



**PUBLIC FACILITY CORPORATION**  
**AGENDA ITEM SUMMARY FORM**

**PROPOSED MEETING DATE:** October 16, 2024  
**PREPARED BY:** Scott Moore, General Manager

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**AGENDA ITEM DESCRIPTION:**

Consideration, discussion, and possible action on a Resolution of the Manor Housing Public Facility Corporation styled as “Resolution of the Ground Lessor and the Sole Member of MHPFC TRGP1 LLC and Tower Road Contractor” which will be approved in the PFC’s capacity as ground lessor, the sole member of MHPFC TRGP1 LLC, as incoming general partner of Manor Leased Housing Associates I, Limited Partnership, and sole member of Tower Road Contractor LLC, general contractor for the Tower Road Apartments, to facilitate and accomplish the construction, development, financing, operation, and maintenance of the Tower Road Apartments (the “Project”), authorizing the acceptance of real property, the ground leasing of the same property, obtaining financing , including with an equity financing, senior and subordinate bond financing, construction and permanent loan financing, bridge loan financing, the approval of construction contracts, the execution of a partnership resolution, providing for general partner authorization, ground lessor authorization, and general contractor authorization to undertake actions in furtherance of the Project and ratification of any prior related actions taken in furtherance of the Project.

**BACKGROUND/SUMMARY:**

The PFC is serving primarily two functions in the development of the Tower Roads Apartments project (the “Project”), which will provide 324 units of affordable housing for low-income residents of the City: (i) issuer of bonds for the financing, and (ii) PFC lender, landlord and contractor (together, the “Partnership Roles”). The PFC will accomplish this second set of functions in its role as the PFC and through its limited liability companies, MHPFC TRGP1 LLC and Tower Road Contractor LLC. (The Certificate of Formation for the contractor entity has been filed with the Secretary of State and it is expected that the filing will be effective as of the date of this meeting or within seven days hereafter). This resolution primarily relates to the PFC’s Partnership Roles.

More specifically, this resolution approves the form and substance of documents and agreements pertaining to the PFC’s Partnership Roles and authorizes the PFC in its different Partnership Roles to enter into a ground lease, financing agreements, and construction contracts, and to take action, and ratify prior action, for the construction, development, financing, maintenance, and operation of the Project. The resolution also, in furtherance of the Project, authorizes MHPFC TRGP1 to enter into the partnership that will be developing the project (“Manor Leased Housing Associates I, LLP” or the “Partnership”) as general partner. The resolution also authorizes Tower Road Contractor LLC to serve as the general contractor for the Project. And, the resolution authorizes MHPFC TRGP1, as general partner to the Partnership, to authorize the Partnership to participate in the development of the Project. This last authorization is made through the approval of a yet-to-be-approved resolution of the Partnership that is attached to the resolution.

It should be noted that because the PFC is serving as landlord and contractor, the project is exempt from ad valorem tax and sales tax for the construction of the project under Chapter 303 of the Texas Local Government Code. This authorizes the MHPFC to establish this beneficial tax treatment and to execute documents and render opinions, as necessary, to effectuate the establishment of the beneficial tax treatment.

**LEGAL REVIEW:** Yes, Gregory Miller, Bond Counsel  
**FISCAL IMPACT:** No. The PFC will generate revenue from the transaction.  
**PRESENTATION:** Yes  
**ATTACHMENTS:** Yes

- Resolution 2024-MHPFC06

**PROPOSED MOTION:** Move to approve Resolution No. 2024-MHPFC06 of the Ground Lessor and the Sole Member of MHPFC TRGP1 LLC and Tower Road Contractor, as has been provided to the Board as part of the agenda materials as presented.

**STAFF RECOMMENDATION:** Staff recommends approval