



HARRIS COUNTY, TEXAS COMMUNITY SERVICES DEPARTMENT

Adrienne M. Holloway, Ph.D.
Executive Director

8410 Lantern Point Drive
Houston, Texas 77054

FOURTH AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY AND LAKESIDE PLACE PFC FOR THE RICHCREST APARTMENTS PROJECT

This Fourth Amendment is made and entered into by and between Harris County (the “Grantee”) and Lakeside Place PFC (the “Subrecipient and Maker”). The Grantee and Subrecipient and Maker are known individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, the Parties entered into an Agreement (the “Master Agreement”) on April 7, 2020, to a Community Development Block Grant (CDBG-DR) Disaster Recovery Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such project included construction of the Richcrest Apartments project for the purpose of providing affordable housing to income-eligible residents; and

WHEREAS, on January 4, 2022, Commissioners Court approved a First amendment to amend said Agreement: (i) to extend the 18-month construction completion requirement by 45 days to February 24, 2022; and (ii) to (a) delete the Construction Management Fee line-item budget of \$120,000 and (b) decrease the CSD Management and HCED Inspections line-item budget by \$475,616, with such reductions resulting in a corresponding decrease to the total CDBG-DR FY17 funds to \$16,114,384 and the total amount of funding for this project to \$52,329,797.00; and

WHEREAS, on February 22, 2022, Commissioners Court approved a Second amendment to amend said Agreement to extend additional time to the original 18-month construction completion requirement by approximately 5 months to June 1, 2022, due to material and supply shortages.

WHEREAS, on May 24, 2022, Commissioners Court approved a Third amendment to increase the CSD Management and HCED Inspections line-item to \$790,000, the total CDBG-DR FY17 funds are \$16,590,000, and a total amount of funding for this project is \$52,805,413.00, due to cost overruns impacting the budget caused by time extensions granted.

WHEREAS, Harris County is currently working with the Texas General Land Office (the “GLO”) to establish a new program known as The Harvey 57M Community Development Block Grant – Disaster Recovery Affordable Rental Recovery – LMH (also known as the “Harvey 57M Fund”).

WHEREAS, the Parties now desire to amend said Agreement to: (i) extend the 18-month construction completion requirement for approximately an additional 3 months to November 15, 2022; and (ii) utilize, subject to approval of the GLO of the GLO Action Plan Approval Amendment No. 5 to Contract No. 18-495-000-B220, the Harvey 57M Fund rather than the previously anticipated CDBG-DR funding, in the amount of \$16,590,000.

NOW THEREFORE, the County and the Subrecipient do mutually agree as follows:

TERMS

I.

All references in the Master Agreement to the Completion of Construction being required within 18-months from the start of construction shall be extended by approximately 3 months (the "Construction Extension Period") to November 15, 2022. This allowance of the Construction Extension Period shall be applicable to Article I(E); Article II(C)(5) Completion of Work; Exhibit B(Activity 15)(Item 16); and any other reference in the Master Agreement to Completion of Construction requirement. To the extent the Completion of Construction is required by additional documents accompanying the Master Agreement (Loan Note, Deed of Trust, Intercreditor, Subordination and Funding Agreement, etc.), all Parties agree that such requirements in those documents are, to the maximum extent possible, also modified by the application of the above-referenced Construction Extension Period.

II.

All Parties hereby agree that, subject to applicable GLO approval, the Harvey 57M Fund will represent the County funding source. Accordingly, and in that event, Exhibit "D", "BUDGET" of the Master Agreement is replaced entirely with the Exhibit D "Budget" attached hereto and shall be known as "Exhibit D" to the Fourth Amendment to Agreement. To the extent the sums reflected on Exhibit D are included or reflected in additional documents accompanying the Master Agreement (Loan Note, Deed of Trust, Intercreditor, Subordination and Funding Agreement, etc.), both Parties agree that such sums in those documents are, to the maximum extent possible, also modified by the application of this replacement Budget.

III.

In the event of any conflict between this Fourth Amendment to Agreement and the original Agreement, the terms of this Fourth Amendment shall govern. All other conditions among the parties shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to Agreement this
_____ 25 _____ day of _____ July _____, 2022.

LAKESIDE PLACE PFC,
a Texas public facility corporation

By: _____

David A. Northern, Sr.
Secretary

APPROVED AS TO FORM:

CHRISTIAN D. MENEFEE
County Attorney

By: Randy Keenan
RANDY KEENAN
Assistant County Attorney
CA File ID: 22GEN2488

HARRIS COUNTY

By: _____
LINA HIDALGO
Harris County Judge

**EXHIBIT D
BUDGET**

**APV Redevelopment Corporation, Borrower
Richcrest Apartments Project
Maximum Amount to be Paid Under this Loan Agreement**

It is expressly agreed and understood that the total amount to be paid by Grantee under this Loan Agreement shall not exceed SIXTEEN MILLION FIVE HUNDRED NINETY THOUSAND DOLLARS AND 00/100 (\$16,590,000.00), as certified available by the Harris County Auditor and as evidenced by the issuance of a Purchase Order from the Harris County Purchasing Agent.

Description	Harris County CDBG-DR 57B Funds	CDBG-DR Leverage	TOTAL
Acquisition Costs	\$ -	\$ 3,909,136	\$ 3,909,136
Off-Site	\$ -	\$ 150,000	\$ 150,000
Site Work	\$ -	\$ 4,489,697	\$ 4,489,697
Direct Construction/Rehab Costs	\$ 15,800,000	\$ 7,634,096	\$ 23,434,096
Other Construction Costs	\$ -	\$ 5,422,013	\$ 5,422,013
General Soft Costs	\$ -	\$ 1,986,800	\$ 1,986,800
Construction Financing	\$ -	\$ 4,165,105	\$ 4,165,105
Permanent Financing Costs	\$ -	\$ 920,312	\$ 920,312
Syndication Costs	\$ -	\$ 296,466	\$ 296,466
Reserves	\$ -	\$ 1,504,326	\$ 1,504,326
Developer Fees	\$ -	\$ 5,737,462	\$ 5,737,462
Subtotal	\$ 15,800,000	\$ 36,215,413	\$ 52,015,413
CSD Management and Oversight and HCED Inspections	\$ 790,000		\$ 790,000
Construction Manager	\$ 0.00		\$ 0.00
Subtotal	\$ 16,590,000	\$ 36,215,413	\$ 52,805,413

SOURCES (PERMANENT)	AMOUNT
Harris County CSD CDBG-DR	\$16,590,000
Conventional Loan	\$17,994,699
HTC Syndication Proceeds	\$17,774,526
In-Kind Equity/Deferred Developer Fee	\$ 93,870
NOI Before Rental Achievement	\$ 352,317
Total Sources	\$52,805,413
Total Uses	\$52,805,413

ORDER OF COMMISSIONERS COURT
Authorizing Amendment to Loan Agreement

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the _____ day of _____, 20__ with the following members present except _____.

A quorum was present when, among other business, the following was transacted:

**ORDER AUTHORIZING FOURTH AMENDMENT TO AGREEMENT BETWEEN
HARRIS COUNTY AND LAKESIDE PLACE PFC FOR THE RICHCREST
APARTMENTS PROJECT**

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

	Yes	No	Abstain
Judge Hidalgo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Ellis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Ramsey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Cagle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

Section 1. The County Judge is authorized to execute the Fourth Amendment to the Agreement between Harris County and Lakeside Place PFC for the Richcrest Apartments project. This amendment updates said Agreement to work with the Texas General Land Office (the "GLO") to establish a new program known as The Harvey 57M Community Development Block Grant – Disaster Recovery Affordable Rental Recovery – LMH (also known as the "Harvey 57M Fund"). The Parties now desire to amend said Agreement to: (i) extend the 18-month construction completion requirement for approximately an additional 5 months to November 15, 2022, due to supply chain, material, and labor shortages; and (ii) utilize, subject to approval of the GLO of the GLO Action Plan Approval Amendment No. 5 to Contract No. 18-495-000-B220, the Harvey 57M Fund rather than the previously anticipated CDBG-DR funding, in the amount of \$16,590,000.

Section 2. HCCSD and its Executive Director, or his/her designee, are authorized to take such actions and execute such other documents as they deem necessary or convenient to carry out the purposes of this order.