

RESOLUTION 14-01

HCHA REDEVELOPMENT AUTHORITY, INC.

RESOLUTIONS AUTHORIZING HCHA REDEVELOPMENT AUTHORITY, INC. (THE "CORPORATION"), A TEXAS NON-PROFIT CORPORATION, TO EXECUTE ALL DOCUMENTS IN CONNECTION WITH ITS FORMATION; RESOLUTION SETTING FORTH TERMS AND GUIDELINES GOVERNING HOUSING TAX CREDIT PARTNERSHIPS IN ORDER TO FURTHER THE TAX EXEMPT PURPOSES OF THE CORPORATION; AND SUCH OTHER ACTIONS NECESSARY OR CONVENIENT TO CARRY OUT THESE RESOLUTIONS

WHEREAS, HCHA Redevelopment Authority, Inc. (the "Corporation") was authorized to be formed by the Harris County Housing Authority (the "Authority") as a Texas non-profit corporation on December 16, 2014, to operate exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the Authority in its mission to provide quality affordable housing and assist residents in achieving economic independence;

WHEREAS, the Corporation desires to adopt Bylaws and all other documents necessary for organization and to operate;

WHEREAS, the Corporation intends to file an IRS Form 1023, Application for Tax Exempt Status, to obtain status as a tax-exempt 501(c)(3) entity; and

WHEREAS, the Corporation will sponsor the formation of two Texas limited liability companies to be the general partners of two Texas limited partnerships, in order to undertake two tax credit financed developments; and

WHEREAS, the Corporation anticipates that it will sponsor the formation of additional limited liability companies and limited partnerships (the "Partnerships") in order to apply for housing tax credits to finance additional affordable housing developments in the future; and

WHEREAS, the Corporation expects to cause the Partnerships to amend and restate their partnership agreements to allow the admission of tax credit investor partners; and

WHEREAS, the Corporation wishes to insure that the activities of its sponsored Partnerships remain consistent with the Corporation's exempt purposes and with its status as a Texas non-profit corporation and, if applicable, its status as a federal 501(c)(3) tax exempt entity; and



WHEREAS, the Corporation wishes to adopt certain standardized measures in connection with entering into amended and restated agreements of limited partnership with tax credit investors in order to avoid transactions resulting in undue private gain; and

WHEREAS, the Corporation wishes to adopt a Conflict of Interest Policy consistent with the rules and guidelines applicable to federal 501(c)(3) tax exempt entities;

THEREFORE THE FOLLOWING RESOLUTIONS ARE ADOPTED UNANIMOUSLY BY ALL OF THE BOARD OF DIRECTORS OF HCHA REDEVELOPMENT AUTHORITY, INC.; BE IT RESOLVED:

Certificate of Formation

WHEREAS, the Certificate of Formation of the Corporation, attached hereto as Exhibit "A", has been approved and prepared for filing with the Secretary of State of the State of Texas;

BE IT RESOLVED, that the Certificate of Formation of the Corporation be filed with the Secretary of the State of Texas, and that the Certificate of Filing and a copy of the Certificate of Formation as returned by the Secretary of State upon filing be inserted into the minute book of the Corporation;

Adoption of Bylaws

BE IT RESOLVED, that the form of Bylaws adopted by the Corporation on or about the date hereof, and attached hereto as Exhibit "B" be, and it hereby is, approved and adopted as the Bylaws of the Corporation;

BE IT FUTHER RESOLVED, that the Secretary of the Corporation is directed to certify a copy of these Bylaws and insert them in the minute book of the Corporation, and maintain them in the principal office of the Corporation, open for inspection by any officer or any Director of the Corporation, at all reasonable times during office hours;

Election of Officers

BE IT RESOLVED, that the following slate of officers is hereby elected, and each such officer shall serve until his or her successor has been elected and duly qualified:

President- Kerry Wright



Vice President - Joe Ellis

Secretary - Tom McCasland

Treasurer - Gerald Womack

Purpose

BE IT RESOLVED, that, in furtherance of the purpose stated above, in the future the Corporation will facilitate, develop, construct, and operate low-income housing apartment properties and will take part in such projects as the sole member of general partner(s) of project-specific Tax Credit limited partnership(s) or managing member(s) of project-specific Tax Credit limited liability company(ies); the Corporation shall be organized to perform the functions of, or to carry out the purposes cited above;

BE IT FURTHER RESOLVED, that the Corporation shall form one or more Texas limited liability companies to be the above-described general partners or managing members in order to take part in the control, operation, and funding of projects;

BE IT FURTHER RESOLVED, that the Corporation may submit an Application form 1023 (the "Application") to the Internal Revenue Service in order to obtain 501(c)(3) status;

BE IT FURTHER RESOLVED, that the Corporation shall also have the option to take part in these same projects as developer, either solely, or in conjunction with a third party developer, with authority to enter into Development Agreements, Construction Contracts, and various other agreements, consents, assurances, instruments, and certifications necessary in order to facilitate, develop, construct, and operate these low-income housing apartment projects;

Board of Directors

BE IT RESOLVED, that the directors of the Corporation shall consist of six (6) directors, such directors being the directors as set forth in the Certificate of Formation. The Board of Directors shall be determined as follows: five (5) members shall serve by virtue of and concurrently with said members' being members of the Board of Commissioners for the Authority; and one member shall serve by virtue of and concurrently with said member's being the Chief Executive Officer of the Authority.

BE IT FURTHER RESOLVED, that the directors constituting the initial Board of Directors shall be those directors named in the Certificate of Formation, each of whom, as well as any subsequent directors, shall serve until his or her successor is designated on the Board of

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Commissioners of the Authority or as the Chief Executive Officer of the Authority, at which time the successor shall additionally become the successor director on the Board of Directors of the Corporation;

Banking Authority

BE IT RESOLVED, that the Corporation be, and it hereby is, authorized and directed to execute and deliver such form resolutions of any state or national banking institution that the Corporation may select (the "Bank"), as may be required to establish whatever checking accounts and borrowing accounts the Corporation shall deem necessary and appropriate for and on behalf of the Corporation, and that the President and the Treasurer of the Corporation shall be authorized to sign on such accounts;

BE IT FURTHER RESOLVED, that the Secretary of the Corporation be, and hereby is, authorized to certify to the Bank that these resolutions have been duly adopted and to verify to the Bank the names and specimen signatures the officers of the Corporation authorized hereby to sign, and if and when any new authorized persons are elected, to verify the fact of the change and the name and specimen signature of the Corporation;

BE IT FURTHER RESOLVED, that this resolution and the form resolutions to which it is applicable shall continue in full force and effect until official written notice of the rescission thereof by the Corporation has been given to the Bank;

General Authority

BE IT RESOLVED, that to the extent any of the actions authorized by this resolution have already been taken on behalf of the Authority, such actions are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken;

BE IT FURTHER RESOLVED, that the Chief Executive Officer (the "Executing Officer"), for and on behalf of, and as the act and deed of, the Corporation, is authorized and directed to approve, execute, and deliver all formation documents in connection with the formation of the Corporation, as well as all agreements and all documents, instruments, certificates and other writings of every nature whatsoever necessary or desirable to execute the actions contemplated in these resolutions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate or necessary, and without the necessity of joinder by any other authorized Officer or Director;

Standardized Measures in Connection with Entering into Amended and Restated Agreements of Limited Partnership and a Conflict of Interest Policy

BE IT RESOLVED, unless otherwise waived by the Corporation:

1. Any Amended and Restated Agreement of Limited Partnership that a Partnership adopts in connection with the admission of investor limited partners shall contain, inter alia, the provisions set forth in **Appendix A** attached hereto.

2. Prior to admitting tax credit investors into any of its Partnerships, the Corporation shall review an independent Phase I environmental report on the proposed project site and exercise due diligence to minimize any risk before entering into any agreements for any environmental indemnification.

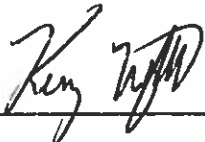
3. The Corporation will require a Partnership to enter into a fixed price construction contract with a contractor that is bonded or that provides a performance letter of credit or adequate personal guarantee.

4. The Corporation hereby adopts the Conflict of Interest Policy attached hereto as **Appendix B**, which may be reviewed and amended from time to time by action of this Board.

5. Any Executing Officer of the Corporation is hereby authorized to make written representations to the Internal Revenue Service as to the terms and conditions set forth above and in Appendices A and B.

This Resolution shall be in full force and effect from and upon its adoption.

PASSED, by the Board of Directors this 16th day of December 2014.

President: 

Secretary: 