



Resolution No. SHFC-2017-27: To *Authorize* the debt financing, equity financing, property acquisition, service related agreements and other matters necessary or convenient for Strategic Housing Finance Corporation of Travis County to participate in the development and operation of the Austin Boyce Lane Apartment Homes transaction; and *Authorize* the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject.

1. **Land Acquisition.**

WHEREAS, Ann Denton, is President of SHFC, John Hernandez is the Vice President of SHFC, Patrick Howard is the Secretary/Executive Vice President of SHFC, and Robert Onion is the Authorized Representative of SHFC (collectively, the "**Authorized Signatories**" and each, an "**Authorized Signatory**");

WHEREAS, it is anticipated that SHFC will become the sole member of TX Parmer Austin CCF GP, LLC, a Texas limited liability company (the "**General Partner**"), which is the sole general partner of TX Parmer Austin CCF, LP, a Texas limited partnership (the "**Partnership**");

WHEREAS, the Partnership is intending to develop a multi-family housing property, to be known as "Austin Boyce Lane Apartment Homes" (the "**Apartment Complex**") on certain real property located in Austin, Texas (the "**Real Property**");

WHEREAS, the Board approved the terms of a Memorandum of Understanding (the "**MOU**") between SHFC and the developer of the Austin Boyce Lane Apartment Homes ("Developer") with respect to the development of the Apartment Complex;

WHEREAS, the MOU contemplates that SHFC will create a wholly owned affiliate (the "**Landlord**") to own the Real Property and enter into a long-term ground lease (the "**Ground Lease**") with the Partnership; and

WHEREAS, in connection with the acquisition of the Real Property, the Landlord will be required to enter into various documents to evidence such acquisition (collectively, the "**Acquisition Documents**"); and

RESOLVED, that (a) the formation of the Landlord is hereby approved; (b) the Landlord is authorized to acquire the Real Property, to lease such Real Property to the Partnership, and to execute and deliver the Acquisition Documents and the Ground Lease; (c) SHFC, acting on behalf of the Landlord, is hereby authorized to execute and deliver the Acquisition Documents, the Ground Lease, and such other documents in connection therewith as may be necessary or desirable and do all things necessary or



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desirable to facilitate the acquisition of the Real Property and the lease thereof to the Partnership; and (d) any Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on behalf of the Landlord, is hereby individually authorized to (i) execute and deliver the Acquisition Documents and the Ground Lease, with such changes as in such person's discretion are deemed to be necessary or desirable, and such other documents and instruments in connection therewith as may be necessary or desirable and (ii) do all things necessary or desirable to facilitate the acquisition of the Real Property and the lease thereof to the Partnership.

FURTHER RESOLVED, that (a) the Partnership is authorized to obtain a leasehold interest in the Real Property and to execute and deliver the Ground Lease; (b) the General Partner, acting on its own behalf or on behalf of the Partnership, is severally authorized to execute and deliver the Ground Lease and such other documents in connection therewith as may be necessary or desirable and to do all things necessary or desirable to facilitate the acquisition of a leasehold interest in the Real Property and the construction, development and operation of the Apartment Complex thereon; (c) SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is severally authorized to execute and deliver the Ground Lease and such other documents in connection therewith as may be necessary or desirable and to do all things necessary or desirable to facilitate the acquisition of a leasehold interest in the Real Property and the construction, development and operation of the Apartment Complex thereon; and (d) any Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is hereby individually authorized to (i) execute and deliver the Ground Lease, with such changes as in such person's discretion are deemed to be necessary or desirable, and such other documents and instruments in connection therewith as may be necessary or desirable and (ii) do all things necessary or desirable to facilitate the Partnerships' acquisition of a leasehold interest in the Real Property and the construction, development and operation of the Apartment Complex thereon.

2. Note Financing.

WHEREAS, SHFC (in such capacity, the "**Issuer**") has agreed to issue its Multifamily Housing Governmental Note (Austin Boyce Lane Apartment Homes) Series 2017 (the "**Note**"), which will be purchased by International Bank of Commerce, or such other entity identified in the relevant documents (the "**Note Purchaser**");

WHEREAS, the proceeds from the sale of the Note will be loaned by the Issuer to the Partnership to finance a portion of the development of the Apartment Complex (the "**Note Financing**"); and



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WHEREAS, in connection with the Note Financing, the Partnership and/or the General Partner and/or SHFC will execute, for the benefit of the Issuer and or Note Purchaser, certain documents, including but not limited to a Funding Loan Agreement, a Project Loan Agreement, and a Regulatory Agreement and Declaration of Restrictive Covenants (the "**Note Documents**");

RESOLVED, that (a) the Partnership is authorized to borrow the proceeds of the Note from the Issuer and to execute and deliver the Note Documents; (b) the General Partner, acting on its own behalf or on behalf of the Partnership, is severally authorized to execute and deliver the Note Documents and do all things necessary to facilitate the Note Financing; (c) SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is severally authorized to execute and deliver the Note Documents and such other documents and instruments in connection therewith as may be necessary or desirable and do all things necessary to facilitate the Note Financing; and (d) any Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is hereby individually authorized to (i) execute and deliver the Note Documents, with such changes as in such person's discretion are deemed to be necessary or desirable, and such other documents and instruments in connection therewith as may be necessary or desirable and (ii) do all things necessary or desirable to cause the Partnership to obtain the Note Financing and perform the Partnership's and/or the General Partner's and/or SHFC's obligations thereunder.

3. Amended and Restated Agreement of Limited Partnership.

WHEREAS, the Partnership's agreement of limited partnership will be amended with an Amended and Restated Agreement of Limited Partnership (the "**Partnership Agreement**") with the General Partner, as general partner, an affiliate of the Developer, as the special limited partner, and the Note Purchaser or its affiliate, as a limited partner;

RESOLVED, that (a) SHFC, acting on its own behalf or on behalf of the General Partner, is authorized to execute and deliver the Partnership Agreement and such other documents in connection therewith as may be necessary or desirable and do all things necessary to facilitate the plan set forth in the MOU; and (b) any Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is hereby individually authorized to (i) execute and deliver the Partnership Agreement, with such changes as in such person's discretion are deemed to be necessary or desirable, and such other documents and instruments in connection therewith as may be necessary or desirable and (ii) do all things necessary or desirable to perform the Partnership's and/or the General Partner's and/or SHFC's obligations under the Partnership Agreement.



4. Authorization/Ratification.

RESOLVED, that any Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is individually authorized to (a) sign, certify to, acknowledge, deliver, accept, file, and record any and all instruments and documents, and (b) take, or cause to be taken, any and all such action, in the name and on behalf of SHFC, the General Partner, and/or the Partnership, as applicable, as such person shall deem to be necessary, desirable, or appropriate in order to effect the purposes of the foregoing resolutions.

FURTHER RESOLVED, that any and all action taken by an Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, prior to the date this consent is actually executed in effecting the purposes of the foregoing resolutions is hereby approved, ratified, and adopted in all respects.

FURTHER RESOLVED, that an Authorized Signatory (or any other duly authorized officer of SHFC), each acting on behalf of SHFC, acting on its own behalf or on behalf of the General Partner, acting on its own behalf or on behalf of the Partnership, is individually authorized to approve modifications to the documents contemplated herein, including approval of increases to any of the loan amounts stated above, as such person deems to be necessary or appropriate in order to facilitate the transactions described herein, such approval to be evidenced by the Authorized Signatory's execution of the documents.

FURTHER RESOLVED, that the Secretary of the Corporation is authorized to certify and attest to the adoption and approval of the foregoing resolutions by the Board of Directors.

[Certification page follows.]



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CERTIFICATION

The undersigned hereby certifies that the foregoing resolutions were duly adopted and approved by the Board of Directors of Strategic Housing Finance Corporation of Travis County in a meeting of the Board on December 22, 2017.

Patrick Howard, Secretary of Strategic Housing Finance Corporation of Travis County

Patrick Howard

Signature

22 December 2017

Date



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**SHFC Action Item 4A & 4B
December 22, 2017**

Resolution No. SHFC-2017-26: To Approve a Memorandum of Understanding (MOU) between Strategic Housing Finance Corporation and Rise Residential Development, LLC, a Texas limited liability company or its designated affiliate ("Developer") for the development of (Boyce Parmer Apartments).

Resolution No. SHFC-2017-27: To A. Authorize the debt financing, equity financing, property acquisition, service related agreements and other matters necessary or convenient for Strategic Housing Finance Corporation of Travis County to participate in the development and operation of Boyce Parmer Apartments transaction; and B. Authorize the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject.

Background Information:

On August 9, 2017 the Board approved Resolution No. SHFC-2017-18 which approved the prescription of the form and substance of an Agreement to Issue Bonds. On December 7, 2017 the Board approved Resolution No. SHFC-2017-23 to authorize the issuance, sale, and delivery of one or more series of taxable or tax-exempt multifamily housing revenue bonds for (Boyce Parmer Apartment Project) Series 2017. Staff is now requesting the approval of a MOU and authorization to enter into a partnership arrangement which will allow Strategic Housing Finance Corporation of Travis County to participate in the development of Boyce Parmer Apartments.

Recommended Action:

Consider the appropriate action regarding **Resolution No. SHFC-2017-26:** To Approve a Memorandum of Understanding (MOU) between Strategic Housing Finance Corporation and Rise Residential Development, LLC, a Texas limited liability company or its designated affiliate ("Developer") for the development of (Boyce Parmer Apartments).

Consider the appropriate action regarding **Resolution No. SHFC-2017-27:** To A. Authorize the debt financing, equity financing, property acquisition, service related agreements and other matters necessary or convenient for Strategic Housing Finance Corporation of Travis County to participate in the development and operation of Boyce Parmer Apartments transaction; and B. Authorize the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject.

Alternate Option:

The Board of Directors could elect to Not Approve the following resolutions:

- **Resolution No. SHFC-2017-26**
- **Resolution No. SHFC-2017-27**



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OF TRAVIS COUNTY

Fiscal Impact:

This transaction will greatly enhance the financial position of SHFC through the collection of Bond issuance fees, Construction Administration fees, Developer's fees, and cash flow of the property upon stabilization.

Attachments:

- Resolution No. SHFC-2017- 26
- Resolution No. SHFC-2017- 27

Prepared by:

Robert Onion, Director of Real Estate Development

Approval:

Patrick Howard

Patrick B. Howard, *Executive Vice President*