

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

ORDER 19-05-22-04H

In the Matter of Authorizing the Updating of
Financing and Adding Authorized
Representatives for Market District Commons
Affordable Housing Development.

WHEREAS, WHEREAS, Housing 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, consistent with its purposes and powers, the Authority intends to cause an affiliate entity to construct on a parcel at the northwest corner of 6th Avenue & Oak Street in Eugene Oregon, a mixed use structure which will become a condominium to be known as Market District Commons Condominium with two units: one condominium unit with approximately 50 units of affordable housing (the "Residential Units"); and a second condominium unit of approximately 6,871 square feet on the ground floor (the "Commercial Unit") to be acquired, upon completion, by an affiliate of the Obie Companies (together, the development of the Residential Units and the Commercial Unit are referred to as the "Development"); and

WHEREAS, by prior Commission Order 18-22-08-04H, the Authority authorized the formation of MD Commons LLC (the "LLC") to develop the Development and own the Development, and authorized formation of MD Manager LLC ("Manager LLC") to serve as the Managing Member of the LLC; and

WHEREAS, by prior Commission Order 18-28-11-04H, the Authority authorized, among other things, various forms of financing for the Project including a construction loan from Wells Fargo Bank, National Association in the approximate amount of \$9,900,000 (the "Construction Loan"); and

WHEREAS, based on further underwriting, the Agency has concluded it is prudent to authorize a Construction Loan in the approximate principal amount of **\$10,750,000** (which amount may increase or decrease based on final underwriting); and

WHEREAS, by prior Commission Order 18-28-11-04H, the Authority also authorized a permanent loan in the approximate amount of \$910,000 from Network for Oregon Affordable Housing (the "NOAH Loan"); and

WHEREAS, based on further underwriting the Agency has concluded it is prudent to authorize an increase the NOAH Loan to the approximate principal amount of **\$1,440,000** (which amount may increase or decrease based on final underwriting); and

WHEREAS, the Agency wishes to ensure that it has designated an authorized signer who will be available to execute documents on behalf of the Agency, the LLC, and the Manager LLC when the financing is closed;

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, ON BEHALF OF THE LCC, AND ON BEHALF OF MANAGER LLC ADOPTS THE FOLLOWING RESOLUTIONS:

1. Authorize Increased Construction Loan to LLC.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, (whether in its own capacity, its capacity as developer or its capacity as a guarantor), the LLC, and/or the Manager LLC, as the case may be, the Construction Loan 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 Construction Loan in the maximum principal amount of **\$10,750,000** (which amount may increase or decrease based on final underwriting) which documents shall 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).

2. Authorize Increased NOAH Loan.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, (whether in its own capacity, its capacity as developer or its capacity as a guarantor), the LLC, and/or the Manager LLC, as the case may be, the NOAH Loan Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as may be necessary to enter into the NOAH Loan in the approximate principal amount of **\$1,440,000** (which amount may increase or decrease based on final underwriting), which documents shall 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).

3. 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 whether acting on behalf of the Authority or the LLC.

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 monthly progress reports and miscellaneous forms associated with tax credits, grants and loans:

Steve Ochs

4. 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, the LLC, and Manager LLC as the case may be, 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, acting in its own behalf or on behalf of the LLC or Manager LLC, and in furtherance of the Development, the same is hereby ratified and affirmed.

Done and dated this 29 day of May, 2019.

BOARD OF COMMISSIONERS

Chowen M. Reavis
Chairperson

Exhibit A

Well Fargo Affordable Housing Syndication Documents

1. Amended and Restated Operating Agreement of the LLC;
2. Guaranty Agreement;
3. Development Fee Agreement;
4. Asset Management Fee Agreement;
5. MM Asset Management Fee Agreement;
6. Right of First Refusal and Purchase Option Agreement;
7. Reimbursement and Assignment Agreement;
8. Security Agreement;
9. Rider to Construction Contract;
10. And such other document as required in connection with the closing of the Investment by Wells Fargo.

Wells Fargo Bank, National Association Construction Loan Documents

1. Promissory Note;
2. Construction Loan and Security Agreement;
3. Construction Deed of Trust With Absolute Assignment of Leases and Rents, Security Agreement, and Fixture Filing;
4. Pledge and Security Agreement (Assignment of Partnership Interests and Tax Credits);
5. Assignment of Capital Contributions;
6. Assignment of Leases and Rents;
7. Guaranty and Suretyship Agreement (Payment and Completion);
8. Assignment of Construction and Development Documents;
9. Environmental Indemnity Agreement;
10. Borrower's Certificate;
11. Subordination of Management Agreement;
12. Priority and Subordination Agreement.
13. And such other document as required in connection with the closing of the Construction Loan.

NOAH Loan Documents

1. Loan Purchase Agreement
2. Certificate of Borrower
3. Amendment to Note
4. Amendment to Deed of Trust
5. Pledge and Security and Control Agreement
6. Certificate and Indemnity Regarding Hazardous Substances
7. Guaranty Agreement (GP Obligations)
8. Guaranty Agreement (Condominium Obligations)
9. Indemnity and Guaranty – Stormwater Management
10. And such other documents as required in connection with the funding of the NOAH Loan