

LAKESIDE PLACE PFC

2640 Fountain View Drive ♦ Houston, Texas 77057

BOARD OF DIRECTORS MEETING

TUESDAY, JUNE 27, 2023

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

CUNEY HOMES

Community Center

3260 Truxillo, Houston, TX 77004

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of the May 16, 2023 Meeting Minutes
- IV. New Business

Resolution No. LPPFC 23-14: Resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate-income (Landing on Orem).

Resolution No. LPPFC 23-15: Authorizing Lakeside Place PFC's issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

Resolution No. LPPFC 23-16: Authorizing Lakeside Place PFC's issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

Resolution No. LPPFC 23-17: Authorizing Lakeside Place PFC's issuance, sale and delivery of tax-exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments), Series 2023 and 2023B and taxable Multifamily Housing Revenue Notes (Oakwood Trails Apartments) 2023C; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

- V. Adjournment

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

**MINUTES OF THE
LAKESIDE PLACE PFC
BOARD OF DIRECTORS MEETING
TUESDAY, MAY 16, 2023**

A meeting of the Board of Directors (“Board”) of HHA Lakeside Place Public Facility Corporation was held on Tuesday, May 16, 2023 at the Houston Housing Authority Central Office located at 2640 Fountain View Drive, Houston, TX 77057.

Director Snowden called the meeting to order at 3:42 p.m. Secretary Northern called the roll and Director Snowden declared a quorum present.

Present: LaRence Snowden, President & Director
 Kris Thomas, Director
 Stephanie A.G. Ballard, Director
 Andrea Hilliard Cooksey, Director
 David A. Northern, Sr., Secretary

Absent: Kristy Kirkendoll, Director
 Max A. Miller, Jr., Director

APPROVAL OF MINUTES

Director Snowden stated the Board has had an opportunity to review the March 21, 2023 Board of Directors meeting minutes. He asked for a motion to adopt the minutes.

Director Cooksey moved to adopt the minutes. Director Ballard seconded the motion.

Director Snowden asked if there is any discussion or objection to the March 21, 2023 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 LPPFC 23-13: Resolution declaring Lakeside Place PFC’s intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate-income (The Life at Westpark)

President Snowden stated that the Board has heard the reading of the resolution and asked for a motion to adopt Resolution No. LPPFC 23-13.

Director Thomas moved to adopt Resolution No. LPPFC 23-13. Director Ballard seconded the motion.

President Snowden asked if there is any discussion or objection to adopting Resolution No. LPPFC 23-13. Having none, the President called for a vote. All voted in favor therefore Resolution No LPPFC 23-13 is adopted.

ADJOURNMENT

Director Snowden declared the meeting adjourned at 3:44 p.m.

LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR. ♦ HOUSTON, TEXAS 77057

REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item:

Resolution declaring intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate-income (Landing on Orem).

2. Date of Board Meeting: June 27, 2023

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 (Landing on Orem); 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

DocuSigned by:
Jay Mason
FB1ADD6791F24E3

Date: 6/22/2023

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

Funds Budgeted and Available Yes No Source Third Party

VP of FO Approval

Signature

DocuSigned by:
Mike Rogers
3EC87AD4770742D

Date: 6/22/2023

6. Approval of President & CEO

Signature

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

Date: 6/22/2023

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: RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE-INCOME (LANDING ON OREM).
DATE: JUNE 12, 2023

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.

Landing on Orem, LP, a Texas limited 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 to be located at approximately the northeast corner of the intersection of at the corner of Orem Drive and MLK Boulevard, Houston, Texas, and to be known as the Landing on Orem (the "Project"), and further that the Issuer adopt 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 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 \$50,000,000 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 intent to issue bonds to provide financing for a multifamily residential rental development for persons of low and moderate-income (Landing on Orem); 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. LPPFC 23-14

RESOLUTION DECLARING INTENT TO ISSUE BONDS TO PROVIDE FINANCING FOR A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME (LANDING ON OREM); 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, Landing on Orem, LP, a Texas limited 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 to be located at approximately the northeast corner of the intersection of at the corner of Orem Drive and MLK Boulevard, Houston, Texas, and to be known as the Landing on Orem (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 \$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 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 23-14

- (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 27th day of June, 2023.

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 issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

2. Date of Board Meeting: June 12, 2023

3. Proposed Board Resolution:

Resolution: Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

4. Department Head Approval Signature DocuSigned by:
Jay Mason
EB31ADD6791E24E3 Date: 6/22/2023

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

Funds Budgeted and Available Yes No Source Third Party Funding

VP of FO Approval Signature DocuSigned by:
Mike Rogers
3EC87AD4710742D Date: 6/22/2023

6. Approval of President & CEO Signature DocuSigned by:
David A. Northern, Sr.
950B3D8C3AF94AA Date: 6/22/2023

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 ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS (NHH BERRY), SERIES 2023; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.
DATE: JUNE 12, 2023

This memorandum recommends that the Board of Directors of the Lakeside Place PFC ("PFC") authorizes the PFC issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

BACKGROUND:

Lakeside Place PFC (the "Issuer") has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "Act"), for the purpose of assisting the Housing Authority of the City of Houston d/b/a Houston Housing Authority (the "Sponsor") in financing, refinancing or providing public facilities.

The Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the Sponsor's jurisdiction, and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds.

The Board of Directors of the Issuer (the "Board") has determined to authorize the issuance, sale and delivery of its Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023 (the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture, dated on or about of July 1, 2023 (the "Indenture"), between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee"), for the purpose of lending the proceeds thereof to NHH Berry, LLC, a Texas limited liability company (the "Borrower"), to provide financing for the acquisition and construction of a multifamily housing residential rental development to be known as NHH Berry, located at approximately 9011 McGallion, Houston, Texas 77022 and described more fully on Exhibit A attached hereto (the "Project"), all in accordance with the Constitution and laws of the State of Texas.

The Board, by resolution adopted on October 18, 2022, declared its intent to issue its revenue bonds to provide financing for the Project.

In order to assist in carrying out the acquisition, construction and equipping of the Project, the Board has determined that the Issuer shall enter into a Financing Agreement (the "Agreement"), with the Borrower, pursuant to which (i) the Issuer will agree to make a mortgage loan funded with the proceeds of the Bonds to the Borrower to enable the Borrower to finance costs of the acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver a promissory note in an original principal amount equal to the original principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreement.

In order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants, dated on or about July 1, 2023 (the "Regulatory Agreement") with respect to the Project.

The Board desires to ratify certain other actions heretofore taken with respect to the Bonds.

The Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement.

Section 147(f) of the Code requires that the Bonds be approved by the "applicable elected representative" (the "AER") after a public hearing following reasonable public notice.

With respect to bonds issued by the Issuer, the AER for issuer approval is the Mayor of the City of Houston ("City").

Notice of a public hearing with respect to the Bonds and the Project held on behalf of the Issuer on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City.

The Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard.

The Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient.

APPROVALS:

The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the

initial owner of the Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or the Secretary of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Indenture.

The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest on the Bonds shall initially not exceed 10%; (ii) the principal amount of the Multifamily Housing Mortgage Revenue Bonds (NHH Berry) Series 2023 shall not exceed \$25,000,000; (iii) the final maturity of the Bonds shall occur not later than July 1, 2062; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

The officers of the Issuer are each hereby authorized to execute the Indenture and the Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by the execution and delivery of the Indenture and the Agreement.

The officers of the Issuer are each hereby authorized to execute the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery and to deliver the Regulatory Agreement.

The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

The officers of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions 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.

The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices.

The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, the Sponsor or any other political subdivision or governmental unit.

All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of tax counsel with respect to the Bonds.

The Board further directs that an officer of the Issuer submits or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds is issued, a statement containing the information required by Section 149(e) of the Code.

RECOMMENDATION:

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

Resolution: Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

RESOLUTION NO. LPPFC 23-15

Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

WHEREAS, Lakeside Place PFC (the “**Issuer**”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “**Act**”), for the purpose of assisting the Housing Authority of the City of Houston d/b/a Houston Housing Authority (the “**Sponsor**”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the Sponsor’s jurisdiction, and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board of Directors of the Issuer (the “**Board**”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Mortgage Revenue Bonds (NHH Berry), Series 2023 (the “**Bonds**”), pursuant to and in accordance with the terms of a Trust Indenture, dated on or about of July 1, 2023 (the “**Indenture**”), between the Issuer and Zions Bancorporation, National Association, as trustee (the “**Trustee**”), for the purpose of lending the proceeds thereof to NHH Berry, LLC, a Texas limited liability company (the “**Borrower**”), to provide financing for the acquisition and construction of a multifamily housing residential rental development to be known as NHH Berry, located at approximately 9011 McGallion, Houston, Texas 77022 and described more fully on Exhibit A attached hereto (the “**Project**”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Board, by resolution adopted on October 18, 2022, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the acquisition, construction and equipping of the Project, the Board has determined that the Issuer shall enter into a Financing Agreement (the “**Agreement**”), with the Borrower, pursuant to which (i) the Issuer will agree to make a mortgage loan funded with the proceeds of the Bonds to the Borrower to enable the Borrower to finance costs of the acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver a promissory note in an original principal amount equal to the original principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreement; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “**Code**”), the Issuer will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants, dated on or about July 1, 2023 (the “**Regulatory Agreement**”) with respect to the Project; and

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Bonds; and

WHEREAS, the Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement; and

WHEREAS, Section 147(f) of the Code requires that the Bonds be approved by the “applicable elected representative” (the “**AER**”) after a public hearing following reasonable public notice; and

WHEREAS, with respect to bonds issued by the Issuer, the AER for issuer approval is the Mayor of the City of Houston (“**City**”); and

WHEREAS, notice of a public hearing with respect to the Bonds and the Project held on behalf of the Issuer on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard; and

WHEREAS, the Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAKESIDE PLACE PFC THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Bonds. The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or the Secretary of

the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Indenture.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest on the Bonds shall initially not exceed 10%; (ii) the principal amount of the Multifamily Housing Mortgage Revenue Bonds (NHH Berry) Series 2023 shall not exceed \$25,000,000; (iii) the final maturity of the Bonds shall occur not later than July 1, 2062; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

Section 4.--Approval, Execution and Delivery of the Indenture and the Agreement. The officers of the Issuer are each hereby authorized to execute the Indenture and the Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by the execution and delivery of the Indenture and the Agreement.

Section 5.--Approval, Execution and Delivery of the Regulatory Agreement. The officers of the Issuer are each hereby authorized to execute the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery and to deliver the Regulatory Agreement.

Section 6.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

Section 7.--Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 8.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions 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.

Section 9.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 10.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 11.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices.

Section 12.--Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, the Sponsor or any other political subdivision or governmental unit.

Section 13.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of tax counsel with respect to the Bonds.

Section 15.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds is issued, a statement containing the information required by Section 149(e) of the Code.

Section 16.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this 27th day of June, 2023.

ATTEST:

CHAIR

Secretary

Exhibit A

PROJECT AND BORROWER

Borrower: NHH Berry, LLC, a Texas limited liability company

Project: 180-unit multifamily residential rental development to be known as NHH Berry

The Project will be located at approximately 9011 McGallion, Houston, Texas 77022. It will consist of 4 residential apartment buildings with approximately 148,950 net rentable square feet and an average unit size of approximately 828 square feet. The unit mix will consist of:

54	one-bedroom/one-bath units
108	two-bedroom/two-bath units
<u>18</u>	<u>three-bedroom/two-bath units</u>
180	Total Units

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 issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

2. Date of Board Meeting: June 27, 2023

3. Proposed Board Resolution:

Resolution: Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

4. Department Head Approval Signature DocuSigned by:
Jay Mason
FB1ADD6791F24F3... Date: 6/22/2023

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

Funds Budgeted and Available Yes No Source Third Party Funding

VP of FO Approval Signature DocuSigned by:
Mike Rogers
3FC87AD4710742D... Date: 6/22/2023

6. Approval of President & CEO Signature DocuSigned by:
David A. Northern, Sr.
9E0B1D8C1AF04AA... Date: 6/22/2023

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 ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS (NHH GRAY), SERIES 2023; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.
DATE: JUNE 12, 2023

This memorandum recommends that the Board of Directors of the Lakeside Place PFC (“PFC”) authorizes the PFC issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

BACKGROUND:

Lakeside Place PFC (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), for the purpose of assisting the Housing Authority of the City of Houston d/b/a Houston Housing Authority (the “Sponsor”) in financing, refinancing or providing public facilities.

The Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the Sponsor’s jurisdiction, and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds.

The Board of Directors of the Issuer (the “Board”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023 (the “Bonds”), pursuant to and in accordance with the terms of a Trust Indenture, dated on or about of July 1, 2023 (the “Indenture”), between the Issuer and Zions Bancorporation, National Association, as trustee (the “Trustee”), for the purpose of lending the proceeds thereof to NHH Gray, LLC, a Texas limited liability company (the “Borrower”), to provide financing for the acquisition and construction of a multifamily housing residential rental development to be known as NHH Gray, located at approximately 2675 & 2604 Gray Street, Houston, Texas 77004 and described more fully on Exhibit A attached hereto (the “Project”), all in accordance with the Constitution and laws of the State of Texas.

The Board, by resolution adopted on October 18, 2022, declared its intent to issue its revenue bonds to provide financing for the Project.

In order to assist in carrying out the acquisition, construction and equipping of the Project, the Board has determined that the Issuer shall enter into a Financing Agreement (the "Agreement"), with the Borrower, pursuant to which (i) the Issuer will agree to make a mortgage loan funded with the proceeds of the Bonds (the "Mortgage Loan") to the Borrower to enable the Borrower to finance costs of the acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver a promissory note (the "Notes") in an original principal amount equal to the original principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreement.

In order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants, dated on or about July 1, 2023 (the "Regulatory Agreement") with respect to the Project.

The Board desires to ratify certain other actions heretofore taken with respect to the Bonds.

The Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement.

Section 147(f) of the Code requires that the Bonds be approved by the "applicable elected representative" (the "AER") after a public hearing following reasonable public notice.

With respect to bonds issued by the Issuer, the AER for issuer approval is the Mayor of the City of Houston ("City").

Notice of a public hearing with respect to the Bonds and the Project held on behalf of the Issuer on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City.

The Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard.

The Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient.

APPROVALS:

The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the

initial owner of the Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or the Secretary of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Indenture.

The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest on the Bonds shall initially not exceed 10%; (ii) the principal amount of the Multifamily Housing Mortgage Revenue Bonds (NHH Gray) Series 2023 shall not exceed \$25,000,000; (iii) the final maturity of the Bonds shall occur not later than July 1, 2062; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

The officers of the Issuer are each hereby authorized to execute the Indenture and the Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by the execution and delivery of the Indenture and the Agreement.

The officers of the Issuer are each hereby authorized to execute the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery and to deliver the Regulatory Agreement.

The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

The officers of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions 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.

The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices.

The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, the Sponsor or any other political subdivision or governmental unit.

All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of tax counsel with respect to the Bonds.

The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds is issued, a statement containing the information required by Section 149(e) of the Code.

RECOMMENDATION:

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

Resolution: Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

RESOLUTION NO. LPPFC 23-16

Resolution authorizing the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023; authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

WHEREAS, Lakeside Place PFC (the “**Issuer**”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “**Act**”), for the purpose of assisting the Housing Authority of the City of Houston d/b/a Houston Housing Authority (the “**Sponsor**”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Issuer: (a) to make loans to any person to provide financing for rental residential developments located within the Sponsor’s jurisdiction, and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Issuer; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board of Directors of the Issuer (the “**Board**”) has determined to authorize the issuance, sale and delivery of its Multifamily Housing Mortgage Revenue Bonds (NHH Gray), Series 2023 (the “**Bonds**”), pursuant to and in accordance with the terms of a Trust Indenture, dated on or about of July 1, 2023 (the “**Indenture**”), between the Issuer and Zions Bancorporation, National Association, as trustee (the “**Trustee**”), for the purpose of lending the proceeds thereof to NHH Gray, LLC, a Texas limited liability company (the “**Borrower**”), to provide financing for the acquisition and construction of a multifamily housing residential rental development to be known as NHH Gray, located at approximately 2675 & 2604 Gray Street, Houston, Texas 77004 and described more fully on Exhibit A attached hereto (the “**Project**”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Board, by resolution adopted on October 18, 2022, declared its intent to issue its revenue bonds to provide financing for the Project; and

WHEREAS, in order to assist in carrying out the acquisition, construction and equipping of the Project, the Board has determined that the Issuer shall enter into a Financing Agreement (the “**Agreement**”), with the Borrower, pursuant to which (i) the Issuer will agree to make a mortgage loan funded with the proceeds of the Bonds (the “**Mortgage Loan**”) to the Borrower to enable the Borrower to finance costs of the acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver a promissory note (the “**Notes**”) in an original principal amount equal to the original principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Agreement; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “**Code**”), the Issuer will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants, dated on or about July 1, 2023 (the “**Regulatory Agreement**”) with respect to the Project; and

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Bonds; and

WHEREAS, the Issuer desires to authorize the Trustee to invest and reinvest the proceeds of the Bonds and all other funds received and held under the Agreement; and

WHEREAS, Section 147(f) of the Code requires that the Bonds be approved by the “applicable elected representative” (the “**AER**”) after a public hearing following reasonable public notice; and

WHEREAS, with respect to bonds issued by the Issuer, the AER for issuer approval is the Mayor of the City of Houston (“**City**”); and

WHEREAS, notice of a public hearing with respect to the Bonds and the Project held on behalf of the Issuer on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the Board held such public hearing on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Bonds and the Project to be heard; and

WHEREAS, the Board has determined to provide financing for the Project in accordance with the Agreement, the Bonds, the Regulatory Agreement (all documents in such form as approved by the officers of the Issuer and its advisors), by authorizing the issuance of the Bonds, the execution and delivery or acceptance, as appropriate, of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAKESIDE PLACE PFC THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Bonds and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project and the maximum aggregate principal amount of the Bonds; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Bonds. The issuance of the Bonds is hereby authorized, according to the conditions set forth herein and in the Agreement, and upon execution and delivery of the Agreement, the President or Vice President or the Secretary of the Issuer are each hereby authorized to execute, attest and affix the Issuer’s seal (if any) to the

Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to sell the Bonds to the purchaser thereof as provided in the Indenture and deliver the Bonds as provided in the Indenture.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Issuer are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Indenture and the Bonds; provided, however, that: (i) the interest on the Bonds shall initially not exceed 10%; (ii) the principal amount of the Multifamily Housing Mortgage Revenue Bonds (NHH Gray) Series 2023 shall not exceed \$25,000,000; (iii) the final maturity of the Bonds shall occur not later than July 1, 2062; and (iv) the price at which the Bonds are sold shall not exceed the principal amount thereof.

Section 4.--Approval, Execution and Delivery of the Indenture and the Agreement. The officers of the Issuer are each hereby authorized to execute the Indenture and the Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by the execution and delivery of the Indenture and the Agreement.

Section 5.--Approval, Execution and Delivery of the Regulatory Agreement. The officers of the Issuer are each hereby authorized to execute the Regulatory Agreement in form and substance approved by such officers, with such changes or additions thereto as may be approved by any officer of the Issuer (upon advice of bond counsel to the Issuer), as evidenced by their execution and delivery and to deliver the Regulatory Agreement.

Section 6.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Issuer.

Section 7.--Execution and Delivery of Other Documents. The officers of the Issuer are each hereby authorized to execute, attest and affix the Issuer's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 8.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Issuer are each hereby authorized to make or approve such revisions 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.

Section 9.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 10.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 11.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Bonds to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Issuer by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices.

Section 12.--Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer. The Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the United States of America or any agency or instrumentality thereof, the State of Texas, the City, the Sponsor or any other political subdivision or governmental unit.

Section 13.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Issuer in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Issuer on the date of delivery of the Bonds of the appropriate opinions of tax counsel with respect to the Bonds.

Section 15.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Issuer submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds is issued, a statement containing the information required by Section 149(e) of the Code.

Section 16.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this 27th day of June, 2023.

CHAIR

ATTEST:

Secretary

Exhibit A

PROJECT AND BORROWER

Borrower: NHH Gray, LLC, a Texas limited liability company

Project: 135-unit multifamily residential rental development to be known as NHH Gray

The Project will be located at approximately 2675 & 2604 Gray Street, Houston, Texas 77004. It will consist of two residential apartment buildings with approximately 98,468 net rentable square feet and an average unit size of approximately 729 square feet. The unit mix will consist of:

112	one-bedroom/one-bath units
23	two-bedroom/two-bath units
<u>0</u>	<u>three-bedroom/two-bath units</u>
135	Total Units

LAKESIDE PLACE PFC

2640 FOUNTAIN VIEW DR., HOUSTON, TEXAS 77057

REQUEST FOR BOARD AGENDA ITEM

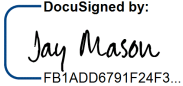
1. Brief Description of Proposed Item:

Authorizing Lakeside Place PFC’s issuance, sale and delivery of tax-exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments), Series 2023 and 2023B and taxable Multifamily Housing Revenue Notes (Oakwood Trails Apartments) 2023C; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

2. Date of Board Meeting: June 27, 2023

3. Proposed Board Resolution:

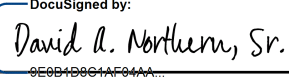
Resolution: Resolution authorizing the issuance, sale and delivery of tax-exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments), Series 2023 and 2023B and taxable Multifamily Housing Revenue Notes (Oakwood Trails Apartments) 2023C; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

4. Department Head Approval Signature  _____ Date: 6/22/2023

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

Funds Budgeted and Available Yes No Source Third Party Funding

VP of FO Approval Signature  _____ Date: 6/22/2023

6. Approval of President & CEO Signature  _____ Date: 6/22/2023

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 ISSUANCE, SALE AND DELIVERY OF TAX-EXEMPT MULTIFAMILY HOUSING REVENUE NOTES (OAKWOOD TRAILS APARTMENTS), SERIES 2023 AND 2023B AND TAXABLE MULTIFAMILY HOUSING REVENUE NOTES (OAKWOOD TRAILS APARTMENTS) 2023C; APPROVING THE FORM AND SUBSTANCE OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.
DATE: JUNE 12, 2023

This memorandum recommends that the Board of Directors of the Lakeside Place PFC ("**PFC**") authorizes the PFC issuance, sale and delivery of tax-exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments), Series 2023 and 2023B and taxable Multifamily Housing Revenue Notes (Oakwood Trails Apartments) 2023C; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

BACKGROUND:

Lakeside Place PFC (the "**Governmental Lender**") has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "**Act**"), for the purpose of assisting the Houston Housing Authority (the "**Sponsor**") in financing, refinancing or providing public facilities.

The Act authorizes the Governmental Lender: (a) to make loans to any person to provide financing for rental residential developments and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Governmental Lender; (b) to borrow funds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with any such borrowing by the Governmental Lender; and (c) to pledge all or any part of the revenues, receipts or resources of the Governmental Lender, including the revenues and receipts to be received by the Governmental Lender from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Governmental Lender in order to secure the repayment of any such borrowing by the Governmental Lender.

The Board of Directors of the Governmental Lender (the "**Board**") has determined to authorize the issuance, sale and delivery of its Tax-Exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments) Series 2023A and 2023B and Taxable Multifamily Housing Revenue Note (Oakwood Trails Apartments) 2023C (the "**Governmental Notes**") pursuant to and in accordance with the terms of a Funding Loan Agreement dated as of July 1, 2023 (the "**Funding Loan Agreement**"), among the Governmental Lender, BOKF, NA, as fiscal agent (the "**Fiscal Agent**"), Deutsche Bank AG, New York Branch

and Deutsche Bank Securities Inc., as initial funding lender (collectively, the “**Funding Lender**”), for the purpose of lending the proceeds thereof to Oakwood Trails Limited Partnership, a Texas limited partnership (the “**Borrower**”), to provide financing for the acquisition, construction and equipping of a multifamily rental residential development known as the Oakwood Trails Apartments located on the south side of Louetta Road between Wimbledon Forest Drive and Dover Mills Drive, at approximately 6131 Louetta Road, Spring, Texas 77379, described more fully on Exhibit A attached hereto (the “**Project**”), all in accordance with the Constitution and laws of the State of Texas.

The Board, by resolution adopted on September 19, 2022, declared its intent to provide financing for the Project.

In order to assist in carrying out such acquisition, construction and equipping of the Project, the Board has determined that the Governmental Lender shall enter into a Borrower Loan Agreement dated as of July 1, 2023 (the “**Borrower Loan Agreement**”), between the Governmental Lender and the Borrower, pursuant to which (i) the Governmental Lender will agree to make mortgage loans funded with the proceeds of the Governmental Notes (the “**Mortgage Loans**”) to the Borrower to enable the Borrower to finance the cost of acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver to the Governmental Lender promissory notes (the “**Multifamily Notes**”) in an original aggregate principal amount equal to the original aggregate principal amount of the Governmental Notes, and providing for payment of interest on such principal amount equal to the interest on the Governmental Notes and to pay other costs described in the Borrower Loan Agreement.

In order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the “**Code**”), the Governmental Lender will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants dated as of July 1, 2023 (the “**Regulatory Agreement**”) with respect to the Project.

It is anticipated that the Multifamily Notes will be secured by a leasehold deed of trust (the “**Mortgage**”) from the Borrower for the benefit of the Governmental Lender.

The Governmental Lender’s rights (except for certain reserved rights) under the Mortgage Loans, including the Multifamily Notes and the Mortgage, will be assigned to the Fiscal Agent, as its interests may appear, pursuant to an Assignment of Deed of Trust Documents dated as of July 1, 2023 (the “**Assignment**”) between the Governmental Lender and the Fiscal Agent and acknowledged, accepted and agreed to by the Borrower.

The Board desires to ratify certain other actions heretofore taken with respect to the Governmental Notes.

The Governmental Lender desires to authorize the Fiscal Agent to invest and reinvest the proceeds of the Governmental Notes and all other funds received and held under the Funding Loan Agreement.

Section 147(f) of the Code requires that the Governmental Notes be approved by the “applicable elected representative” (the “**AER**”) after a public hearing following reasonable public notice.

With respect to notes issued by the Governmental Lender, the AER is the Mayor of the City of Houston (“**City**”).

Notice of a public hearing with respect to the Governmental Notes and the Project held by the Governmental Lender on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City.

The public hearing was held on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the Governmental Notes and the Project to be heard.

The Board and its advisors have examined proposed forms of the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement, the Multifamily Notes, the Mortgage, and the Assignment, and have found the form and substance of such documents to be satisfactory and proper; and have determined to provide financing for the Project in accordance with such documents by authorizing the issuance of the Governmental Notes, the execution and delivery of such documents and the taking of such other actions as may be necessary or convenient.

APPROVALS:

The Board hereby finds, determines, recites and declares that a public hearing with respect to the Governmental Notes and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project and the maximum aggregate principal amount of the Governmental Notes; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

The issuance of the Governmental Notes is hereby authorized, according to the conditions set forth herein and in the Funding Loan Agreement, and that, upon execution and delivery of the Funding Loan Agreement, the President or any Vice President or Secretary of the Governmental Lender each are authorized hereby to execute, attest and affix the Governmental Lender's seal to the Governmental Notes (if any) and to deliver the Governmental Notes to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and to the Fiscal Agent for authentication (to the extent required in the Funding Loan Agreement), and thereafter to sell the Governmental Notes to the initial funding lender thereof and deliver the Governmental Notes as provided in the Funding Loan Agreement.

The officers of the Governmental Lender are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Governmental Notes, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Funding Loan Agreement; provided, however, that: (a) the interest rate on each Governmental Note shall not exceed 10% per annum, subject to adjustment as provided in the Funding Loan Agreement; provided that, in no event shall the interest rate on the Governmental Note (including any default interest rate) exceed the maximum interest rate permitted by applicable law; (b) the aggregate principal amount of the Series 2023A and 2023B Governmental Notes shall not exceed \$26,000,000, and the principal amount of the Series 2023C Governmental Note shall not exceed \$20,000,000; and (iii) the final maturity of the Governmental Notes shall occur not later than August 1, 2063.

The form and substance of the Funding Loan Agreement are hereby approved; and that the President or any Vice President or the Secretary of the Governmental Lender are each hereby authorized to execute and attest to the Funding Loan Agreement and to deliver the Funding Loan Agreement to the Fiscal Agent. The Fiscal Agent is authorized to invest the moneys held under the Funding Loan Agreement as provided therein.

The form and substance of the Borrower Loan Agreement are hereby approved; and that the officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to the Borrower Loan Agreement and to deliver the Borrower Loan Agreement to the Borrower.

The form and substance of the Regulatory Agreement are hereby approved; and that the officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to the Regulatory Agreement and to deliver the Regulatory Agreement to the Borrower and the Fiscal Agent.

The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Governmental Lender.

That the Mortgage and the Multifamily Notes are hereby accepted by the Governmental Lender; and that the officers of the Governmental Lender are each hereby authorized to endorse the Multifamily Notes to the order of the Fiscal Agent, without recourse.

The officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, including the Assignment, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Notwithstanding any other provision of this Resolution, the officers of the Governmental Lender 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 Governmental Lender shall be indicated by such officers' execution of the documents.

The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Governmental Notes.

The Board has expressly determined and hereby confirms that the issuance of the Governmental Notes to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the

Governmental Lender by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices and for other valid public purposes.

The Governmental Notes and the interest thereon shall be limited obligations of the Governmental Lender payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Governmental Notes and under no circumstances shall the Governmental Notes be payable from any other revenues, funds, assets or income of the Governmental Lender.

All other prior actions taken for or on behalf of the Governmental Lender in connection with the Governmental Notes are hereby ratified, confirmed and approved.

The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Governmental Lender on the date of delivery of the Governmental Notes of the appropriate opinions of bond counsel with respect to the Governmental Note.

The Board further directs that an officer of the Governmental Lender submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Governmental Notes are issued, a statement containing the information required by Section 149(e) of the Code.

RECOMMENDATION:

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

Resolution: Resolution authorizing the issuance, sale and delivery of tax-exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments), Series 2023 and 2023B and taxable Multifamily Housing Revenue Notes (Oakwood Trails Apartments) 2023C; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily residential rental development; and containing other provisions relating to the subject.

RESOLUTION NO. LPPFC-23-17

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF TAX-EXEMPT MULTIFAMILY HOUSING REVENUE NOTES (OAKWOOD TRAILS APARTMENTS) SERIES 2023A AND 2023B AND TAXABLE MULTIFAMILY HOUSING REVENUE NOTE (OAKWOOD TRAILS APARTMENTS) 2023C; APPROVING THE FORM AND SUBSTANCE OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RENTAL RESIDENTIAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, Lakeside Place PFC (the “Governmental Lender”) has been duly created and organized pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”), for the purpose of assisting the Houston Housing Authority (the “Sponsor”) in financing, refinancing or providing public facilities; and

WHEREAS, the Act authorizes the Governmental Lender: (a) to make loans to any person to provide financing for rental residential developments and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Governmental Lender; (b) to borrow funds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with any such borrowing by the Governmental Lender; and (c) to pledge all or any part of the revenues, receipts or resources of the Governmental Lender, including the revenues and receipts to be received by the Governmental Lender from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Governmental Lender in order to secure the repayment of any such borrowing by the Governmental Lender; and

WHEREAS, the Board of Directors of the Governmental Lender (the “Board”) has determined to authorize the issuance, sale and delivery of its Tax-Exempt Multifamily Housing Revenue Notes (Oakwood Trails Apartments) Series 2023A and 2023B and Taxable Multifamily Housing Revenue Note (Oakwood Trails Apartments) 2023C (the “Governmental Notes”) pursuant to and in accordance with the terms of a Funding Loan Agreement dated as of July 1, 2023 (the “Funding Loan Agreement”), among the Governmental Lender, BOKF, NA, as fiscal agent (the “Fiscal Agent”), Deutsche Bank AG, New York Branch and Deutsche Bank Securities Inc., as initial funding lender (collectively, the “Funding Lender”), for the purpose of lending the proceeds thereof to Oakwood Trails Limited Partnership, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition, construction and equipping of a multifamily rental residential development known as the Oakwood Trails Apartments located on the south side of Louetta Road between Wimbledon Forest Drive and Dover Mills Drive, at approximately 6131 Louetta Road, Spring, Texas 77379, described more fully on Exhibit A attached hereto (the “Project”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Board, by resolution adopted on September 19, 2022, declared its intent to provide financing for the Project; and

WHEREAS, in order to assist in carrying out such acquisition, construction and equipping of the Project, the Board has determined that the Governmental Lender shall enter into a Borrower Loan Agreement dated as of July 1, 2023 (the "Borrower Loan Agreement"), between the Governmental Lender and the Borrower, pursuant to which (i) the Governmental Lender will agree to make mortgage loans funded with the proceeds of the Governmental Notes (the "Mortgage Loans") to the Borrower to enable the Borrower to finance the cost of acquisition, construction and equipping of the Project and related costs, and (ii) the Borrower will execute and deliver to the Governmental Lender promissory notes (the "Multifamily Notes") in an original aggregate principal amount equal to the original aggregate principal amount of the Governmental Notes, and providing for payment of interest on such principal amount equal to the interest on the Governmental Notes and to pay other costs described in the Borrower Loan Agreement; and

WHEREAS, in order to assure compliance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), the Governmental Lender will require the Borrower to enter into a Regulatory Agreement and Declaration of Restrictive Covenants dated as of July 1, 2023 (the "Regulatory Agreement") with respect to the Project; and

WHEREAS, it is anticipated that the Multifamily Notes will be secured by a leasehold deed of trust (the "Mortgage") from the Borrower for the benefit of the Governmental Lender; and

WHEREAS, the Governmental Lender's rights (except for certain reserved rights) under the Mortgage Loans, including the Multifamily Notes and the Mortgage, will be assigned to the Fiscal Agent, as its interests may appear, pursuant to an Assignment of Deed of Trust Documents dated as of July 1, 2023 (the "Assignment") between the Governmental Lender and the Fiscal Agent and acknowledged, accepted and agreed to by the Borrower; and

WHEREAS, the Board desires to ratify certain other actions heretofore taken with respect to the Governmental Notes; and

WHEREAS, the Governmental Lender desires to authorize the Fiscal Agent to invest and reinvest the proceeds of the Governmental Notes and all other funds received and held under the Funding Loan Agreement; and

WHEREAS, Section 147(f) of the Code requires that the Governmental Notes be approved by the "applicable elected representative" (the "AER") after a public hearing following reasonable public notice; and

WHEREAS, with respect to notes issued by the Governmental Lender, the AER is the Mayor of the City of Houston ("City"); and

WHEREAS, notice of a public hearing with respect to the Governmental Notes and the Project held by the Governmental Lender on April 10, 2023, was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; and

WHEREAS, the public hearing was held on the date and at the time and place set out in such published notice, and conducted such hearing in a manner that provided a reasonable

opportunity for persons with differing views on the issuance of the Governmental Notes and the Project to be heard; and

WHEREAS, the Board and its advisors have examined proposed forms of the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement, the Multifamily Notes, the Mortgage, and the Assignment, and have found the form and substance of such documents to be satisfactory and proper; and have determined to provide financing for the Project in accordance with such documents by authorizing the issuance of the Governmental Notes, the execution and delivery of such documents and the taking of such other actions as may be necessary or convenient;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GOVERNMENTAL LENDER THAT:

Section 1.--Public Hearing. The Board hereby finds, determines, recites and declares that a public hearing with respect to the Governmental Notes and the Project was held on April 10, 2023; that notice of such public hearing was published no less than 7 days before such date in a newspaper of general circulation available to residents within the City; that such notice included the date, time and place of the public hearing, the location, general nature and the initial owner of the Project and the maximum aggregate principal amount of the Governmental Notes; and that all comments from interested persons were taken at such public hearing and were provided to the AER.

Section 2.--Issuance, Execution, Sale and Delivery of the Governmental Notes. The issuance of the Governmental Notes is hereby authorized, according to the conditions set forth herein and in the Funding Loan Agreement, and that, upon execution and delivery of the Funding Loan Agreement, the President or any Vice President or Secretary of the Governmental Lender each are authorized hereby to execute, attest and affix the Governmental Lender's seal to the Governmental Notes (if any) and to deliver the Governmental Notes to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and to the Fiscal Agent for authentication (to the extent required in the Funding Loan Agreement), and thereafter to sell the Governmental Notes to the initial funding lender thereof and deliver the Governmental Notes as provided in the Funding Loan Agreement.

Section 3.--Interest Rate, Principal Amount, Maturity and Price. The officers of the Governmental Lender are hereby authorized to fix and determine the interest rate, principal amount, maturity and price of the Governmental Notes, all of which determinations shall be conclusively evidenced by the execution and delivery by such officers of the Funding Loan Agreement; provided, however, that: (a) the interest rate on each Governmental Note shall not exceed 10% per annum, subject to adjustment as provided in the Funding Loan Agreement; provided that, in no event shall the interest rate on the Governmental Note (including any default interest rate) exceed the maximum interest rate permitted by applicable law; (b) the aggregate principal amount of the Series 2023A and 2023B Governmental Notes shall not exceed \$26,000,000, and the principal amount of the Series 2023C Governmental Note shall not exceed \$20,000,000; and (iii) the final maturity of the Governmental Notes shall occur not later than August 1, 2063.

Section 4.--Approval, Execution and Delivery of the Funding Loan Agreement. The form and substance of the Funding Loan Agreement are hereby approved; and that the President or any Vice President or the Secretary of the Governmental Lender are each hereby authorized to execute and attest to the Funding Loan Agreement and to deliver the Funding Loan Agreement to the Fiscal Agent. The Fiscal Agent is authorized to invest the moneys held under the Funding Loan Agreement as provided therein.

Section 5.--Approval, Execution and Delivery of the Borrower Loan Agreement. The form and substance of the Borrower Loan Agreement are hereby approved; and that the officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to the Borrower Loan Agreement and to deliver the Borrower Loan Agreement to the Borrower.

Section 6.--Approval, Execution and Delivery of the Regulatory Agreement. The form and substance of the Regulatory Agreement are hereby approved; and that the officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to the Regulatory Agreement and to deliver the Regulatory Agreement to the Borrower and the Fiscal Agent.

Section 7.--Determination of Moderate Income. The Board has heretofore determined and hereby confirms, in accordance with the Act, for purposes of the Project, until revised by the Board, that the maximum amount constituting moderate income shall be 80% of area median income, as established by the Governmental Lender.

Section 8.--Acceptance of the Mortgage and the Multifamily Notes. That the Mortgage and the Multifamily Notes are hereby accepted by the Governmental Lender; and that the officers of the Governmental Lender are each hereby authorized to endorse the Multifamily Notes to the order of the Fiscal Agent, without recourse.

Section 9.--Execution and Delivery of Other Documents. The officers of the Governmental Lender are each hereby authorized to execute, attest and affix the Governmental Lender's seal (if any) to and deliver such other agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, written requests and other papers, including the Assignment, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 10.--Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the officers of the Governmental Lender 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 Governmental Lender shall be indicated by such officers' execution of the documents.

Section 11.--Incorporation of Preamble. The recitals in the preamble of this Resolution are true, correct and complete and each and all of such recitals and the findings therein are hereby incorporated by reference to the same extent as if set forth herein in full.

Section 12.--Submission to the Attorney General of Texas. The Board hereby authorizes the submission by bond counsel to the Attorney General of Texas, for approval as required under Chapter 1202, Texas Government Code, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Governmental Notes.

Section 13.--Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the Governmental Notes to assist in the financing of the Project will promote the public purposes set forth in Chapter 392 and Section 394.002 of the Texas Local Government Code and will accomplish a valid public purpose of the Governmental Lender by assisting persons of low and moderate income to obtain decent, safe and sanitary housing at affordable prices and for other valid public purposes.

Section 14.--Limited Obligations. The Governmental Notes and the interest thereon shall be limited obligations of the Governmental Lender payable solely from the revenues, funds and assets pledged under the Agreement to secure payment of the Governmental Notes and under no circumstances shall the Governmental Notes be payable from any other revenues, funds, assets or income of the Governmental Lender.

Section 15.--Ratification of Certain Prior Actions. All other prior actions taken for or on behalf of the Governmental Lender in connection with the Governmental Notes are hereby ratified, confirmed and approved.

Section 16.--Approval Conditions. The actions and obligations authorized in this Resolution shall be subject to and conditioned upon receipt by the Governmental Lender on the date of delivery of the Governmental Notes of the appropriate opinions of bond counsel with respect to the Governmental Note.

Section 17.--Information Return for Tax Exempt Private Activity Bonds. The Board further directs that an officer of the Governmental Lender submit or cause to be submitted to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Governmental Notes are issued, a statement containing the information required by Section 149(e) of the Code.

Section 18.--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this 27th day of June, 2023.

ATTEST:

CHAIR

Secretary

**EXHIBIT A
PROJECT AND BORROWER**

Borrower: Oakwood Trails Limited Partnership, a Texas limited partnership

Project: 203-unit multifamily residential rental development for seniors aged 62 and older to be known as the Oakwood Trails Apartments

The Project will be located on the south side of Louetta Road between Wimbledon Forest Drive and Dover Mills Drive at approximately 6131 Louetta Road, Spring, Texas 77379. It will consist of 4 residential apartment buildings with approximately 177,210 net rentable square feet. The unit mix will consist of:

97	one-bedroom units
<u>106</u>	<u>two-bedroom units</u>
203	Total Units