly known as Ariza Gosling (the "**Project**");
2. Execute a Lease Agreement with Ariza Gosling Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 22-35

**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 that certain improved real property located at 23217 Gosling Road, Spring, Texas 77389 and commonly known as Ariza Gosling (the "Project");**
- 2. Execute a Lease Agreement with Ariza Gosling Owner LLC, a Delaware limited liability company (the "Owner") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**");

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$44,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Barely Lane Apartments located at or about 10770 Barely Lane, Houston, Texas 77070.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

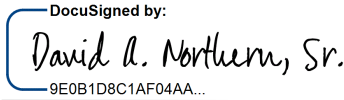
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Barely Lane Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

Signature  \_\_\_\_\_ Date: 9/15/2022

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR BARELY LANE APARTMENTS LOCATED AT OR ABOUT 10770 BARELY LANE, HOUSTON, TEXAS 77070.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

AMTEX Barely Lane Fund, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 300 units located at approximately the south side of Barely Lane, across the street from 10770 Barely Lane, Houston, Texas 77070, and to be known as Barely Lane Apartments (the "Project"), and further that the Issuer adopts this Resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this Resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$36,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Barely Lane Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject



Lakeside Place PFC

RESOLUTION NO. 22-36

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (BARELY LANE APARTMENTS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, AMTEX Barely Lane Fund, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 300 units located at approximately the south side of Barely Lane, across the street from 10770 Barely Lane, Houston, Texas 77070, and to be known as the Barely Lane Apartments (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$36,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-36

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this Resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this Resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted, and this Resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this Resolution.

Section 10. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this Resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for The Life at Timber Ridge located at or about 5350 Aeropark Drive and 5335 Aldine Bender Road, Houston, Texas 77032

2. **Date of Board Meeting:** September 19, 2022

3. **Proposed Board Resolution:**

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Timber Ridge); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

DocuSigned by:  
*David A. Northern, Sr.*  
Signature \_\_\_\_\_ Date: 9/15/2022  
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# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR THE LIFE AT TIMBER RIDGE LOCATED AT OR ABOUT 5350 AEROPARK DRIVE AND 5335 ALDINE BENDER ROAD, HOUSTON, TEXAS 77032  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

The Life at Timber Ridge, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 316 units located at approximately 5350 Aeropark Drive and 5335 Aldine Bender Road, Houston, Texas 77032, and commonly known as The Life at Timber Ridge (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$55,200,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Timber Ridge); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-37

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (THE LIFE AT TIMBER RIDGE); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, The Life at Timber Ridge, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of a low-income multifamily housing project consisting of approximately 316 units located at approximately 5350 Aeropark Drive and 5335 Aldine Bender Road, Houston, Texas 77032, and commonly known as The Life at Timber Ridge (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$55,200,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;



THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-37

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** –Authorizing Lakeside Place PFC's Bond Inducement for The Life at Brighton Estates located at or about 131 Aldine Bender Road, Houston, Texas 77060.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

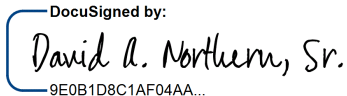
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Brighton Estates); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

Signature  \_\_\_\_\_ Date: 9/15/2022

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR THE LIFE AT BRIGHTON ESTATES LOCATED AT OR ABOUT 131 ALDINE BENDER ROAD, HOUSTON, TEXAS 77060.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

The Life at Brighton Estates, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 248 units located at approximately 131 Aldine Bender Road, Houston, Texas 77060, and commonly known as The Life at Brighton Estates (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$40,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Brighton Estates); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-38

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (THE LIFE AT BRIGHTON ESTATES); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, The Life at Brighton Estates, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of a low-income multifamily housing project consisting of approximately 248 units located at approximately 131 Aldine Bender Road, Houston, Texas 77060, and commonly known as The Life at Brighton Estates (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$40,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:



## Resolution No. LPPFC 22-38

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Spring Prairie Apartments, located at or about 21935 Rhodes Road, Spring, Texas 77389.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

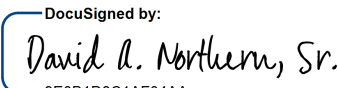
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Spring Prairie Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

DocuSigned by:  
  
 Signature \_\_\_\_\_ Date: 9/15/2022  
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**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR SPRING PRAIRIE APARTMENTS LOCATED AT OR ABOUT 21935 RHODES ROAD, SPRING, TEXAS 77389.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Spring Prairie Limited Partnership, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User"), has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 263 units located at approximately 21935 Rhodes Road, Spring, Texas 77389, and to be known as the Spring Prairie Apartments (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate-income at prices or rentals that they can afford, it is considered essential that development of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$32,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Spring Prairie Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-39

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (SPRING PRAIRIE APARTMENTS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Spring Prairie Limited Partnership, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 263 units located at approximately 21935 Rhodes Road, Spring, Texas 77389, and to be known as the Spring Prairie Apartments (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$32,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's or Construction Fund Agent's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-39

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, Construction Fund Agent or Bondholder, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's and Construction Agent's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.



Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.103-8(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

1. **Brief Description of Proposed Item** –Authorizing Lakeside Place PFC's Bond Inducement for Willow Creek Manor located at or about 10601 Cossey Road, Houston, Texas 77070.

2. **Date of Board Meeting:** September 19, 2022

3. **Proposed Board Resolution:**

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Willow Creek Manor); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

DocuSigned by:  
*David A. Northern, Sr.*  
Signature 9E0B1D8C1AF04AA... Date: 9/15/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKE PLACE PFC'S BOND INDUCEMENT FOR WILLOW CREEK MANOR LOCATED AT OR ABOUT 10601 COSSEY ROAD, HOUSTON, TEXAS 77070  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Pedcor Investments-2022-CXC, L.P., a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User"), has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 240 units located at approximately 10601 Cossey Road, Houston, Texas 77070, and commonly known as Willow Creek Manor (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate-income at prices or rentals that they can afford, it is considered essential that development of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$38,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Willow Creek Manor); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-40

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (WILLOW CREEK MANOR); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Pedcor Investments-2022-CXC, L.P., a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 240 units located at approximately 10601 Cossey Road, Houston, Texas 77070, and commonly known as Willow Creek Manor (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$38,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's or Construction Fund Agent's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-40

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, Construction Fund Agent or Bondholder, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's and Construction Agent's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.103-8(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.



# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** –Authorizing Lakeside Place PFC's Bond Inducement for Oakwood Trails Apartments located at or about 0 Louetta Road, Spring, Texas 77379.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

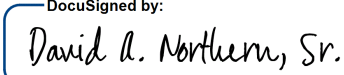
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Oakwood Trails Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

DocuSigned by:  
  
 Signature \_\_\_\_\_ Date: 9/15/2022  
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# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR OAKWOOD TRAILS APARTMENTS LOCATED AT OR ABOUT 0 LOUETTA ROAD, SPRING, TEXAS 77379.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Oakwood Trails Limited Partnership, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User"), has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 203 units located at approximately TRS 7B & 7B-1 ABST 229 G H DELESDERNIER & TR 7A ABST 229 G H DELESDERNIER off of Louetta Road, Spring, Texas 77379, and to be known as the Oakwood Trails Apartments (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate-income at prices or rentals that they can afford, it is considered essential that development of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$26,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Oakwood Trails Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-41

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (OAKWOOD TRAILS APARTMENTS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Oakwood Trails Limited Partnership, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 203 units located at approximately TRS 7B & 7B- 1 ABST 229 G H DELESDERNIER & TR 7A ABST 229 G H DELESDERNIER off of Louetta Road, Spring, Texas 77379, and to be known as the Oakwood Trails Apartments (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$26,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's or Construction Fund Agent's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-41

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, Construction Fund Agent or Bondholder, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's and Construction Agent's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.103-8(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for The Life at Sterling Woods located at or about 8625 Winkler Drive, Houston, Texas 77017.

2. **Date of Board Meeting:** September 19, 2022

3. **Proposed Board Resolution:**

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Sterling Woods); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

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

6. **Approval of President & CEO**

DocuSigned by:  
*David A. Northern, Sr.*  
Signature \_\_\_\_\_ Date: 9/15/2022  
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**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR THE LIFE AT STERLING WOODS LOCATED AT OR ABOUT 8625 WINKLER DRIVE, HOUSTON, TEXAS 77017.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

The Life at Sterling Woods, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 234 units located at approximately 8625 Winkler Drive, Houston, Texas 77017, and commonly known as The Life at Sterling Woods (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Sterling Woods); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-42

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (THE LIFE AT STERLING WOODS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, The Life at Sterling Woods, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of a low-income multifamily housing project consisting of approximately 234 units located at approximately 8625 Winkler Drive, Houston, Texas 77017, and commonly known as The Life at Sterling Woods (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-42

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for The Life at Clearwood located at or about 9465 Clearwood Drive, Houston, Texas 77075.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

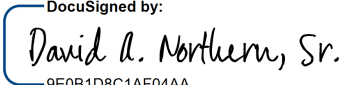
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Clearwood); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

DocuSigned by:  
  
 Signature \_\_\_\_\_ Date: 9/15/2022

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR THE LIFE AT CLEARWOOD LOCATED AT OR ABOUT 9465 CLEARWOOD DRIVE, HOUSTON, TEXAS 77075.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

The Life at Clearwood, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 276 units located at approximately 9465 Clearwood Drive, Houston, Texas 77075, and commonly known as The Life at Clearwood (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$50,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.



In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (The Life at Clearwood); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-43

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (THE LIFE AT CLEARWOOD); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, The Life at Clearwood, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of a low-income multifamily housing project consisting of approximately 276 units located at approximately 9465 Clearwood Drive, Houston, Texas 77075, and commonly known as The Life at Clearwood (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$50,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-43

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

1. **Brief Description of Proposed Item** – Authorizing Lakeside PFC's Bond Inducement for Continental Park Apartments located at or about SE corner of FM 1960 Rd. East and Continental Parkway, Humble, Texas.

2. **Date of Board Meeting:** September 19, 2022

3. **Proposed Board Resolution:**

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Continental Park Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

DocuSigned by:  
*David A. Northern, Sr.*  
Signature 9E0B1D8C1AF04AA... Date: 9/15/2022

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PFC'S BOND INDUCEMENT FOR CONTINENTAL PARK APARTMENTS LOCATED AT OR ABOUT SE CORNER OF FM 1960 RD. EAST AND CONTINENTAL PARKWAY, HUMBLE, TEXAS  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

#### **BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Continental Park Apartments, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 252 units located at approximately SE corner of FM 1960 Rd. East and Continental Parkway, Humble, Texas, and to be known as the Continental Park Apartments (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate-income at prices or rentals that they can afford, it is considered essential that development of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$34,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Continental Park Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject



Lakeside Place PFC

RESOLUTION NO. 22-44

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (CONTINENTAL PARK APARTMENTS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Continental Park Apartments, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 252 units located at approximately the SE corner of FM 1960 Rd. East and Continental Parkway, Humble, Texas, and to be known as the Continental Park Apartments (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$34,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's or Construction Fund Agent's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-44

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, Construction Fund Agent or Bondholder, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's and Construction Agent's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.103-8(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Mansions of Turkey Creek located at or about 20919 Birnamwood Blvd, Humble Texas 77338.
- 2. **Date of Board Meeting:** September 20, 2022
- 3. **Proposed Board Resolution:**

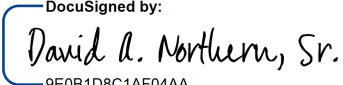
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Mansions of Turkey Creek); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

DocuSigned by:  
  
 Signature \_\_\_\_\_ Date: 9/15/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR MANSIONS OF TURKEY CREEK LOCATED AT OR ABOUT 20919 BIRNAMWOOD BLVD, HUMBLE TEXAS 77338  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer").

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Turkey Creek Redevelopment, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 20919 Birnamwood Blvd, Humble Texas 77338, and commonly known as Mansions of Turkey Creek (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Mansions of Turkey Creek); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

Lakeside Place PFC

RESOLUTION NO. 22-45

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (MANSIONS OF TURKEY CREEK); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Turkey Creek Redevelopment, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 20919 Birnamwood Blvd, Humble Texas 77338, and commonly known as Mansions of Turkey Creek (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;



THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

## Resolution No. LPPFC 22-45

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Pinnacle at Wilcrest located at or about 9520 Wilcrest, Houston, Texas 77099.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

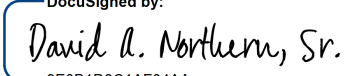
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Pinnacle at Wilcrest); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

DocuSigned by:  
  
 Signature \_\_\_\_\_ Date: 9/15/2022  
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**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S BOND INDUCEMENT FOR PINNACLE AT WILCREST LOCATED AT OR ABOUT 9520 WILCREST, HOUSTON, TEXAS 77099.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Pinnacle at Wilcrest Redevelopment, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 9520 Wilcrest, Houston, Texas 77099, and commonly known as Pinnacle at Wilcrest (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project.

The User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to renovate, rehabilitate, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low income (Pinnacle at Wilcrest); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board, and containing other provisions relating to the subject.

Lakeside Place PFC

RESOLUTION NO. 22-46

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW INCOME (PINNACLE AT WILCREST); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Pinnacle at Wilcrest Redevelopment, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and substantial rehabilitation of an affordable multifamily housing project consisting of approximately 250 units located at approximately 9520 Wilcrest, Houston, Texas 77099, and commonly known as Pinnacle at Wilcrest (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, rehabilitation, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount up to \$30,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:



- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.1038(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

**REQUEST FOR BOARD AGENDA ITEM**

- 1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's Bond Inducement for Fuqua Park Apartments located at or about 4807 West Fuqua St., Houston, Texas 77045.
- 2. **Date of Board Meeting:** September 19, 2022
- 3. **Proposed Board Resolution:**

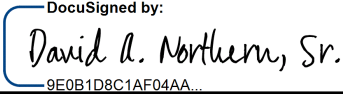
**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Fuqua Park Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

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

6. **Approval of President & CEO**

Signature  \_\_\_\_\_ Date: 9/15/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., PRESIDENT & CEO  
**SUBJECT:** BOND INDUCEMENT FOR FUQUA PARK APARTMENTS LOCATED AT OR ABOUT 4807 WEST FUQUA ST., HOUSTON, TEXAS 77045.  
**DATE:** SEPTEMBER 6, 2022

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This memorandum is accompanied by a formal resolution drafted by counsel representing HHA which states substantially the following:

**BACKGROUND:**

The Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

The Issuer, on behalf of the Unit, is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction.

Fuqua Park Apartments, LP, a Texas partnership or such other limited partnership as the sole member of the general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of an affordable multifamily housing project consisting of approximately 236 units located at approximately 4807 West Fuqua St., Houston, Texas 77045, and to be known as the Fuqua Park Apartments (the "Project"), and further that the Issuer adopts this resolution with respect to the proposed development, renovation, construction, and installation of the Project.

The User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project.

In view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate-income at prices or rentals that they can afford, it is considered essential that the development of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project, will be made available to finance the Project.

The Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed a maximum aggregate principal amount of \$30,000,000 and to expend the proceeds thereof to renovate, construct, develop, and equip the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds.

In order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the "TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year.

**RECOMMENDATION:**

Accordingly, I recommend that the Board approve the attached formal resolution and the following:

**Resolution:** Declaring the intent to issue bonds to provide financing for a multifamily affordable residential rental development for persons of low and moderate-income (Fuqua Park Apartments); Prescribing certain terms and conditions of such bonds; Authorizing the filing of an application for allocation of private activity bonds with the Texas Bond Review Board; and containing other provisions relating to the subject

Lakeside Place PFC

RESOLUTION NO. 22-47

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (FUQUA PARK APARTMENTS); PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Board of Commissioners of the Houston Housing Authority (the "Unit") has, pursuant to the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), approved and created the Lakeside Place PFC, a Texas nonprofit public facility corporation (the "Issuer")

WHEREAS, the Issuer, on behalf of the Unit is empowered to issue bonds to finance, refinance, or provide one or more public facilities, as such term is defined in the Act, which projects will be within the Issuer's jurisdiction;

WHEREAS, Fuqua Park Apartments, LP, a Texas limited partnership or such other limited partnership as the sole member of its general partner designates (the "User") has requested that the Issuer finance the acquisition and construction of a low-income multifamily housing project consisting of approximately 236 units located at approximately 4807 West Fuqua St., Houston, Texas 77045, and to be known as the Fuqua Park Apartments (the "Project"), and further that the Issuer adopt this resolution with respect to the proposed development, renovation, construction, and installation of the Project;

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the development of the Project would be an agreement by the Issuer to issue revenue bonds pursuant to the Act (the "Bonds") to finance and pay for the Project;

WHEREAS, in view of a shortage of decent, safe, and sanitary housing for persons and families of low and moderate income at prices or rentals that they can afford, it is considered essential that construction of the Project be completed at the earliest practicable date, but at the same time, the User wishes to begin construction of the Project after satisfactory assurances from the Issuer, subject to the conditions set forth herein, that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the costs of the Project will be made available to finance the Project;

WHEREAS, the Issuer finds, intends, and declares that this resolution shall constitute its official action, subject to the conditions set forth herein, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User not to exceed the maximum aggregate principal amount of \$30,000,000 and to expend the proceeds thereof to develop the Project and to pay all expenses and costs of the Issuer in connection with the issuance of the Bonds; and

WHEREAS, in order to finance and pay for the Project through the issuance of revenue bonds, the interest on which is excludable from the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer must submit an Application for Allocation of Private Activity Bonds (the "Application") to the Texas Bond Review Board (the

"TBRB") for a reservation of state ceiling available to "private activity bonds" (as defined in the Code) for a calendar year;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ISSUER THAT:

Section 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) Issue the Bonds and, if the User and the Issuer agree, other evidences of indebtedness providing temporary financing of the Project which will be issued after the date hereof and be refunded by the Bonds pursuant to the Act, or any other Texas legislation heretofore or hereafter enacted which may provide a suitable method of financing in addition to or in substitution for the Act.

(b) Cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, the Issuer will take such action and authorize the execution of such documents and will take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary or desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums, paying agents' charges, and Trustee's or Construction Fund Agent's fees, if any, on the Bonds; payment of fees and charges of the Issuer or the Unit; development of the Project or reimbursement of Project costs; and use, operation, and maintenance of the Project (and the execution of any appropriate and necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be mutually satisfactory to the Issuer, the Unit, and the User. The Issuer reasonably expects to reimburse the User for all or a portion of the costs ("Costs of the Project") that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the development of the property comprising the Project from the proceeds of the Bonds in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the construction, equipping, and furnishing of the Project and costs incidental thereto, including reimbursing the User for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the construction of the Project; (b) to fund certain reserves for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

(c) If the proceeds from the sale of the Bonds are insufficient, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the development of the Project, as requested by the User and within then applicable limitations.

(d) Take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas, the Unit, nor any political issuer, subdivision, or agency of the State of Texas shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State of Texas, the Unit, or any political issuer, subdivision, or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

The obligation of the Issuer to issue the Bonds is specifically subject to satisfaction of each of the following conditions:

- (i) The receipt of a ruling from the Internal Revenue Service or an opinion from nationally recognized bond counsel, substantially to the effect that the interest on the Bonds is excludable from gross income tax purposes under existing law;
- (ii) Approval of the Bonds by all other governmental agencies required to approve the Bonds including, but not limited to, approval of the Bonds by the Mayor of the City of Houston, Texas, the Attorney General of the State of Texas, and any other applicable governmental authority; and
- (iii) Any other conditions reasonably imposed by the Issuer and/or the Unit.

Section 2. The Issuer hereby authorizes the submission of an Application to the TBRB for a reservation of the state ceiling for "private activity bonds" for program year 2023 (or other available bond funds administered by the TBRB) and each subsequent calendar year at the User's request to finance the Project. Any officer of the Issuer is hereby authorized to execute and submit an Application to the TBRB in such form as may be approved by the TBRB for such purpose.

Section 3. It is understood by the Issuer and the Unit, and the User has represented to the Issuer, that in consideration of this resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that:

(a) Prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself to pay to the Issuer (or to a Trustee, Construction Fund Agent or Bondholder, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums, paying agents' fees, and Trustee's and Construction Agent's fees, if any, on the Bonds, as and when the same become due and payable, with such contract to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User.

(b) The User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times, indemnify and hold harmless the Issuer against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

(c) The User will provide to the Issuer all information required to be submitted to the TBRB and any other governmental agencies for approval of the Project or the Bonds and will execute all necessary documents in connection therewith.

Section 4. The Issuer finds, determines, recites, and declares that the issuance of the Bonds to provide financing for the Project will promote the public purposes set forth in Section 303 of the Act, including, without limitation, assisting persons of low and moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 5. Neither the User nor any other party is entitled to rely on this resolution as a commitment to loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor anyone claiming by, through, or under the User, nor



any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.

Section 6. It is understood by the Issuer that all commitments of the Issuer and the User with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than three years from the date of this resolution, or such other date as shall be mutually satisfactory to the Issuer and the User.

Section 7. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any of its wholly-owned subsidiaries; (iii) any "related person" as defined in Section 144(a)(3) of the Code; or (iv) any legal successor thereto, respectively, subject to approval of the Issuer's bond counsel and, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references to the User shall be deemed to include the User acting directly through itself or any such approved entities.

Section 8. The adoption of this resolution, as requested by the User, shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project and this resolution shall constitute an agreement between the Issuer and the User effective on the date that this resolution is adopted, and this resolution is affirmative of official action taken by the Issuer towards the issuance of the Bonds within the meaning of Sections 1.103-8(a)(5)(i) and (ii) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of the Project may qualify for the exemption provisions of Section 142(a)(7) of the Code and that the interest on the Bonds will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 9. The Issuer hereby authorizes the filing and any resubmission of an Application with the TBRB, and that Coats Rose, P.C. be designated as the authorized representative of the Issuer for purposes of an Application and that any officer of the Issuer is hereby authorized and directed to execute an Application on behalf of the Issuer and to take any and all other actions related to such Application or necessary or desirable to carry out the provisions of this resolution.

Section 10. Notwithstanding any other provision of this resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions to this resolution and in the form of the documents hereby approved, in the opinion of Bond Counsel, as may be necessary or convenient to carry out or assist in carrying out the purposes of this resolution; and approval of such changes by the Issuer shall be indicated by such officers' execution of the documents.

PASSED AND APPROVED this 19<sup>th</sup> day of September, 2022.

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ 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 improved property known as the "Estates at Bellaire", located at 4807 Pin Oak Park, Houston, Texas 77081, and the execution of all required documents therefor.
- 2. **Date of Board Meeting:** September 19, 2022
- 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 that certain improved real property located at 4807 Pin Oak Park, Houston, Texas 77081 and commonly known as the Estates at Bellaire (the "**Project**");
- 2. Execute a Lease Agreement with Post Bellaire, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 DocuSigned by:  
*Jay Mason*  
EB1ADD6791E24E3      Date: 9/14/2022

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 DocuSigned by:  
*David A. Northern, Sr.*  
9E0B1D8C1AF04AA...      Date: 9/14/2022

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF THE ESTATES AT BELLAIRE, LOCATED AT 4807 PIN OAK PARK, HOUSTON, TEXAS 77081, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 6, 2022

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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 that certain improved real property located at 4807 Pin Oak Park, Houston, Texas 77081 and commonly known as the Estates at Bellaire (the "**Project**");
2. Execute a Lease Agreement with Post Bellaire, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 sole member of the Owner.

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

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 the 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 the 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 \$68,598,000 (the "**Loan**") from JLL Real Estate Capital, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and

secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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:** 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 that certain improved real property located at 4807 Pin Oak Park, Houston, Texas 77081 and commonly known as the Estates at Bellaire (the "**Project**");
2. Execute a Lease Agreement with Post Bellaire, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 22-48**

**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 that certain improved real property located at 4807 Pin Oak Park, Houston, Texas 77081 and commonly known as the Estates at Bellaire (the "Project");**
- 2. Execute a Lease Agreement with Post Bellaire, LLC, a Delaware limited liability company (the "Owner") to facilitate the acquisition 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 sole member of the Owner;

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

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$68,598,000 (the "**Loan**") from JLL Real Estate Capital, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### REQUEST FOR BOARD AGENDA ITEM

- Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "AMLI Uptown to be known as Post Oak", located at 2525 McCue Rd., Houston, Texas 77056, and the execution of all required documents therefor.
- Date of Board Meeting:** September 19, 2022
- Proposed Board Resolution:**

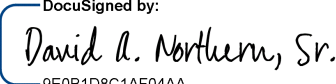
**Resolution:** That the Board of Directors of the Lakeside Place PFC authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

- Purchase that certain improved real property located at 2525 McCue Rd., Houston, Texas 77056 and commonly known as the AMLI Uptown to be known as Post Oak (the "**Project**");
- Execute a Lease Agreement with Caroline Post Oak Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
- 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  DocuSigned by:  
Jay Mason  
FB1ADD6791F24F3...    Date: 9/14/2022

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  DocuSigned by:  
David A. Northern, Sr.  
9E0B1D8C1AF04AA...    Date: 9/14/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF THE AMLI UPTOWN TO BE KNOWN AS POST OAK, LOCATED AT 2525 MCCUE RD., HOUSTON, TEXAS 77056, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 6, 2022

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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 that certain improved real property located at 2525 McCue Rd., Houston, Texas 77056 and commonly known as AMLI Uptown to be known as Post Oak (the "**Project**");
2. Execute a Lease Agreement with Caroline Post Oak Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition 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 limited partner of the sole limited partner of the Owner.

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

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 the 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 the 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 \$42,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation

("Lender"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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 that certain improved real property located at 2525 McCue Rd., Houston, Texas 77056 and commonly known as AMLI Uptown to be known as Post Oak (the "**Project**");
2. Execute a Lease Agreement with Caroline Post Oak Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition 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 22-49**

**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 that certain improved real property located at 2525 McCue Rd., Houston, Texas 77056 and commonly known as AMLI Uptown to be known as Post Oak (the "Project");**
- 2. Execute a Lease Agreement with Caroline Post Oak Owner, LP, a Delaware limited partnership (the "Owner") to facilitate the acquisition 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 limited partner of the sole limited partner of the Owner;

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

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$42,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### REQUEST FOR BOARD AGENDA ITEM

- Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as AMLI River Oaks to be known as West Gray, located at 1340 W. Gray St., Houston, Texas 77019, and the execution of all required documents therefor.
- Date of Board Meeting:** September 19, 2022
- Proposed Board Resolution:**

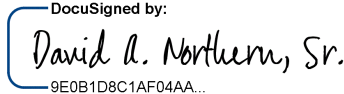
**Resolution:** That the Board of Directors of the Lakeside Place PFC authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

- Purchase that certain improved real property located at AMLI River Oaks to be known as West Gray, Houston, Texas 77019 and commonly known as AMLI River Oaks to be known as West Gray (the "**Project**");
- Execute a Lease Agreement with Caroline West Gray Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
- 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: 9/14/2022

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       Date: 9/14/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF AMLI RIVER OAKS TO BE KNOWN AS WEST GRAY, LOCATED AT 1340 W. GRAY ST., HOUSTON, TEXAS 77019, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 6, 2022

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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 that certain improved real property located at 1340 W. Gray St., Houston, Texas 77019 and commonly known as AMLI River Oaks to be known as West Gray (the "**Project**");
2. Execute a Lease Agreement with Caroline West Gray Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition 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 limited partner of the sole limited partner of the Owner.

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

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$50,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation

("Lender"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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 that certain improved real property located at 1340 W. Gray St., Houston, Texas 77019 and commonly known as AMLI River Oaks to be known as West Gray (the "**Project**");
2. Execute a Lease Agreement with Caroline West Gray Owner, LP, a Delaware limited partnership (the "**Owner**") to facilitate the acquisition 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 22-50**

**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 that certain improved real property located at 1340 W. Gray St., Houston, Texas 77019 and commonly known as AMLI River Oaks to be known as West Gray (the "Project");**
- 2. Execute a Lease Agreement with Caroline West Gray Owner, LP, a Delaware limited partnership (the "Owner") to facilitate the acquisition 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 limited partner of the sole limited partner of the Owner;

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

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$50,000,000 (the "**Loan**") from the Federal Home Loan Mortgage Corporation ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC


## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### REQUEST FOR BOARD AGENDA ITEM

- Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as the "The Carlton", located at 3805 W. Alabama Street, Houston, Texas 77027, and the execution of all required documents therefor.
- Date of Board Meeting:** September 19, 2022
- Proposed Board Resolution:**

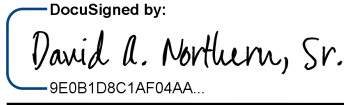
**Resolution:** That the Board of Directors of the Lakeside Place PFC authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

- Purchase that certain improved real property located at 3805 W. Alabama Street, Houston, Texas 77027 and commonly known as The Carlton (the "**Project**");
- Execute a Lease Agreement with Bridge-Carlton, LP, a Texas limited partnership (the "**Owner**") to facilitate the acquisition and operation of the Project by the Owner, including the placement of affordable housing units at the Project; and
- 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: 9/14/2022

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  \_\_\_\_\_ Date: 9/14/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF THE CARLTON, LOCATED AT 3805 W. ALABAMA STREET, HOUSTON, TEXAS 77027, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 6, 2022

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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 that certain improved real property located at 3805 W. Alabama Street, Houston, Texas 77027 and commonly known as The Carlton (the "**Project**");
2. Execute a Lease Agreement with Bridge-Carlton, LP, a Texas limited partnership (the "**Owner**") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**").

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 the 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 the 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 \$33,950,000 (the "**Loan**") from Walker & Dunlop, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by

a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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 that certain improved real property located at 3805 W. Alabama Street, Houston, Texas 77027 and commonly known as the Estates at Bellaire (the "**Project**");
2. Execute a Lease Agreement with Bridge-Carlton, LP, a Texas limited partnership (the "**Owner**") to facilitate the acquisition 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 22-51**

**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 that certain improved real property located at 3805 W. Alabama Street, Houston, Texas 77027 and commonly known as The Carlton (the "Project");**
- 2. Execute a Lease Agreement with Bridge-Carlton, LP, a Texas limited partnership (the "Owner") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**");

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$33,950,000 (the "**Loan**") from Walker & Dunlop, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC

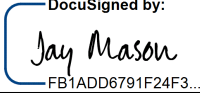
## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### REQUEST FOR BOARD AGENDA ITEM

1. **Brief Description of Proposed Item** – Authorizing Lakeside Place PFC's acquisition and lease of that certain improved property known as "Providence Uptown", located at 3323 McCue Rd., Houston, Texas 77056, and the execution of all required documents therefor.
2. **Date of Board Meeting:** September 19, 2022
3. **Proposed Board Resolution:**

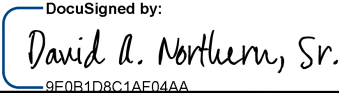
**Resolution:** That the Board of Directors of the Lakeside Place PFC authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

1. Purchase that certain improved real property located at 3323 McCue Rd., Houston, Texas 77056 and commonly known as Providence Uptown (the "**Project**");
2. Execute a Lease Agreement with Post Providence, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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: 9/14/2022

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       Date: 9/14/2022

**LAKESIDE PLACE PFC**  
**2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057**

**MEMORANDUM**

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF PROVIDENCE UPTOWN, LOCATED AT 3323 MCCUE RD., HOUSTON, TEXAS 77056, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 6, 2022

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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 that certain improved real property located at 3323 McCue Rd., Houston, Texas 77056 and commonly known as Providence Uptown (the "**Project**");
2. Execute a Lease Agreement with Post Providence, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 sole member of the Owner.

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

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$66,332,000 (the "**Loan**") from JLL Real Estate Capital, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and

secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 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 that certain improved real property located at 3323 McCue Rd., Houston, Texas 77056 and commonly known as Providence Uptown (the "**Project**");
2. Execute a Lease Agreement with Post Providence, LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 22-52**

**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 that certain improved real property located at 3323 McCue Rd., Houston, Texas 77056 and commonly known as Providence Uptown (the "Project");**
- 2. Execute a Lease Agreement with Post Providence, LLC, a Delaware limited liability company (the "Owner") to facilitate the acquisition 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 sole member of the Owner;

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

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 \$66,332,000 (the "**Loan**") from JLL Real Estate Capital, LLC, a Delaware limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and secured by a deed of trust recorded against the Owner's leasehold interest in the Project (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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ 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 improved property known as "Alta Med Main", located at 9330 S. Main St., Houston, Texas 77025, and the execution of all required documents therefor.
- 2. **Date of Board Meeting:** September 19, 2022
- 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:

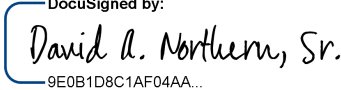
- 1. Purchase that certain improved real property located at 9330 S. Main St., Houston, Texas 77025 and commonly known as Alta Med Main (the "**Project**");
- 2. Execute a Lease Agreement with TREPFI AO Med Main Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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: 9/14/2022

DocuSigned by:  
Jay Mason  
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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  Date: 9/14/2022

DocuSigned by:  
David A. Northern, Sr.  
9E0B1D8C1AF04AA...

# LAKESIDE PLACE PFC

## 2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

### MEMORANDUM

**TO:** LAKESIDE PLACE PFC BOARD OF DIRECTORS  
**FROM:** DAVID A. NORTHERN, SR., SECRETARY  
**SUBJECT:** AUTHORIZING LAKESIDE PLACE PFC'S ACQUISITION AND LEASE OF ALTA MED MAIN, LOCATED AT 9330 S. MAIN ST., HOUSTON, TEXAS 77025, AND THE EXECUTION OF ALL REQUIRED DOCUMENTS THEREFOR.  
**DATE:** SEPTEMBER 13, 2022

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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 that certain improved real property located 9330 S. Main St., Houston, Texas 77025 and commonly known as Alta Med Main (the "**Project**");
2. Execute a Lease Agreement with TREPFI AO Med Main Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**").

The PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 has borrowed a loan in an aggregate principal amount of \$60,000,000 (the "**Loan**") from NewPoint Real Estate Capital LLC, a Michigan limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and which will be modified to be secured by a deed of trust recorded against the Owner's leasehold interest in the Project

(collectively with all other documents contemplated thereby and necessary to evidence the loan modification to the existing 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 Project and lease it 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, "**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 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 authorizes the PFC to execute any and all documents or take any other action that is necessary or desirable to:

1. Purchase that certain improved real property located at 9330 S. Main St., Houston, Texas 77025 and commonly known as Alta Med Main (the "**Project**");
2. Execute a Lease Agreement with TREPFI AO Med Main Owner LLC, a Delaware limited liability company (the "**Owner**") to facilitate the acquisition 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 22-53

**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 that certain improved real property located at 9330 S. Main St., Houston, Texas 77025 and commonly known as Alta Med Main (the "Project");**
- 2. Execute a Lease Agreement with TREPFI AO Med Main Owner LLC, a Delaware limited liability company (the "Owner") to facilitate the acquisition 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 Project pursuant to certain assignments, a deed from the seller, and any other documentation required to consummate the acquisition of the Project (the "**Acquisition Documents**");

WHEREAS, the PFC desires to enter into a long-term lease agreement with the Owner, conveying interests in the Project 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 has borrowed a loan in an aggregate principal amount of \$60,000,000 (the "**Loan**") from NewPoint Real Estate Capital LLC, a Michigan limited liability company ("**Lender**"), pursuant to a loan agreement and evidenced by a promissory note and which will be modified to be secured by a deed of trust recorded against the Owner's leasehold interest in the Project (collectively with all other documents contemplated thereby and necessary to evidence the loan modification to the existing 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 Project and lease it 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, "**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 19th day of September, 2022.

ATTEST:

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CHAIR

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Secretary