

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

ORDER 20-09-12-02H

In the Matter of Revising ORDER 20-22-04-02H Authorizing the Formation of HFG Communities, LLC and Authorizing a Permanent Consolidated Loan for Jacob's Lane Apartments, Laurel Gardens Apartments, and Willakenzie Townhomes in Eugene, Oregon.

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 the Authority; and

WHEREAS, the Authority is the general partner of Jacob's Lane Limited Partnership, an Oregon limited Partnership ("Jacob's LP"), the owner of Jacob's Lane Apartments located at 3450 Jacobs Lane, Eugene, OR 97402 ("Apartment 1"); and

WHEREAS, the Authority is the general partner of Laurel Gardens Limited Partnership, an Oregon limited Partnership ("Laurel LP"), the owner of Laurel Garden's Apartments located at 1775 West 12th Avenue, Eugene, OR 97402 ("Apartment 2"); and

WHEREAS, the Authority is the general partner of The Orchards Limited Partnership, an Oregon limited Partnership ("Orchards LP," and together with Jacob's LP and Laurel LP, the "Partnerships"), the owner of Willakenzie Townhomes located at 3202 Willakenzie Road, Eugene, OR 97401 ("Apartment 3," and together with Apartment 1 and Apartment 2, the "Projects"); and

WHEREAS, the Authority finds it to be in the best interests of the Authority, the Partnerships, and the Projects, to authorize the formation of a limited liability company to be known as HFG Communities LLC, an Oregon limited liability company (the "LLC") with the Authority as the sole member of the LLC, and thereafter to transfer the Projects to the LLC; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, and the Projects for the LLC to obtain a loan from Banner Bank (the "Bank") in the

approximate amount of \$1,820,000.00 (the "Bank Loan") to refinance existing debt on the Projects and to finance necessary capital repairs on the Projects;

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, AS THE SOLE MEMBER OF THE LLC ON BEHALF OF THE LCC, AS THE GENERAL PARTNER OF JACOB'S LP, AS THE GENERAL PARTNER OF ORCHARDS LP, AND AS THE GENERAL PARTNER OF LAUREL LP, ADOPTS THE FOLLOWING RESOLUTIONS:

1. Authorize Formation of the LLC and Creation of Accounts

BE IT RESOLVED, that the Authority, in its own capacity, is hereby authorized to execute and deliver such documents as may be necessary for the formation of the LLC including but not limited to the following:

- a) Articles of Organization to be filed with the Secretary of State of the State of Oregon; and
- b) An Operating Agreement with the Authority as the sole member; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such as checking, savings and other accounts at such state or federally chartered banks as any Authorized Representative, as that term is defined in these Resolutions, may determine (such determination to be conclusively demonstrated by the signature of any Authorized Representative on such document).

2. Authorize Transfer of the Projects from the Partnerships to the LLC.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the LLC, or the Partnerships, as the case may be, such documents as necessary to convey the Projects to the LLC, on terms and conditions approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

3. Authorize Execution of NOAH Loan Documents.

BE IT RESOLVED, that the Bank Loan is approved and authorized and 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 may be required in connection with the Bank Loan, including but not limited to, those documents listed on the attached **Exhibit A** (whether bearing the name listed or names to similar effect), 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. Authorized Representatives.

BE IT RESOLVED that the following identified persons shall be the Authorized Representatives as that term is used in these Resolutions and are each individually authorized, empowered and directed to perform the actions authorized herein on behalf of the Authority whether acting on behalf of the Authority, the Partnerships, or the LLC.

Jacob Fox, Executive Director, or his assignee or successor
Jeff Bridgens, Finance Director, or his assignee or successor
Ela Kubok, Communications Director, or her assignee or successor

5. 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 Partnerships, and the 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, the LLC, or the Partnerships, as the case may be, and in furtherance of the transactions contemplated by the foregoing resolutions, the same is hereby ratified and affirmed.

Done and dated this 9th day of December, 2020.

BOARD OF COMMISSIONERS



Chairperson

EXHIBIT A

Bank Loan Documents

1. Business Loan Agreement
2. Promissory Note
3. Deed of Trust
4. Resolution to Borrow
5. Replacement Reserve and Security Agreement
6. Hazardous Waste Warranty
7. Assignment of Rights Under Management Agreement (And Subordination By Property Manager)
8. Subordination Agreement (Coin Meter)
9. Such other documents as are reasonably required in connection with the closing of the Bank Loan.