

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 _____, 2022 with the following members present except _____.

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

ORDER AUTHORIZING SECOND AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY AND HARRIS COUNTY RESOURCES FOR CHILDREN AND ADULTS FOR THE HAY CENTER 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 Harris County Judge is authorized to execute the Second Amendment to the Loan Agreement Between Harris County and Harris County Resources for Children and Adults for the HAY Center Project. This amendment now desire to amend said Agreement to: (i) approve the additional Subrecipient award of \$4,004,398.00 in American Rescue Plan 2021 funds by US Treasury subject to approval of the ARPA Steer Committee’s recommendation and Commissioner Court approval, to fund the HAY Center Project; (ii) approve budget revisions to the Harris County CDBG-DR FY17 funds, resulting in the corresponding budget line revisions (a) Acquisition decrease by \$360,216 to \$8,139,784, (b) Direct Construction decreased by \$264,149 to \$7,032,509, and (c) Other Construction increased by \$624,365 to \$2,023,452 (iv) approve an increase to the leveraged budget resulted in the corresponding budget line revisions (a) Acquisition increase by \$309,352 to \$1,110,833, (b) Site Work decrease by \$99,845 to \$1,740,778, (c) Direct Construction increased by \$3,807,120 to \$8,648,460, (d) Other Construction decrease by \$46,551 to \$1,352,535, (e) General Soft Cost increase by \$34,862 to \$1,491,120; (v) Total project funding to \$39,343,726.00.

Section 2. HCCSD and its Executive Director, or his/her designee, and HCHRA and its Executive Director 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.



HARRIS COUNTY, TEXAS COMMUNITY SERVICES DEPARTMENT

Adrienne M. Holloway, Ph.D.
Executive Director

8410 Lantern Point Drive
Houston, Texas 77054

SECOND AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY AND HARRIS COUNTY RESOURCES FOR CHILDREN AND ADULTS FOR THE HAY CENTER PROJECT

This Second Amendment is made and entered into by and between Harris County (the “Grantee”), and Harris County Resources for Children and Adults (the “Subrecipient”, also referred to herein as “HCHRA”). The Grantee and Subrecipient are known individually as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, the Parties entered into an Agreement (the “Master Agreement”) on April 27, 2021, 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. The construction of the HAY Center Project is to provide affordable housing to income-eligible residents of Harris County; and

WHEREAS, pursuant to Section 81.027 of the Texas Local Government Code, a commissioner’s court may provide for the support of county residents unable to support themselves. Additionally, or alternatively, pursuant to §603(c)(1)(a) of the American Rescue Plan Act 2021 (Pub. Law. 117-2), hereinafter referred to as the “Act”, a grantee of funds may use Act funds to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts. The County has concluded that such response includes the acquisition, new construction, and operation of a new 50-unit multi-family complex for permanent supportive housing (PSH) for homeless youth and youth aging out of foster care through the Way Home (the “Project”); and

WHEREAS, the County has determined that the Project will aid vulnerable residents of Harris County, Texas currently experiencing or at risk of experiencing homelessness due to the COVID-19 pandemic, will further the objectives of the County, benefit the County and its residents, and serve the broader purpose of protecting the health, safety, and welfare of Harris County, Texas residents by supporting those homeless residents of Houston and Harris County in a time when protecting the health of the whole community requires social distancing and the ability for residents to shelter in place; and

WHEREAS, On December 14, 2021, Commissioner’s Court agreed to the First Amendment to the Agreement to (i) award \$5,000,000 in American Rescue Plan 2021 funds to fund the HAY Center Project resulting in the corresponding budget line revisions (a) increase the Acquisition line-item budget by \$29,626, (b) increase the Direct Construction line-item budget by \$207,463, (c) increase the General Soft Costs by \$91,000, (d) decrease the line-item budget by \$131,553, and (e) decrease the line-item budget by \$196,536, with such changes, resulting in no corresponding change to the

total CDBG-DR FY17 funds to be provided by Grantee and (ii) a total amount of funding for this project to \$35,388,788.00; and

WHEREAS, the Parties now desire to amend said Agreement to: (i) approve budget revisions to the Harris County CDBG-DR FY17 funds, resulting in the corresponding budget line revisions (a) Acquisition decrease by \$360,216 to \$8,139,784, (b) Direct Construction decreased by \$264,149 to \$7,032,509, and (c) Other Construction increased by \$624,365 to \$2,023,452; (ii) acknowledge the Subrecipient and Maker award of \$4,004,398.00 in American Rescue Plan 2021 funds by US Treasury subject to approval of the ARPA Steer Committee's recommendation and Commissioner Court approval, as leverage to fund the HAY Center Project; (iii) approve an increase to the leveraged budget resulted in the corresponding budget line revisions (a) Acquisition increase by \$309,352 to \$1,110,833, (b) Site Work decrease by \$99,845 to \$1,740,778, (c) Direct Construction increased by \$3,807,120 to \$8,648,460, (d) Other Construction decrease by \$46,551 to \$1,352,535, (e) General Soft Cost increase by \$34,862 to \$1,491,120; (iv) Total CDBG-DR FY17 funds remains \$20,000,000, and Total project funding to \$39,343,726.00.

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

TERMS

I.

The County, through approval and execution of this Amendment, hereby authorizes the use of an additional \$4,004,938.00 in Coronavirus Local Fiscal Recovery Funds allocated to the County through the Act. The revised allocation of ARPA funds for this Project is \$9,004,938.00.

Pursuant to Section 81.027 of the Texas Local Government Code, a commissioner's court may provide for the support of county residents unable to support themselves. Additionally, or alternatively, pursuant to §603(c)(1)(a) of the American Rescue Plan Act 2021 (Pub. Law. 117-2), hereinafter referred to as the "Act", a grantee of funds may use Act funds to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts. The County has concluded that such response includes the acquisition, new construction, and operation of a new 50-unit multi-family complex for permanent supportive housing (PSH) for homeless youth and youth aging out of foster care through the Way Home (the "Project").

The County has determined that the Project will aid vulnerable residents of Harris County, Texas currently experiencing or at risk of experiencing homelessness due to the COVID-19 pandemic, will further the objectives of the County, benefit the County and its residents, and serve the broader purpose of protecting the health, safety, and welfare of Harris County, Texas residents by supporting those homeless residents of Houston and Harris County in a time when protecting the health of the whole community requires social distancing and the ability for residents to shelter in place;

The County, through approval and execution of this Amendment, hereby authorizes the use of Coronavirus Local Fiscal Recovery Funds allocated to the County through the Act to help fund the Project, in addition to previously and concurrently authorized funds.

II.

The County has determined that a condition of intentional investment is needed from the Subrecipient to not seek an increase in CDBG-DR funding beyond those reflected in the Agreement, including the First Amendment and this Second Amendment and must seek other financial sources for filling cost overruns. In addition, in order to fulfill development capacity and adhere to the compliance consultant requirement, the Subrecipient must procure a consultant on hire staff to administer the project, approval to the Grantee's satisfaction. All procurement must go through the County's Purchasing process if over the \$50K limit.

III.

Construction Management Fee: If Exhibit D contains a line item for "Construction Management Fee" or "Construction Management" or the like reflecting a payment obligation of Grantee, will pay the such sum in monthly will based upon a cover letter, timesheets, paystubs the and supporting documentation provided by Subrecipient certifying the number of hours worked by Subrecipient or other qualified party authorized by the Subrecipient multiplied by an hourly rate which is (i) commercially reasonable for the geographic area of the Project and (ii) for the reimbursement of the Developer/Project Manager position which will be responsible for the monitoring and project management of renovations as described in the job description; (iii) previously agreed upon by the Parties. Notwithstanding anything in the above, in no event will the sum of all monthly reimbursement for the Construction Management fee exceed the total amount allocated for such pursuant to Exhibit "D".

IV.

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 Second Amendment to Agreement.

Signatures to Follow on Next Page

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

HARRIS COUNTY RESOURCES FOR CHILDREN & ADULTS,
a Texas public facility corporation

By: Joel Levine (ms)
Joel Levine,
Executive Director

APPROVED AS TO FORM:

CHRISTIAN D. MENELEE
County Attorney

HARRIS COUNTY

By: Randy Keenan
RANDY KEENAN
Assistant County Attorney
CA File ID: 22GEN2882

By: _____
LINA HIDALGO
Harris County Judge

**EXHIBIT D
BUDGET
Harris County Resources for Children and Adults
HAY Center 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 TWENTY MILLION DOLLARS AND 00/100 (\$20,000,000.00), 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 (including ARPA)	City of Houston CDBG-DR Funds	TOTAL
Acquisition	\$8,139,784	\$1,110,833		\$9,250,617
Off-Site	\$ -	\$ -		\$ -
Site Work	\$1,737,588	\$1,740,778		\$3,478,366
Direct Construction	\$7,032,509	\$8,648,460	\$5,000,000	\$20,680,969
Other Construction	\$2,023,452	\$1,352,535		\$3,375,987
General Soft Costs	\$ -	\$1,491,120		\$1,491,120
Construction Financing	\$ -	\$ -		\$ -
Permanent Loan Financing	\$ -	\$ -		\$ -
Syndication	\$ -	\$ -		\$ -
Reserves	\$ -	\$ -		\$ -
Developer Fees	\$ -	\$ -		\$ -
Subtotal	\$18,933,333	\$14,343,726	\$5,000,000	\$38,277,059
CSD Management and Oversight and HCED Inspections	\$946,667			\$946,667
Construction Manager (Fixed \$120,000)	\$120,000			\$120,000
Subtotal	\$1,066,667	\$ -	\$ -	\$1,066,666
Total	\$20,000,000	\$14,343,726	\$5,000,000	\$39,343,726

SOURCES (PERMANENT)	AMOUNT
Harris County CSD CDBG-DR	\$20,000,000
Harris County Treasury-ARPA 2021	\$9,004,938
Gensler Architectural Service	\$1,288,788
City of Houston CDBG-DR	\$5,000,000
HAY Cash on Hand + Special Revenue Acct	\$3,000,000
In-Kind Gensler and other	\$1,050,000
Total Sources	\$39,343,726
Total Uses	\$39,343,726