



# **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 HCHA REDEVELOPMENT AUTHORITY, INC. FOR THE NORTHWOOD APARTMENTS PROJECT**

This Fourth Amendment is made and entered into by and between Harris County (the "Grantee"), HCHA Redevelopment Authority, Inc. (the "Subrecipient and Maker"). The Grantee and Subrecipient and Maker are known individually as "Party" and collectively as "Parties".

#### **RECITALS**

WHEREAS, HARRIS COUNTY, a body politic and corporate under the laws of the State of Texas, herein called "Grantee," and HCHA REDEVELOPMENT AUTHORITY, INC. herein called "Subrecipient" and "Maker," entered into an Agreement on April 28, 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 Northwood Apartments Project for the purpose of providing affordable housing to income-eligible families; and

WHEREAS, on November 10, 2020, Commissioners Court approved a First Amendment that amended the Agreement as follows: 1) amend the Project Budget and funding sources associated with the acquisition and construction by decreasing the Construction budget line item in the amount of \$187,500 and reallocate it to the Acquisition line item. The total amount of Round 1 CDBG-DR funds remains at \$11,520,000.00, and the total amount of funding for this project is \$53,935,554; and

WHEREAS, on August 10, 2021, Commissioners Court approved a Second Amendment that amended the Agreement as follows: 1) amend said Agreement to Round 1 CDBG-DR funds "Exhibit D, Budget" by decreasing the Off-Site budget line item in the amount of \$2,285,714 and reallocating it to the Construction budget line item. The total amount of Round 1 CDBG-DR funds remains at \$11,520,000.00, and the total amount of funding for this project is \$53,935,554, which includes leveraged funds; and

WHEREAS, on January 4, 2022, Commissioners Court approved a Third Amendment that amended the Agreement as follows: to decrease the (a) Construction Management Fee line-item budget by \$72,600; to decrease the CSD Management and HCED Inspections line-item budget by \$146,997 to decrease the total amount of CDBG-DR FY17 funds to \$11,300,403; and to decrease the total amount of funding for this project to \$53,715,957.00;

WHEREAS, in addition to the above modifications to the Master Agreement, the Parties also desire to 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”.

WHEREAS, the Parties now desire to amend said Agreement to: i) extends the construction contract to January 15, 2023; ii) increases the CSD Management and HCED Inspections line-item budget by \$146,997; iii) increase the total CDBG-DR FY17 funds to \$11,447,400, and to increase the total amount of funding for this project to \$53,862,954.00.

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

## TERMS

### I.

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.

### II.

The Parties hereby agree that the following is hereby added to Section II(C)(6):

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, Grantee will pay such sum in monthly installments based upon invoices, timesheets, paystubs and supporting documentation provided by Partnership certifying the number of hours worked by General Contractor, Partnership, or other qualified party authorized by the Partnership multiplied by the hourly rate of a commercially reasonable rate agreed upon by the Parties in advance. Notwithstanding anything in the above, in no event will the sum of all monthly reimbursements for Construction Management fee exceed the total amount allocated for such pursuant to Exhibit “D”.

### III.

All references in the Master Agreement, as amended, to the Completion of Construction being required within 18 months from the start of construction shall be extended such that the Completion of Construction shall now be required on January 15, 2023. This extension of the Completion of Construction 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 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 will, to the maximum extent possible by the Parties hereunder is also modified by the application of the above-referenced Construction Extension Period.


IV.

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 between the parties shall remain in full force and effect.

*Signatures to follow on the next page*

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment to Agreement  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**HCHA REDEVELOPMENT AUTHORITY, INC.,**  
a Texas public facility corporation

By:  7/20/22  
Horace Allison,  
Executive Director

APPROVED AS TO FORM:

CHRISTIAN D. MENEFE  
County Attorney

HARRIS COUNTY

By: Randy Keenan  
RANDY KEENAN  
Assistant County Attorney  
CA File ID: 21GEN3506

By: \_\_\_\_\_  
LINA HIDALGO  
Harris County Judge

**EXHIBIT D**  
**BUDGET**  
**HCHA Redevelopment Authority, Inc.**  
**Northwood 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 Loan Agreement shall not exceed ELEVEN MILLION AND FOUR HUNDRED FORTY-SEVEN THOUSAND FOUR HUNDRED DOLLARS AND 00/100 (\$11,447,400.00), 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		\$ 2,287,500	\$ -	\$ 2,287,500
Off-Site		\$ -	\$ 2,285,714	\$ 2,285,714
Site Work		\$ 3,538,080	\$ -	\$ 3,538,000
Direct Construction		\$ 5,145,849	\$ 20,277,572	\$ 25,423,421
Other Construction		\$ -	\$ 5,538,310	\$ 5,538,310
General Soft Costs		\$ -	\$ 2,931,845	\$ 2,931,845
Construction Financing		\$ -	\$ 3,008,142	\$ 3,008,142
Permanent Loan Financing		\$ -	\$ 1,006,368	\$ 1,006,368
Syndication		\$ -	\$ 120,989	\$ 120,989
Reserves		\$ -	\$ 894,562	\$ 894,562
Developer Fees		\$ -	\$ 6,352,052	\$ 6,352,052
<b>Subtotal</b>		\$ 10,971,429	\$ 42,415,554	\$ 53,386,983
CSD Management and Oversight and HCED Inspections		\$ 428,571		\$ 428,571
Construction Manager (Fixed \$120,000)		\$ 47,400		\$ 47,400
<b>Subtotal</b>		\$ 11,447,400	\$ 42,415,554	\$ 53,862,954

SOURCES (PERMANENT)	AMOUNT
Harris County CSD CDBG-DR	\$11,447,400
Citibank, N.A.	\$20,500,000
Aegon	\$19,901,551
In-Kind Equity/Deferred Developer Fee	\$2,014,003
<b>Total Sources</b>	\$53,862,954
<b>Total Uses</b>	\$53,862,954

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 FOURTH AMENDMENT TO AGREEMENT BETWEEN HARRIS COUNTY AND HCHA REDEVELOPMENT AUTHORITY, INC. FOR THE NORTHWOOD 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 Harris County Judge is authorized to execute the Fourth Amendment to the Loan Agreement Between Harris County and HCHA Redevelopment Authority, Inc. for the Northwood Apartments Project. This agreement: i) extends the construction contract to January 15, 2023; ii) increases the CSD Management and HCED Inspections line-item budget by \$146,997; iii) increase the total CDBG-DR FY17 funds to \$11,447,400, and increases the total amount of funding for this project to \$53,862,954.00. The Fourth Amendment is attached hereto and made a part hereof for all purposes as though fully set out in this Order word for word.

**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.