



177 Day Island Rd., Eugene, OR 97401 • **PH** 541-682-3755 • **FAX** 541-682-3411
300 West Fairview Dr., Springfield, OR 97477 • **PH** 541-682-4090 • **FAX** 541-682-3875

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HOMES FOR GOOD HOUSING AGENCY

BOARD OF COMMISSIONERS MEETING WEDNESDAY JANUARY 15TH, 2020

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- IV. ORDER 20-15-01-01H— IN THE MATTER OF REVISING THE FINANCING APPROVAL OF RAD 2 LLC PROJECTS.

AGENDA

Homes for Good Housing Agency



BOARD OF COMMISSIONERS

Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

Phone: 541.682.2506

The meeting location is wheelchair-accessible. Anyone needing special accommodations (deaf, people with hearing loss, language translation, chemical sensitivity needs, and large print copies of agenda), please make your request at least 48 hours prior to the meeting.

Wednesday, January 15th, 2020

(1:30 p.m.) Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

1. PUBLIC COMMENTS – 20 Minutes

(Maximum time 20 minutes: Speakers will be taken in the order in which they sign up and will be limited to 3-minutes per public comments. If the number wishing to testify exceeds 10 speakers, then additional speakers may be allowed if the chair determines that time permits or may be taken at a later time.)

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit per commissioner)

3. ADJUSTMENTS TO THE AGENDA

4. COMMISSIONERS' BUSINESS

- A. Election of New Board Chair & Announcement of Vice Chair

5. EMERGENCY BUSINESS

6. EXECUTIVE SESSION- Estimated 15 minutes

On January 15th, 2020 the Homes for Good Board will hold an executive session pursuant to ORS 192.660(e), "To conduct deliberations with persons designated by the governing body to negotiate real property transactions."

7. EXECUTIVE SESSION- Estimated 20 minutes

On January 15th, 2020 the Homes for Good Board will hold an executive session pursuant to ORS 192.660(d), "To conduct deliberations with persons designated by the governing body to carry on labor negotiations."

8. ADMINISTRATION

- A. Approval of Minutes: 12/18/2019
- B. Executive Director Report (Estimated 10 minutes)
- C. **ORDER 20-15-01-01H--** In the Matter of Revising the Financing Approval of RAD 2 LLC Projects. (Spencer McCoy, Project Developer) (Estimated 10 Minutes)

9. OTHER BUSINESS

Adjourn

MINUTES

Homes for Good Housing Agency



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Wednesday, December 18th, 2019

(1:30 p.m.) Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

1. PUBLIC COMMENTS – 20 Minutes

(Maximum time 20 minutes: Speakers will be taken in the order in which they sign up and will be limited to 3-minutes per public comments. If the number wishing to testify exceeds 10 speakers, then additional speakers may be allowed if the chair determines that time permits or may be taken at a later time.)

No Public Comment Given

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit per commissioner)

Pete Sorenson: Thanks Jordyn Shaw and Ela Kubok for helping him at an earlier meeting to call in and conference call the board meeting.

3. ADJUSTMENTS TO THE AGENDA

4. COMMISSIONERS' BUSINESS

Pat Farr and **Joe Berney** will leave the meeting at 2:30 for other meetings.

5. EMERGENCY BUSINESS

6. EXECUTIVE SESSION- Estimated 15 minutes

On December 18th, 2019 the Homes for Good Board held an executive session pursuant to ORS 192.660(d), "To conduct deliberations with persons designated by the governing body to carry on labor negotiations."

7. EXECUTIVE SESSION- Estimated 15 minutes

On December 18th, 2019 the Homes for Good Board held an executive session pursuant to ORS 192.660(e), "To conduct deliberations with persons designated by the governing body to negotiate real property transactions."

8. ADMINISTRATION

A. Approval of Minutes: 11/13/2019

Jay Bozievich: Points out a typo on page 5. Would like to move approval with amendment of typo.

Motion to approve with amendment: **Jay Bozievich**
Second: **Michelle Thurston**

The minutes are approved unanimously 7/0 with amendment.

B. Executive Director Report (Estimated 10 minutes)

Jacob Fox: Talks about the Section 8 Wait List opening and the 8% increase of people applying since 2017, he will come back to the board with more data points. Talks about the groundbreaking of the Commons on MLK. Talks about activity and a movement for a state funded Rent Assistance program that PHAs could potentially administer in the future. He will keep the board updated on this as the legislature progresses. Talks about the progress of the new administrative building. Homes for Good is looking in to replacing the roof of the new building.

Michelle Thurston: Asks when the commissioners will be able to tour the building.

Jacob Fox: We would like to do a tour soon once the sheetrock is up. They are about 50% done with sheetrock on the first floor, and they haven't started on the second floor. I would say we will invite board members to do a tour once the sheetrock is up because you'll get a good feel for how the building is designed and a feel for the space.

Joe Berney: Asks about the type of the roof and how old it is. Is it tar and gravel?

Steve Ochs: No, it is a membrane. It is about 15 years old. In the initial report they did give us a 5 to 7 year timeframe of when it would need to be replaced. Now that we are going to have to put mechanical equipment on the roof, it is looking like a good time to replace it.

Joe Berney: Talks about membrane roofs and their ability to have mechanical equipment on them.

Steve Ochs: States that Chambers Construction has been assessing the roofs condition and looking into the needs of getting it replaced. Steve states that they will come back with more details about the roof replacement.

C. **ORDER 19-18-12-01H** In the Matter of Updating the Housing Choice Voucher Administrative Plan (HCV Admin Plan) Housing Quality Standards Language (Beth Ochs, Rent Assistance Division Director) (Estimated 15 minutes)

Beth Ochs: In April of this year HUD put out a press release indicating that in the future they are going to come out with language to make sure that there are CO2 detectors in all units they subsidize. But, in the meantime, they want the PHA to adhere to any

regulations the jurisdiction requires. In the state of Oregon, they require CO2 detectors in three situations: (1) wherever there is a CO2 source, (2) in homes 2011 or newer, and (3) in any home where there is reconstruction or repair in which a building permit is required. Since that is currently what the state is requiring, we in turn need to update our admin plan to reflect what the state requires, and to put that into practice in the Housing Quality Standards Inspections that are done for tenant-based vouchers in the community. That would include Section 8 vouchers, VASH voucher, Mainstream vouchers, essentially any tenant-based voucher will fall under this requirement. In addition to that, a PHA has the discretion to decide if it is deemed a 30-day fail or a 24-hour fail, so we have decided that in homes where there is a CO2 source, if there is not a CO2 detector present that we would state that is a 24-hour fail and state that it is required to be corrected in a 24 hour time frame. It's worth noting that the 24-hour fail is an often a frustration for tenants and landlords because it requires the PHA to stop the Housing Assistance Payments within one day if the Landlord does not correct it. So, we have chosen to mitigate that issue by supplying CO2 and smoke detectors, because we already have that in place, so we install a temporary one in the home, convert it into a 30 day fail, and return to the home in 30 days to ensure that the landlord has installed the proper device and we take our temporary device back with us. So, it will be defined within the admin plan as a 24-hour fail, for not having the CO2 detector present in a home with a source, but we will treat it the same as the smoke detector issue, so as to keep the Housing Assistance Payments flowing to the landlord without any due interruptions.

Heather Buch: Declares a potential conflict of interest. Having ownership interest in a property management firm which may have tenants that hold section 8 vouchers. Expresses that she doesn't think there is an actual conflict of interest, so she will stay for the item.

Michelle Thurston: How many units already have the detectors?

Beth Ochs: We don't really know because its never been a requirement for Housing Quality Standards to monitor that at all, so it is all new territory for our housing agency on the tenant-based side.

Michelle Thurston: Talks about CO2 detectors at Riverview Terrace.

Motion: **Heather Buch**

Second: **Michelle Thurston**

Motion is approved unanimously 7/0

- D. **ORDER 19-18-12-02H** In the Matter of Authorizing a Line-of-Credit for Energy Services Operations (Jeff Bridgens, Finance Director) (Estimated 10 minutes)

Jeff Bridgens: Introduces the context of the board order. He talks about the cash management and the longer operating cycle of Energy Services compared to the rest of the agency, and the reimbursement process in which they get their funds. Explains the

effect of other agencies' fiscal year end and the end of the grant year. He explains that the line-of-credit would allow for continuity of Energy Service operations through those times. There would be a little bit of an interest expense, but it wouldn't be more than \$10,000 a year. Homes for Good will solicit different banks to get the best interest rate.

Jacob Fox: I would just say that this is part of a bigger change of how we manage different divisions, and it used to be that there were just one or two large accounts that funds were just deposited into and withdrawn from, but this just allows us to be much clearer about exactly what is going on with each program. I would also say that with all the Real Estate Development work we are doing right now, it is very costly, and it is important for us to be able to manage cash, and frankly this is the best way for us to manage our cash.

Heather Buch: How has it been managed before now managing reimbursements and cash since it hasn't been on a line-of-credit? I assume you were just using your general fund as your bank, is that right?

Jeff Bridgens: Yes, it has been the agency and CoCC cash that has been financing those. And when we are doing that we are really having that cash of pocket for 30, 60, 90 days while energy services jobs are going on.

Jacob Fox: I think after we sell the scattered sites we will want to revisit, and we may be able to run the Weatherization Program from that as a line-of-credit. I would like to say that this is a bigger issue than just Weatherization, and it is connected to contracting with Lane County. I think of a lot of organizations in the community, when you close grants out there is often a significant amount of lag where organizations are paying for services before the contract is in place and they get that back.

Heather Buch: So, you think that when the scattered sites are all sold that we can close this line of credit?

Jacob Fox: I think we can come back and have that discussion. I think it's possible. I will want the board to be really involved with how we chose to invest or use those scattered site proceeds.

Jeff Bridgens: The line-of-credit is also usually renewed annually with the bank, so we will look at it again on an annual basis.

Joe Berney: I didn't hear an answer to Commissioner Buch's question, not "will" we be able to, but "could" we act as our own contingency fund once the scattered sites are sold.

Jacob Fox: Yes, we could.

Heather Buch: Specifically, because I would like to see the debt go down, and I don't want a line of credit forever.

Joe Berney: Asks if the line-of-credit is specifically for the Energy Services Division.

Steve Jole: Yes.

Jeff Bridgens: Talks about the separating of Energy Services funds out of the general fund into its own bank account.

Motion: **Jay Bozievich**

Second: **Joe Berney**

Motion is approved unanimously 7/0.

- E. **ORDER 19-18-12-03H** In the Matter of Authorizing the Sale of Tax Lot 17-04-28-10-2738 on Marcum Lane, Contingent on Release of Land Use Restrictions. (Jacob Fox, Executive Director) (10 Minutes)

Heather Buch: Declares a conflict of interest, being related to the executive director of St. Vincent dePaul and recuses herself of the vote.

Jacob Fox: Welcomes Terry McDonald, executive director to St. Vincent dePaul of Lane County to the table. Jacob explains the background of the transaction and the property. He explains how Homes for Good owns the land, and St. Vincent dePaul has been leasing the land, and built a duplex on it. St. Vincent dePaul, like Homes for Good is re-arranging their portfolio including the sale of scattered site homes, and would like to sell the duplex, which would require Homes for Good to sell the land. Homes for Good can not do this without Lane County lifting land-use restrictions on the land.

Terry McDonald: Expresses appreciation to the board for looking at the order on short notice. Explains context and the shift in funding for affordable housing and the need to sell scattered site homes which are difficult to manage and maintain.

Motion: **Pete Sorenson**

Second: **Pat Farr**

Pat Farr: Asks about the land-use restriction from Lane County.

Jacob Fox: Steve Ochse, Terri McDonald, and Jacob Fox have been working with Steve Dingle who hasn't raised any concerns about the issue. They will be working to get it in front of the Lane County Board.

Pete Sorenson: Asks Terri questions about the types of housing that is being built, and the housing stock in Lane County.

Terry McDonald: Talks about the lack of affordable housing for singles. He talks about a lack of a strong commitment to building housing for singles. He talks about the demographic of single people who are needing housing. He talks about St. Vincent dePaul's work with mobile homes.

Pete Sorenson: Agrees with Terri. Talks about voter support for public money going to affordable housing and what they are willing to support.

Terry McDonald: Agrees, talks about the “face of homelessness,” and who is homeless. Talks about how active Lane County as a whole is in creating affordable housing, particularly Homes for Good as a Housing Authority.

Pat Farr: Talks about a previous plan in the 90s which didn't support a plan to support affordable housing.

Pat Farr is excused to go to a different meeting.

Joe Berney and Terry McDonald: Talk more about the idea of a utility fee that Pat mentioned previously.

Joe Berney: How long would it be upon approval for St. Vincent dePaul to put the home on the market after approval?

Terry McDonald: It is already on the market and has an offer contingent on approval.

Jacob Fox: This item could not be on the December Lane County Board agenda because it was already full, but I am expecting this to be on the January 7th agenda, the first meeting of the new year.

Pete Sorenson: Talks about the idea of a property tax to support affordable housing compared to a utility tax since many voters don't own property and only pay the tax indirectly through their landlord.

Michelle Thurston: Asks for clarification about Homes for Good owning the land, and St. Vincent dePaul owning the duplex on top of the land.

Terry McDonald: Explains the land-lease.

Michelle Thurston: Asks if this was in our portfolio records.

Jacob Fox: Talks about the lack of record keeping, and that they did not know they owned the land until Terry called to talk about selling it.

Michelle Thurston: Clarifies more about the contingency and sale process.

Motion passes unanimously 5/0 with Patt Farr excused, and Heather Buch recused.

- F. **PRESENTATION-** Energy Services Program Overview (Steve Jole, Energy Services Director) (Estimated 20 Minutes)

Steve Jole: Gives an overview of the Heat Crisis program.

Michelle Thurston: So, these residents don't have to be in Public Housing, or on Section 8, they just have to be a low-income household?

Steve Jole: Correct, they don't have to be utilizing our programs, but they still have to be qualified.

Gives an overview of who is served in the Heat Crisis program partnered with Lane County. Explains how the program has shifted to install high efficiency appliances in the units, and the partnerships with the utilities that allows Homes for Good to do that. Steve explains the sections of the pie chart.

Michelle Thurston: Does PacificPower do anything?

Steve Jole: Yes. Steve explains how PacificPower gives and how the other utilities give through various methods.

Joe Berney: Asks for clarification about the pie chart.

Steve Jole: Mentions that the bottom chart is a blow up of a section of the top pie chart.

Joe Berney: Asks about some of the individual utilities.

Steve Jole: Gives information about individual utility programs and the contracting process.

Heather Buch: Asks for clarification about the \$150,000 budget being for the Heat Crisis program specifically as part of the larger Energy Services budget.

Pete Sorenson: Asks about the income qualifications for the programs.

Steve Jole: LIHEAP has a standard of 60% of median household income. The exact numbers depend on family size similar to other income qualification.

Michelle Thurston: Talks about the positive effects on the residents in the installation of Ductless Heat Pumps, and the lower utility bills for residents.

Joe Berney: Suggests calculating numbers such as CO2 emission savings and reporting those numbers to the county.

Steve Jole: Mentions the other deliverable of the program like the health improvement of the residents.

Pete Sorenson: Asks about the structural requirements for a home to be weatherized. Asking if Conestoga huts or tents are eligible.

Pete Sorenson, Steve Jole, Daniel Roth, and Ela Kubok talk about the definition of a “house” in relationship to Section 8 HQS inspections, and the need of a permeant source of heat for Weatherization to service the house. Having a utility bill is the “gold standard,” but have weatherized houses and mobile homes and recreational vehicles without utilities that have permeant heat sources.

9. OTHER BUSINESS

Adjourn

Please note this is a short excerpt of the proceedings, a full recording of the meeting is available upon request by emailing jshaw@homesforgood.org

There were many celebrations and special events over the past month and there are two that I want to bring to attention of the Homes for Good Board Members. First, on December 12th we hosted a lunch at the Steelhead Brewery to thank and honor the Resident Advisory Board (RAB) members. The RAB is comprised of residents from our Public Housing apartment communities and participants in our Housing Choice Voucher program and these leaders provide input into how policies can be created or changed to improve the client experience for people served by our programs. Char and Michelle both were able to attend this lunch and it was a great opportunity to recognize and thank the RAB members. The other most memorable event was the all staff holiday party on December 13th, with the theme "The Nightmare Before Christmas". Every year a different Division within our organization plans and throws the party and this year the Rent Assistance Division set a high bar with a very challenging murder mystery game, a basket raffle and wonderful Mexican food.

During this event we also honored our Employee of Year, Roy Beephan, who works in our Supportive Housing Division as a Maintenance Worker. Roy has a positive attitude in his approach to his assignments, our clients and his co-workers. He is very focused on safety, production, efficiency and kindness. We are lucky that Roy has chosen to work at Homes for Good and I ask you to join me in congratulating him for his Employee of the Year award.



During my time off over the holidays I was able to reflect about the beginning of our Diversity Equity and Inclusion (DEI) education process that we launched for all staff in early October. We learned about the unique life experiences and the unequal opportunities that people from different cultures have in our society, especially people representing Communities of Color. I wanted to share with the Homes for Good Board what is next for us on our DEI journey. Ela and I have been working closely with our consultants Daesha and Terrill to map out our DEI 2020 plan.

Of course we will continue our DEI education work and we have plans in the near term to launch a book club or video series where we will read or watch DEI related educational material and have some structured discussion related to what we learned. There will be opportunities for staff to attend DEI training/workshops that are available in the community through other organizations. We will launch the development of our strategic plan with DEI infused throughout all of our strategy goals and tasks. We will be changing the membership structure for our CORE Team so that it can drive our strategic planning efforts. We will begin to refine our data analytics platform so that we can study workflows and outcomes with a lens of how our processes, decisions and outcomes are impacting communities that have historically been marginalized and discriminated against. I was amazed with the positive engagement and feedback we received from the early October Equity 101 training and I'm excited to continue this journey with the team here at Homes for Good.



I want to thank all of the Homes for Good Board members for your commitment and the support that you provided that resulted in some amazing accomplishments in 2019. As we enter a new decade we have an impressive track record to build upon and build we will.

Within the next month we will have 4 apartment communities totaling 218 units under construction. We will continue the capital improvements we have achieved in the public housing portfolio by deliberately converting the portfolio to a project based housing choice voucher subsidy and securing tax credits and loans to improve all of our buildings. We will do similar capital improvements in our non-public housing properties. We will enhance the lives of the people we serve through our resident services and self-sufficiency efforts. We will move into the same building together at 100 W 13th. We will secure new land to develop affordable housing on. We will deepen our partnerships with traditional and non-traditional partners like health care and education. And last but not least we will continue the growth of an organizational culture where equity, safety, peer accountability, professionalism and fun is part of our DNA.



BOARD OF COMMISSIONERS AGENDA ITEM

BOARD MEETING DATE: 01/15/2019

AGENDA TITLE: In the Matter of Revising the Financing Approval of RAD 2 LLC Projects.

DEPARTMENT: Real Estate Development Division

CONTACT : 541-682-2514

EXT:

PRESENTER: Spencer McCoy

EXT:

ESTIMATED TIME : 5-10 minutes

- ☒ **ORDER/RESOLUTION**
- ☐ **PUBLIC HEARING/ORDINANCE**
- ☐ **DISCUSSION OR PRESENTATION (NO ACTION)**
- ☐ **APPOINTMENTS**
- ☐ **REPORT**
- ☐ **PUBLIC COMMENT ANTICIPATED**

Approval Signature

EXECUTIVE DIRECTOR:

DATE: 01.07.20

LEGAL STAFF :

DATE:

MANAGEMENT STAFF:

DATE: 1/7/20



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HOMES FOR GOOD MEMORANDUM

TO: Homes for Good Board of Commissioners

FROM: Spencer McCoy, Project Developer

AGENDA ITEM TITLE: In the Matter of Revising the Financing Approval of RAD 2 LLC Projects.

AGENDA DATE: January 15th, 2019

I. MOTION:

That the material changes in the financing commitments be approved for RAD phase II projects.

II. ISSUE:

In October of 2019, Homes for Good received board approval by the HFG Board Order 19-16-10-01H to form RAD 2 LLC, RAD manager LLC, and enter into agreements with all partners to finance the development. The major financing sources and partners for this development include a construction loan and permanent loan with Washington Federal, Housing Preservation Funds and Oregon Affordable Housing Tax Credits (OAHTC) from Oregon Housing and Community Services (OHCS), and tax credit equity from the Richman Group. Since this approval, the financing commitments from these sources have changed. In consultation with the legal counsel representing us in this transaction we have decided to come back to the Homes for Good Board of Directors to update them on these changes and to update the Board Order in anticipation that this update may be required by our investors and lenders.

The material changes are due to the following changes.

- Adjustment to tax credit rate (3.21% dropped to 3.17%)
- HUD required utility allowance revisions resulting in a reduction in the amount of rental income to the property. This reduced the amount of permanent debt the project could afford.
- Other Budget Revisions (Introduction of OHCS Draw Down Fee, Soft Costs related to the scattered site line of credit, Environmental Review Costs)

This results in changes to the following financing commitments.

- Increase in investment from The Richman Group Affordable Housing Corporation ("TRG") from \$9,165,595 to approximately \$9,173,812
- Decrease in the Washington Federal Bank ("WaFed") permanent loan amount from \$6,600,000 to approximately \$6,500,000,

- Increase in line of credit from WAFED from \$12,655,582 to approximately \$13,014,919 and loan from the Authority to the LLC in the same amount.
- Change in allocation of federal tax credits annually from \$974,819 to \$955,701

This board order reflects updating this approval to be consistent with our financing approvals, which are expected to close later this month.

As previously authorized by the HFG Board Order 19-16-10-01H Homes for Good has formed the limited partnerships (RAD 2 LLC and RAD Manager LLC) and acquired the Taney Place property and Hayden Bridge Property. Other than the changes noted above, the Board Order approved in October of 2019 has not been modified in a significant manner. The material changes that have been made are the financial terms/amount that are clearly identified in yellow highlights.

III. DISCUSSION:

A. Background

Since 2013, Homes for Good has been evaluating the RAD program as a way to preserve its aging public housing portfolio in Lane County. Many public housing units are old and in disrepair due to years of federal disinvestment. RAD allows public housing agencies to leverage public and private debt and equity in order to reinvest in the public housing stock. After a successful demonstration with RAD Phase I converting 12 scattered site public housing units into Richardson Bridge, RAD phase II will convert the remaining 100 public housing scattered sites in the Homes for Good portfolio to a Section 8 platform at Hayden Bridge Meadows and Taney Place.

Hayden Bridge Meadows will be a 70-unit development located at 1975 5th St. in Springfield, while Taney Place will be a 48-unit development located at 1600 Taney in Eugene. These developments will each include 3 story buildings, a playground, and a community room with service programming. This replacement housing is a required component of the RAD program and will contain the same bedroom sizes as the scattered sites. This conversion will not only allow for the new construction of 100 units with rental assistance but will allow Homes for Good to sell the 100 public housing scattered sites. In addition, it will allow Homes for Good build 17 additional one-bedroom low-income units at Hayden Bridge Meadows that will not have rental assistance. There is a critical shortage of affordable one-bedroom units in the community, so these additional units will be a great addition to the portfolio.

The major financing sources and partners for this development include a construction loan and permanent loan with Washington Federal, Housing Preservation Funds and Oregon Affordable Housing Tax Credits (OAHTC) from Oregon Housing and Community Services (OHCS), and tax credit equity from the Richman Group. The proceeds from the sale proceeds will fund construction of the replacement housing and also allow Homes for Good to initiate a comprehensive preservation effort of other properties in the real estate portfolio.

Approval of the attached order is necessary to finalize agreements with financing partners.

B. Recommendation

Approval of the proposed Motion.

C. Timing

Once approved Homes for Good will move to close the financing on the RAD phase II projects.

IV. IMPLEMENTATION/FOLLOW-UP:

Same as Item III. C. above.

V. ATTACHMENTS:

ORDER 19-16-10-01H

IN THE BOARD OF COMMISSIONERS OF THE
HOMES FOR GOOD HOUSING AGENCY, OF LANE COUNTY OREGON

ORDER 19-16-10-01H

In the Matter of Authorizing Formation and
Financing of RAD 2 LLC Projects.

WHEREAS, Housing Authority and Community Services Agency of Lane County doing business as Home for Good Housing Agency (the "Authority") is a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes of the ORS 456.055 to 456.235 (the "Housing Authorities Law"); and

WHEREAS, a purpose of the Authority under the Housing Authorities Law is to construct, acquire, manage and operate affordable housing for persons of lower income; and

WHEREAS, the Authority is authorized by ORS 456.120 to form, finance, and have a nonstock interest in, and to manage or operate, partnerships, nonprofit corporations and limited liability companies in order to further the purposes of Homes for Good Housing Agency; and

WHEREAS, by prior Board Order 18-19-12-01H, the Authority was authorized to develop a split-site RAD 2 affordable housing development (the "Project") and to apply for certain funding from the State of Oregon; and

WHEREAS, by prior Board Order 19-25-09-01H, the Authority was authorized to acquire the Hayden Bridge Meadows property in Springfield, Oregon for the Project and to enter into a loan from Washington Federal Bank, National Association and a loan of Community Development Block Grant funds from the City of Springfield to finance the acquisition of that property by the Authority; and

WHEREAS, for the purposes of pursuing development, construction, and operation of the Project, the Authority finds it to be in the best interests of the Authority to authorize the formation of a limited liability company to be known as RAD 2 LLC or such other name permitted by the Oregon Secretary of State (the "LLC"); and

WHEREAS, the Authority has determined that the LLC should be managed by an affiliate of the Agency to be a single-member limited liability company known as RAD Manager LLC or such other name permitted by the Oregon Secretary of State (the "Manager"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to exercise a previously executed option (the "Option") and acquire additional property located near 1600 Taney in Eugene, Oregon (the "Taney Property"); and

WEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to sell the Hayden Bridge Meadows Property and the Taney Property (together, the "Properties") to the LLC for a price substantially equal to the price paid by the Authority for the Properties and for the LLC to acquire the Properties on the same terms; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with, and to obtain an investment in the LLC from, USA Institutional RAD 2 LLC, a Delaware limited liability company sponsored by The Richman Group Affordable Housing Corporation ("TRG") in the approximate amount of **\$9,165,595** (the "Investment") substantially in accordance with a term-letter dated April 17, 2019, which amount may be larger or smaller depending on further underwriting; and

WHEREAS, as part of the Investment, TRG will require that the initial operating agreement of the LLC be amended and restated in its entirety to reflect the terms of the Investment (the "Amended Agreement"); and

WHEREAS, as part of the Investment, TRG will require that the LLC and the Authority enter into various documents relating to the management of the LLC and to development and/or operation of the Project (the "Syndication Documents") including certain guaranties to be executed by the Authority in its capacities as guarantor and developer; and

WHEREAS, the Authority deems it to be in the best interests of the Authority, the LLC, the Manager, and the Project to take all actions reasonably necessary to facilitate the Investment in the LLC by TRG by entering into any and all agreements with TRG and/or the LLC, on its own account, and as the sole member and manager of the LLC, and to take any and all further actions to facilitate the Investment in the LLC by TRG; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project, for the LLC to seek the issuance of tax-exempt conduit bonds by the State of Oregon for the development and construction of the Project (the "Bonds") and to execute such documents as may be necessary to effect issuance of the Bonds (the "Bond Documents"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project that the LLC obtain construction and permanent financing from Washington Federal Bank ("WaFed") consisting of: (a) a Construction/Bridge Loan in the approximate principal amount of **\$17,000,000** (which amount is subject to further underwriting and negotiation and may increase or decrease) with a maturity of 24 months and an interest rate of approximately 4.02%; and (b) upon conversion, a Term Loan in the approximate principal amount of **\$6,600,000** which, will have a term to maturity of approximately 22 years following conversion, bear interest at an effective rate of approximately 2.00% per annum under the Oregon Affordable Housing Tax Credit Program; and (c) be secured by first-position deeds of trust establishing a lien on the Projects (collectively, the "WaFed Loan"); and

WHEREAS, the WaFed Loan will be funded through the issuance of the Bonds; and

WHEREAS, the terms of the proposed WaFed Loan are satisfactory; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority the LLC, the Manager, and the Project, to cause the LLC to enter into such agreements as are reasonably necessary to obtain a loan in the approximate amount of **\$750,000** of federal HOME Investment Partnership funds (the "Home Funds") from the City of Eugene which loan will have a term to maturity and interest rate to be determined after further underwriting (the "HOME Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority and the LLC to enter into such agreements as are reasonably necessary for the Authority to receive a grant from Oregon Housing and Community Services Department ("OHCS") under its Multifamily Housing Preservation Funds program in the approximate amount of **\$2,650,000** (the "HPF Funds") and, thereafter, to lend such funds to the LLC pursuant to loan documents reflecting a loan in the amount of the HPF funds with a term to maturity of at least 30 years and a rate of interest to be determined, which loan will be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "HPF Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to pursue with the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project program, authority to sell approximately 100 scatter-site housing units (the "Scatter-site Units") which will be subject to a Rental Assistance Demonstration Use Agreement; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a line of credit facility with WaFed pursuant to which WaFed will lend the Authority a maximum of approximately **\$12,655,582** (which amount is subject to further underwriting and negotiation and may increase or decrease) which will be secured by the Scatter-site Units and have a term to maturity of approximately 24 months (the "WaFed Line of Credit"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to lend to the LLC, and cause the LLC to borrow from the Authority, the proceeds of the WaFed Line of Credit and, in addition, to cause the Authority to lend, and the LLC to borrow, so much of the RAD Funds received by the Authority as to result in a total loan from the Authority to the LLC of **\$12,655,582** which loan shall have a term to maturity of at least 30 years and a rate of interest to be determined, and be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "RAD Funds Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to authorize the execution and delivery of certain documents pursuant to which the Project will be allocated approximately **\$974,819** of federal low-income housing tax credits annually for a period of 10 years (the "LIHTC Credits") or such other amount as may be set forth in 4% LIHTC Reservation and Extended Use Agreement to be issued by OHCS and executed by the LLC; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the LLC to enter into such agreements as are reasonably necessary to obtain from the City of Eugene a waiver of otherwise applicable

Systems Development Charges payable with respect to development of the Taney Property (the "SDC Waiver"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with professionals with technical expertise and, as appropriate, to assign to the LLC the product of such agreements; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a Development Services Agreement with the LLC pursuant to which the Authority would be paid a developer fee, a portion of which would be deferred and paid from available Project cash flow;

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, AS THE SOLE MEMBER OF THE MANAGER, AND ON BEHALF OF THE MANAGER OF THE LLC IN ITS OWN CAPACITY AND ON BEHALF OF THE LLC, ORDERS:

1. Authorize Formation of RAD 2 LLC and Creation of Accounts.

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD 2 LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and
- b) An Operating Agreement of RAD 2 LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD 2 LLC at such state or federally chartered banks as any Authorized Representative may determine;

and

Be it further Resolved, that the LLC shall be managed by RAD Manager LLC.

2. Authorize Formation of RAD Manager LLC and Creation of Accounts.

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD Manager LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and
- b) An Operating Agreement of RAD Manager LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD Manager LLC at such state or federally chartered banks as any Authorized Representative may determine.

3. Authorize Acquisition of Taney Property.

BE IT RESOLVED, that the Authority is authorized to exercise the Option and acquire the Taney Property on the terms and conditions set forth in the Option and to execute any and all documents necessary to such purchase, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

4. Authorize Sale of Properties by Authority to the LLC and Acquisition by LLC.

BE IT RESOLVED, that the Authority and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority and the LLC, as the case may be, such documents as are necessary to cause the Authority to sell, and the LLC to purchase, the Properties for a price substantially equal to the price paid by the Authority.

5. Approve Amended LLC Operating Agreement, Admission of Investor Member, Execution of Related Agreements.

BE IT RESOLVED, that the Authority and the Manager are authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a letter of intent relating to an anticipated Amended and Restated Operating Agreement of the LLC among the Manager and TRG in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document);

BE IT FURTHER RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority and the Manager, as the case may be (whether in its own capacity, its capacity as developer, or its capacity as a guarantor) and/or the LLC the Syndication Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the Investment by TRG, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

6. Authorize Bond Documents.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority, Manager, and/or the LLC, as the case may be, the Bond Documents, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

7. Authorize WaFed Loan.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, the WaFed Loan Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect), and such other documents as required to evidence and secure the WaFed Loan, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

BE IT FURTHER RESOLVED, that any resolution required by the WaFed to be adopted by the Authority acting in its own behalf or on behalf of the Manager of the LLC as a condition of closing the WaFed Loan is hereby adopted and any Authorized Representative is hereby authorized to certify to such adoption

8. Authorize HOME Loan.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as reasonably may be required in connection with the closing of the HOME Loan all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

9. Authorize Receipt of HPF Funds from OHCS and Loan to LLC.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required for the Authority to obtain the HPF Funds and cause the Authority to lend the same to the LLC, all such documents to be in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

10. Authorize Application Under Rental Assistance Demonstration Project Phase 2 with HUD, Execution of Required Documents, and Sale of Scatter-site Units.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required to obtain authority from the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project to sell the Scatter-site Units and use all or a portion of the proceeds thereof for the development, construction, and operation of the Project.

11. Authorize WaFed Line of Credit.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the WaFed Line of Credit to the Authority, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

12. Authorize RAD Funds Loan.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the RAD Funds Loan from the Authority to the LLC, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

13. Authorize Execution of LIHTC Credit Reservation.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a 4% Low Income Housing Tax Credit Reservation and Extended Use Agreement pertaining to the LIHTC Credits anticipated to be allocated in respect of the Project, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

14. Authorize SDC Waiver Documents.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority and/or the LLC, as the case may be, such documents as required to obtain the SDC Waiver all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

15. Authorize Agreements for Technical and Professional Services.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such agreements as any Authorized Representative may deem prudent for the provision of financial, accounting, legal, development consulting, engineering, geotechnical, environmental, construction management, property management, or other services, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document.)

16. Authorize Development Services Agreement.

BE IT RESOLVED, the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver a Development Services Agreement between the Authority and the LLC pursuant to which the Authority is to be paid a developer fee, a portion of which is to be deferred and paid from available Project cash flow.

17. Authorize Assignment, Assumption, and Reimbursement Agreement between Authority and LLC.

BE IT RESOLVED that the Authority is authorized to enter in such agreements as may be necessary to assign to the LLC (and obtain reimbursement from the LLC therefor) such development rights, design and construction contracts, and other real and personal property as the Authority may have acquired for purposes of the Project.

18. Authorized Representatives.

BE IT RESOLVED that the following identified persons shall be the Authorized Representatives as that term is used in these Resolutions and authorized, empowered, and directed to perform the actions authorized herein on behalf of the Authority:

Jacob Fox, Executive Director
Jeffery Bridgens, Finance Director
Elzbieta Kubok, Communications Director

In addition to the Authorized Representatives named above, the following named individual(s) shall have authority to execute draw requests, monthly progress reports and miscellaneous forms associated with tax credits, grants, and loans:

Steve Ochs
Spencer McCoy

19. General Resolutions Authorizing and Ratifying Other Actions.

BE IT RESOLVED, that any Authorized Representative is authorized to negotiate, execute, and deliver on behalf of the Authority such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Representative shall deem necessary or desirable to carry out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered, or performed by an Authorized Representative named in these Resolutions on behalf of the Authority and in furtherance of the Project, the same is hereby ratified and affirmed.

Done and dated this 16th day of Oct, 2019.

BOARD OF COMMISSIONERS


Chairperson

Exhibit A

Syndication Documents

1. Amended and Restated Operating Agreement.
2. Unconditional Guaranty.
3. Company Administration Services Agreement.
4. Development Fee Agreement.
5. Right of First Refusal/Option

WaFed Loan Documents

1. Construction and Term Loan Agreement.
2. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing in favor of the Trustee, for the benefit of the Bondholders and the Issuer.
3. Payment and Performance Guaranty.
4. Reserve and Security Agreement.
5. Hazardous Materials Certificate and Indemnity (Issuer Environmental Indemnity).
6. Hazardous Materials Certificate and Indemnity.
7. Security Agreement (Collateral Pledge of Partnership Interest).
8. Access Laws Certificate and Indemnity.
9. Assignment of Contracts, Agreements and Permits.
10. Consent to Assignment (General Contractor Contract).
11. Consent to Assignment (Architect Contracts).
12. Consent to Assignment (Development Services Agreement).
13. Consent to Assignment (Management Agreement).
14. Such other documents as required in connection with the closing of the WaFed Loan.

IN THE BOARD OF COMMISSIONERS OF THE
HOMES FOR GOOD HOUSING AGENCY, OF LANE COUNTY OREGON

ORDER 20-15-01-01H

In the Matter of Revising the Financing
Approval of RAD 2 LLC Projects.

WHEREAS, Housing Authority and Community Services Agency of Lane County doing business as Home for Good Housing Agency (the "Authority") is a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes of the ORS 456.055 to 456.235 (the "Housing Authorities Law"); and

WHEREAS, a purpose of the Authority under the Housing Authorities Law is to construct, acquire, manage and operate affordable housing for persons of lower income; and

WHEREAS, the Authority is authorized by ORS 456.120 to form, finance, and have a nonstock interest in, and to manage or operate, partnerships, nonprofit corporations and limited liability companies in order to further the purposes of Homes for Good Housing Agency; and

WHEREAS, by prior Board Order 18-19-12-01H, the Authority was authorized to develop a split-site RAD 2 affordable housing development (the "Project") and to apply for certain funding from the State of Oregon; and

WHEREAS, by prior Board Order 19-25-09-01H, the Authority was authorized to acquire the Hayden Bridge Meadows property in Springfield, Oregon for the Project and to enter into a loan from Washington Federal Bank, National Association and a loan of Community Development Block Grant funds from the City of Springfield to finance the acquisition of that property by the Authority; and

WHEREAS, by prior Board Order 19-16-10-01H, the Authority was authorized in the formation and financing of the RAD 2 LLC projects; and

WHEREAS, material changes in the financing commitments for the the RAD 2 LLC projects have occurred; and

WHEREAS, for the purposes of pursuing development, construction, and operation of the Project, the Authority finds it to be in the best interests of the Authority to authorize the formation of a limited liability company to be known as RAD 2 LLC or such other name permitted by the Oregon Secretary of State (the "LLC"); and

WHEREAS, the Authority has determined that the LLC should be managed by an affiliate of the Agency to be a single-member limited liability company known as RAD Manager LLC or such other name permitted by the Oregon Secretary of State (the "Manager"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to exercise a previously executed option (the "Option") and acquire additional property located near 1600 Taney in Eugene, Oregon (the "Taney Property"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to sell the Hayden Bridge Meadows Property and the Taney Property (together, the "Properties") to the LLC for a price substantially equal to the price paid by the Authority for the Properties and for the LLC to acquire the Properties on the same terms; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with, and to obtain an investment in the LLC from, USA Institutional RAD 2 LLC, a Delaware limited liability company sponsored by The Richman Group Affordable Housing Corporation ("TRG") in the approximate amount of **\$9,173,812** (the "Investment") substantially in accordance with a term-letter dated April 17, 2019, which amount may be larger or smaller depending on further underwriting; and

WHEREAS, as part of the Investment, TRG will require that the initial operating agreement of the LLC be amended and restated in its entirety to reflect the terms of the Investment (the "Amended Agreement"); and

WHEREAS, as part of the Investment, TRG will require that the LLC and the Authority enter into various documents relating to the management of the LLC and to development and/or operation of the Project (the "Syndication Documents") including certain guaranties to be executed by the Authority in its capacities as guarantor and developer; and

WHEREAS, the Authority deems it to be in the best interests of the Authority, the LLC, the Manager, and the Project to take all actions reasonably necessary to facilitate the Investment in the LLC by TRG by entering into any and all agreements with TRG and/or the LLC, on its own account, and as the sole member and manager of the LLC, and to take any and all further actions to facilitate the Investment in the LLC by TRG; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project, for the LLC to seek the issuance of tax-exempt conduit bonds by the State of Oregon for the development and construction of the Project (the "Bonds") and to execute such documents as may be necessary to effect issuance of the Bonds (the "Bond Documents"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project that the LLC obtain construction and permanent financing from Washington Federal Bank ("WaFed") consisting of: (a) a Construction/Bridge Loan in the approximate principal amount of **\$17,000,000** (which amount is subject to further underwriting and negotiation and may increase or decrease) with a maturity of 24 months and an interest rate of approximately 4.02%; and (b) upon conversion, a Term Loan in the approximate principal amount of **\$6,500,000** which, will have a term to maturity of approximately 22 years following conversion, bear interest at an effective rate of approximately 2.00% per annum under the Oregon Affordable Housing Tax Credit Program; and (c) be

secured by first-position deeds of trust establishing a lien on the Projects (collectively, the "WaFed Loan"); and

WHEREAS, the WaFed Loan will be funded through the issuance of the Bonds; and

WHEREAS, the terms of the proposed WaFed Loan are satisfactory; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority the LLC, the Manager, and the Project, to cause the LLC to enter into such agreements as are reasonably necessary to obtain a loan in the approximate amount of **\$750,000** of federal HOME Investment Partnership funds (the "Home Funds") from the City of Eugene which loan will have a term to maturity and interest rate to be determined after further underwriting (the "HOME Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority and the LLC to enter into such agreements as are reasonably necessary for the Authority to receive a grant from Oregon Housing and Community Services Department ("OHCS") under its Multifamily Housing Preservation Funds program in the approximate amount of **\$2,650,000** (the "HPF Funds") and, thereafter, to lend such funds to the LLC pursuant to loan documents reflecting a loan in the amount of the HPF funds with a term to maturity of at least 30 years and a rate of interest to be determined, which loan will be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "HPF Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to pursue with the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project program, authority to sell approximately 100 scatter-site housing units (the "Scatter-site Units") which will be subject to a Rental Assistance Demonstration Use Agreement; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a line of credit facility with WaFed pursuant to which WaFed will lend the Authority a maximum of approximately **\$13,014,919** (which amount is subject to further underwriting and negotiation and may increase or decrease) which will be secured by the Scatter-site Units and have a term to maturity of approximately 24 months (the "WaFed Line of Credit"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to lend to the LLC, and cause the LLC to borrow from the Authority, the proceeds of the WaFed Line of Credit and, in addition, to cause the Authority to lend, and the LLC to borrow, so much of the RAD Funds received by the Authority as to result in a total loan from the Authority to the LLC of **\$13,014,919** which loan shall have a term to maturity of at least 30 years and a rate of interest to be determined, and be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "RAD Funds Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to authorize the execution and delivery of certain documents pursuant to which the Project will be allocated approximately **\$955,701** of federal low-income housing tax credits annually for a period of 10 years (the "LIHTC Credits") or such

other amount as may be set forth in 4% LIHTC Reservation and Extended Use Agreement to be issued by OHCS and executed by the LLC; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the LLC to enter into such agreements as are reasonably necessary to obtain from the City of Eugene a waiver of otherwise applicable Systems Development Charges payable with respect to development of the Taney Property (the "SDC Waiver"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with professionals with technical expertise and, as appropriate, to assign to the LLC the product of such agreements; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a Development Services Agreement with the LLC pursuant to which the Authority would be paid a developer fee, a portion of which would be deferred and paid from available Project cash flow;

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, AS THE SOLE MEMBER OF THE MANAGER, AND ON BEHALF OF THE MANAGER OF THE LLC IN ITS OWN CAPACITY AND ON BEHALF OF THE LLC, ORDERS:

1. Authorize Formation of RAD 2 LLC and Creation of Accounts.

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD 2 LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and
- b) An Operating Agreement of RAD 2 LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD 2 LLC at such state or federally chartered banks as any Authorized Representative may determine;

and

Be it further Resolved, that the LLC shall be managed by RAD Manager LLC.

2. Authorize Formation of RAD Manager LLC and Creation of Accounts.

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD Manager LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and

- b) An Operating Agreement of RAD Manager LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD Manager LLC at such state or federally chartered banks as any Authorized Representative may determine.

3. Authorize Acquisition of Taney Property.

BE IT RESOLVED, that the Authority is authorized to exercise the Option and acquire the Taney Property on the terms and conditions set forth in the Option and to execute any and all documents necessary to such purchase, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

4. Authorize Sale of Properties by Authority to the LLC and Acquisition by LLC.

BE IT RESOLVED, that the Authority and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority and the LLC, as the case may be, such documents as are necessary to cause the Authority to sell, and the LLC to purchase, the Properties for a price substantially equal to the price paid by the Authority.

5. Approve Amended LLC Operating Agreement, Admission of Investor Member, Execution of Related Agreements.

BE IT RESOLVED, that the Authority and the Manager are authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a letter of intent relating to an anticipated Amended and Restated Operating Agreement of the LLC among the Manager and TRG in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document);

BE IT FURTHER RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority and the Manager, as the case may be (whether in its own capacity, its capacity as developer, or its capacity as a guarantor) and/or the LLC the Syndication Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the Investment by TRG, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

6. Authorize Bond Documents.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority, Manager, and/or the LLC, as the case may be, the Bond Documents, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

7. Authorize WaFed Loan.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, the WaFed Loan Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect), and such other documents as required to evidence and secure the WaFed Loan, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

BE IT FURTHER RESOLVED, that any resolution required by the WaFed to be adopted by the Authority acting in its own behalf or on behalf of the Manager of the LLC as a condition of closing the WaFed Loan is hereby adopted and any Authorized Representative is hereby authorized to certify to such adoption

8. Authorize HOME Loan.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as reasonably may be required in connection with the closing of the HOME Loan all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

9. Authorize Receipt of HPF Funds from OHCS and Loan to LLC.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required for the Authority to obtain the HPF Funds and cause the Authority to lend the same to the LLC, all such documents to be in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

10. Authorize Application Under Rental Assistance Demonstration Project Phase 2 with HUD, Execution of Required Documents, and Sale of Scatter-site Units.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required to obtain authority from the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project to sell the Scatter-site Units and use all or a portion of the proceeds thereof for the development, construction, and operation of the Project.

11. Authorize WaFed Line of Credit.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the WaFed Line of Credit to the Authority, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

12. Authorize RAD Funds Loan.

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the RAD Funds Loan from the Authority to the LLC, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

13. Authorize Execution of LIHTC Credit Reservation.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a 4% Low Income Housing Tax Credit Reservation and Extended Use Agreement pertaining to the LIHTC Credits anticipated to be allocated in respect of the Project, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

14. Authorize SDC Waiver Documents.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority and/or the LLC, as the case may be, such documents as required to obtain the SDC Waiver all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

15. Authorize Agreements for Technical and Professional Services.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such agreements as any Authorized Representative may deem prudent for the provision of financial, accounting, legal, development consulting, engineering, geotechnical, environmental, construction management, property management, or other services, all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document.)

16. Authorize Development Services Agreement.

BE IT RESOLVED, the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver a Development Services Agreement between the Authority and the LLC pursuant to which the Authority is to be paid a developer fee, a portion of which is to be deferred and paid from available Project cash flow.

17. Authorize Assignment, Assumption, and Reimbursement Agreement between Authority and LLC.

BE IT RESOLVED that the Authority is authorized to enter in such agreements as may be necessary to assign to the LLC (and obtain reimbursement from the LLC therefor) such development rights, design and construction contracts, and other real and personal property as the Authority may have acquired for purposes of the Project.

18. Authorized Representatives.

BE IT RESOLVED that the following identified persons shall be the Authorized Representatives as that term is used in these Resolutions and authorized, empowered, and directed to perform the actions authorized herein on behalf of the Authority:

Jacob Fox, Executive Director
Jeffery Bridgens, Finance Director
Elzbieta Kubok, Communications Director

In addition to the Authorized Representatives named above, the following named individual(s) shall have authority to execute draw requests, monthly progress reports and miscellaneous forms associated with tax credits, grants, and loans:

Steve Ochs
Spencer McCoy

19. General Resolutions Authorizing and Ratifying Other Actions.

BE IT RESOLVED, that any Authorized Representative is authorized to negotiate, execute, and deliver on behalf of the Authority such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Representative shall deem necessary or desirable to carry out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered, or performed by an Authorized Representative named in these Resolutions on behalf of the Authority and in furtherance of the Project, the same is hereby ratified and affirmed.

Done and dated this ____ day of _____, 2020.

BOARD OF COMMISSIONERS

Chairperson

Exhibit A

Syndication Documents

1. Amended and Restated Operating Agreement.
2. Unconditional Guaranty.
3. Company Administration Services Agreement.
4. Development Fee Agreement.
5. Right of First Refusal/Option

WaFed Loan Documents

1. Construction and Term Loan Agreement.
2. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing in favor of the Trustee, for the benefit of the Bondholders and the Issuer.
3. Payment and Performance Guaranty.
4. Reserve and Security Agreement.
5. Hazardous Materials Certificate and Indemnity (Issuer Environmental Indemnity).
6. Hazardous Materials Certificate and Indemnity.
7. Security Agreement (Collateral Pledge of Partnership Interest).
8. Access Laws Certificate and Indemnity.
9. Assignment of Contracts, Agreements and Permits.
10. Consent to Assignment (General Contractor Contract).
11. Consent to Assignment (Architect Contracts).
12. Consent to Assignment (Development Services Agreement).
13. Consent to Assignment (Management Agreement).
14. Such other documents as required in connection with the closing of the WaFed Loan.