



PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: August 7, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action to approve an Operating Agreement of MHPFC TRGC1 LLC.

BACKGROUND/SUMMARY:

The Tower Road Apartments project will be financed in part with tax-exempt multifamily affordable housing revenue bonds. The transcript for the bond transaction, which is the collection of the key transaction documents, includes a general certificate of the general partner to the general partnership that will be borrowing the bond funds to develop the project. The general partner for the Tower Roads Apartments project is MHPFC TRGP1, LLC, which has been created by the Manor Housing Public Facility Corporation.

Typically, for these types of bond transactions, there will be an “operating agreement” between the PFC and the LLC that it created (here “MHPFC TRGP1”) to establish the relationship between the entities.

This operating agreement, among other things, provides for the indemnity of the MHPFC by MHPFC TRGP1. It is consistent with the form of operating agreement used in similar circumstances by PFCs throughout the state.

LEGAL REVIEW: Yes, Gregory Miller, Bond Counsel
FISCAL IMPACT: Not Applicable
PRESENTATION: Yes
ATTACHMENTS: Yes

- Form of Operating Agreement

Proposed Motion: Move that the Board authorize the General Manager to execute an operating agreement in substantially the same form as the agreement provided to the Board for this matter between the MHPFC and its special purpose entity, MHPFC TRGP1, LLC in furtherance of the financing and development of the Tower Road Apartments project.