

**FIFTH AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY, LONE
STAR HOUSING AND COMMUNITY DEVELOPMENT CORPORATION, AND
GRANADA TERRACE APARTMENTS, LP FOR THE GRANADA TERRACE
APARTMENTS PROJECT**

This FIFTH Amendment is made and entered into by and between Harris County (the “Grantee”), Lone Star Housing and Community Development Corporation (the “Nonprofit”), and Granada Terrace Apartments, LP (the “Maker”). The Grantee, Nonprofit, and Maker are known individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, the Parties entered into an Agreement (the “Master Agreement”) on May 19, 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 the rehabilitation of the Granada Terrace Apartments Project for the purpose of providing affordable housing to income-eligible residents; and

WHEREAS, on March 8, 2022, Commissioners Court approved a First Amendment that amended the Agreement as follows: to (i) extend the 18- month construction completion requirement for an additional 7 months to July 1, 2022; and (ii) decrease the (a) Construction Management Fee line-item budget by \$48,000 and (b) CSD Management and HCED Inspections line-item budget by \$199,435, with such reductions resulting in a corresponding decrease to the total CDBG-DR FY17 funds to be \$247,435.00 and a total amount of funding for this project to \$26,437,608.00; (iii) define the reimbursement mechanism for the Construction Management fee costs to require documentation specifying the number of actual hours worked, multiplied by the applicable rate, subject to the Construction Management fee line item in Exhibit “D”; and

WHEREAS, on May 24, 2022, Commissioners Court approved a Second Amendment that amended the Agreement as follows: to: increase the CSD Management and HCED Inspections fee to the original allocation of \$337,143, bringing total amount of funding for this project to \$26,637,043.00.

WHEREAS, on August 23, 2022, Commissioner Court approved a Third Amendment that amended the Agreement as follows: (i) extend the 18-month construction completion requirement by an additional five (5) months to December 31, 2022, due to unexpected supply chain delays resulting from the COVID 19 pandemic; and (ii) define the Construction Management Fee.

WHEREAS, on January 31, 2023, Commissioner Court approved a Fourth Amendment that amended the Agreement to extend the 18-month construction completion requirement by an additional (6) months to June 30, 2023, due to the General Contractor facing labor issues on their side, which prevented them from reaching substantial completion in December.

WHEREAS, the Parties now desire to amend said Agreement to: (i) extend the 18-month construction completion requirement by an additional (8) months to February 15, 2024, due to a claim filed against the now-defunct General Contractor’s performance bond, which prevented them from reaching final completion by June 30, 2023, and (ii) reclassify \$100,000 in unused funds from site category to the construction category to more effectively allocate CDBG funds

NOW THEREFORE, the County and the Grantee, Nonprofit, and Maker do mutually agree as follows:

TERMS

I.

EXHIBIT D, "BUDGET" of the Master Agreement, is replaced entirely with Exhibit D-1 "Budget" attached hereto and shall be known as "Exhibit D-1" to the Fifth Amendment to the Agreement. To the extent the sums reflected on Exhibit D-1 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.

II.

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 an additional 6 months, such that the Completion of Construction deadline is now February 15, 2024. This allowance of the Construction Extension Period shall be applicable to Article I (E); Article II (C) (5) Completion of Work; Exhibit A; 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 which accompanied the Master Agreement (Loan Note, Deed of Trust, Intercreditor, Subordination and Funding Agreement, etc.), both Parties agree that such requirement in those documents is, to the maximum extent possible by the Parties hereunder, also modified by the application of the above-referenced Construction Extension Period.

III.

Corporation understands and agrees, said understanding and agreement also being of the absolute essence of this Fifth Amendment, that County is not appropriating additional funds under this Fifth Amendment.

IV.

All other terms of the Master Agreement shall remain in full force and effect as originally written and subsequently amended.

V.

It is expressly understood and agreed that the Master Agreement and First, Second, Third, and Fourth Amendments are incorporated herein by reference. In the event of any conflict between the terms and provisions of this Fifth Amendment, or any portion thereof, and the terms and provisions of any other part or portion of the Master Agreement, as amended, this Fifth Amendment shall control.

VI.

Execution, Multiple Counterparts: This Fifth Amendment may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute this Amendment.


Signatures to Follow on Next Page

IN WITNESS WHEREOF, the Parties have executed this Fifth Amendment to Agreement this _____ day of _____, 20__.

**GRANADA TERRACE
APARTMENTS, LP**
a Texas limited partnership


By: Granada Terrace Apartments GP, LLC,
A Texas limited liability company,
its General Partner

By: BLVD Capital, LLC
A Delaware limited liability company,
its Manager

By: 
Robert Budman,
Manager

**LONE STAR HOUSING AND
COMMUNITY DEVELOPMENT
CORPORATION**

a Texas nonprofit corporation

By: 
Michelle Grandt,
Executive Director

APPROVED AS TO FORM:

CHRISTIAN D. MENEFEY
County Attorney

By: Randy Keenan

RANDY KEENAN
Assistant County Attorney
CA File ID: 23GEN2753

HARRIS COUNTY

By: _____

LINA HIDALGO
Harris County Judge

**EXHIBIT
D-1
BUDGET
Granada Terrace Apartments, LP
Granada Terrace Apartments Project
Maximum Amount to be Paid Under this Agreement**

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed SEVEN MILLION ONE HUNDRED FIFTY-TWO THOUSAND DOLLARS AND 00/100 (\$7,152,000.00), 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 Funds	CDBG-DR Leverage	TOTAL
Acquisition		\$ -	\$ 12,562,500	\$ 12,562,500
Off-Site		\$ -	\$ -	\$ -
Site		\$ -	\$ -	\$ -
Construction		\$ 6,340,000	\$ 78,000	\$ 6,318,000
Other Construction		\$ 402,857	\$ 1,199,903	\$ 1,602,760
General Soft Costs		\$ -	\$ 810,872	\$ 810,872
Construction Financing		\$ -	\$ 456,706	\$ 456,706
Permanent Financing		\$ -	\$ 337,769	\$ 337,769
Syndication		\$ -	\$ 298,625	\$ 298,625
Reserves		\$ -	\$ 517,620	\$ 517,620
Developer Fees		\$ -	\$ 3,223,048	\$ 3,223,048
Subtotal		\$ 6,742,857	\$ 19,485,043	\$ 26,227,900
CSD Management and HCED Inspections		\$ 337,143		\$ 337,143
Construction Manager		\$ 72,000		\$ 72,000
Subtotal		\$ 7,152,000	\$ 19,485,043	\$ 26,637,043
SOURCES (PERMANENT)		AMOUNT		
Harris County CSD CDBG-DR		\$ 7,152,000.00		
Permanent Loan – Bond Issuance/Loan		\$ 10,304,698.00		
HTC Syndication Proceeds – Enterprise		\$ 8,652,494.00		
In-Kind Equity/Deferred Developer Fee		\$ 527,851.00		
Total Sources		\$ 26,637,043.00		
Total Uses		\$ 26,637,043.00		

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 _____, 2023 with the following members present except _____. A quorum was present when, among other business, the following was transacted:

**ORDER AUTHORIZING FIFTH AMENDMENT TO AGREEMENT
BETWEEN HARRIS COUNTY, LONE STAR HOUSING AND
COMMUNITY DEVELOPMENT CORPORATION, AND GRANADA
TERRACE APARTMENTS, LP FOR THE GRANADA TERRACE
APARTMENTS PROJECT**

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for the 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. Briones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Section 1. The Harris County Judge is authorized to execute the Fifth Amendment to the Loan Agreement Between Harris County, Lone Star Housing and Community Development Corporation, and Granada Terrace Apartments, LP for the Granada Terrace Apartments Project. This said Agreement to: (i) extend the 18-month construction completion requirement by an additional eight (8) months to February 15, 2024, due to the effects of pending litigation against a defunct general contractor, which has delayed project close-out (ii) to reallocate one hundred thousand dollars from the site line-item to construction line item to more effectively use granted CDBG funds.

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