



Dr. Christopher Harvey, Mayor
Emily Hill, Mayor Pro Tem, Place 1
Anne Weir, Place 2
Maria Amezcua, Place 3
Sonia Wallace, Place 4
Aaron Moreno, Place 5
Deja Hill, Place 6

Manor Housing Public Facility Corporation

Wednesday, May 01, 2024 at 6:00 PM

Manor City Hall, Council Chambers, 105 E. Eggleston St.

AGENDA

CALL TO ORDER AND ANNOUNCE A QUORUM IS PRESENT

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Non-Agenda Item Public Comments (white card): Comments will be taken from the audience on non-agenda related topics for a length of time, not to exceed three (3) minutes per person.

Agenda Item Public Comments (yellow card): Comments will be taken from the audience on non-agenda and agenda items combined for a length of time, not to exceed five (5) minutes total per person on all items, except for Public Hearings. Comments on Public Hearing items must be made when the item comes before the Council and, not to exceed two (2) minutes per person. No Action or Discussion May be Taken by the City Council during Public Comments on Non-Agenda Items.

To address the City Council, please complete the white or yellow card and present it to the City Secretary, or designee prior to the meeting.

REGULAR AGENDA

- 1. Consideration, discussion, and possible action to approve the Manor Housing Public Facility Corporation Minutes of the February 21, 2024, meeting.**
- 2. Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute a legal services agreement with Bickerstaff, Heath, Delgado, Acosta LLP to provide project-based counsel, bond counsel, and general counsel services to the Corporation.**

- 3. Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute a professional services agreement with Brown Graham & Company, P.C. for accounting services for the Manor Housing Public Facility Corporation.**
- 4. Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute an agreement with Hilltop Securities to advise the Corporation in its role as General Partner in the anticipated Tower Road Apartments Project.**
- 5. Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute an agreement with Chapman and Cutler LLP to serve as special tax counsel in connection with the Tower Road Apartments Project financing.**
- 6. Consideration, discussion, and possible action adopting the official seal of the Manor Housing Public Facility Corporation.**

ADJOURNMENT

In addition to any executive session already listed above, the City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section §551.071 (Consultation with Attorney), §551.072 (Deliberations regarding Real Property), §551.073 (Deliberations regarding Gifts and Donations), §551.074 (Personnel Matters), §551.076 (Deliberations regarding Security Devices) and §551.087 (Deliberations regarding Economic Development Negotiations).

CONFLICT OF INTEREST

In accordance with Section 12.04 (Conflict of Interest) of the City Charter, "No elected or appointed officer or employee of the city shall participate in the deliberation or decision on any issue, subject or matter before the council or any board or commission, if the officer or employee has a personal financial or property interest, direct or indirect, in the issue, subject or matter that is different from that of the public at large. An interest arising from job duties, compensation or benefits payable by the city shall not constitute a personal financial interest."

Further, in accordance with Chapter 171, Texas Local Government Code (Chapter 171), no City Council member and no City officer may vote or participate in discussion of a matter involving a business entity or real property in which the City Council member or City officer has a substantial interest (as defined by Chapter 171) and action on the matter will have a special economic effect on the business entity or real property that is distinguishable from the effect on the general public. An affidavit disclosing the conflict of interest must be filled out and filed with the City Secretary before the matter is discussed.

POSTING CERTIFICATION

I, the undersigned authority do hereby certify that this Notice of Meeting was posted on the bulletin board, at the City Hall of the City of Manor, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: Friday, April 26, 2024, by 5:00 PM and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

/s/ Lluvia T. Almaraz, TRMC
City Secretary for the City of Manor, Texas

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS:

The City of Manor is committed to compliance with the Americans with Disabilities Act. Manor City Hall and the Council Chambers are wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 10 days prior to this meeting. Please contact the City Secretary at 512.215.8285 or e-mail lalmaraz@manortx.gov



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Lluvia T. Almaraz, Board Secretary
DEPARTMENT: Administration

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action to approve the Manor Housing Public Facility Corporation Minutes of the February 21, 2024, meeting.

BACKGROUND/SUMMARY:

LEGAL REVIEW: Not Applicable
FISCAL IMPACT: No
PRESENTATION: No
ATTACHMENTS: Yes

- February 21, 2024, MPFC Meeting Minutes

STAFF RECOMMENDATION:

Staff recommends that the PFC Board approve the Manor Housing Public Facility Corporation Minutes of the February 21, 2024, meeting.



**MANOR HOUSING PUBLIC FACILITY CORPORATION
REGULAR SESSION MINUTES
FEBRUARY 21, 2024**

PRESENT:

Dr. Christopher Harvey, President

COUNCIL MEMBERS:

Emily Hill, Mayor Pro Tem, Vice-President
Anne Weir, Board Member
Maria Amezcua, Board Member
Sonia Wallace, Board Member
Aaron Moreno, Board Member (Absent)
Deja Hill, Board Member

CITY STAFF:

Scott Moore, City Manager
Lluvia T. Almaraz, City Secretary
Ryan Phipps, Chief of Police
Yalondra Valderrama Santana, Heritage & Tourism Manager
Gregory Miller, Bond Counsel

REGULAR SESSION – 6:30 P.M.

With a quorum of the Board Members present, the regular session of the Manor Housing Public Facility Corporation was called to order by Board President Harvey at 6:35 p.m. on Wednesday, February 21, 2024, in the Council Chambers of the Manor City Hall, 105 E. Eggleston St., Manor, Texas.

PUBLIC COMMENTS

No one appeared at this time.

REGULAR AGENDA

1. Consideration, discussion, and possible action to approve the Manor Housing Public Facility Corporation Minutes of the October 2, 2023, meeting.

MOTION: Upon a motion made by Board Member Wallace and seconded by Board Member Deja Hill to approve the Manor Housing Public Facility Corporation Minutes of the October 2, 2023, meeting.

There was no further discussion.

Motion to approve carried 6-0

2. Consideration, discussion, and possible action on a resolution approving and authorizing the General Manager to negotiate and execute various agreements and acknowledgements as beneficial, desired, or required to bring the W2 Manor Apartments project (the “Project”) to financial close, with such agreements and acknowledgements to include, without limitation or qualification, a Ground Lease Recognition Agreement along with other agreements and acknowledgements that pertain to the design, construction, financing, conveyance of interests in real property, establishment of housing affordability requirements, and the confirming and securing of certain tax exemptions with respect to the Project.

Gregory Miller, Bond Counsel discussed the proposed resolution.

Resolution No. 2024-MHPFC03: A Resolution of the Manor Housing Public Facility Corporation Approving and Authorizing the General Manager To Negotiate And Execute Various Agreements And Acknowledgements As Beneficial, Desired, Or Required To Bring The W2 Manor Apartments Project (The “Project”) To Financial Close, With Such Agreements And Acknowledgements To Include, Without Limitation Or Qualification, A Ground Lease Recognition Agreement Along With Other Agreements And Acknowledgements That Pertain To The Design, Construction, Financing, Conveyance Of Interests In Real Property, Establishment Of Housing Affordability Requirements, And The Confirming And Securing Of Certain Tax Exemptions With Respect To The Project.

MOTION: Upon a motion made by Board Member Weir and seconded by Vice President Emily Hill to approve Resolution No. 2024-MHPFC03 authorizing the negotiation and execution of certain agreements to bring the W2 Manor Apartments project to financial close.

There was no further discussion.

Motion to approve carried 6-0

ADJOURNMENT

The Regular Session of the Manor Housing Public Facility Corporation was Adjourned at 6:46 p.m. on Wednesday, February 21, 2024.

These minutes were approved by the Manor Housing Public Facility Corporation on the 1st day of May 2024.

APPROVED:

Dr. Christopher Harvey
PFC Board President

ATTEST:

Lluvia T. Almaraz,
PFC Board Secretary

Draft Minutes



**PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM**

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute a legal services agreement with Bickerstaff, Heath, Delgado, Acosta LLP to provide project-based counsel, bond counsel, and general counsel services to the Corporation.

BACKGROUND/SUMMARY:

The Corporation currently engages Bickerstaff, Heath, Delgado, Acosta LLP as counsel to the PFC and Bickerstaff recently represented the Corporation in bringing the Manor Apartments project to financial close.

It is anticipated that the Corporation’s next development will involve the issuance of bonds.

This item is to approve a contract for legal services that will replace the existing contract with Bickerstaff. The new contract will include services for bond counsel and will clarify that Bickerstaff’s services for project-based representation will be payable at financial close of the transaction. As such, the fees will be payable on a contingent fee basis upon bond closing and/or financial close of a PFC project. Neither the Corporation nor the City will be obligated to pay fees for legal services out-of-pocket for these transactions except for the expenses of publication of any notices and any translation services, if any, if the projects are not financed. This fee structure is typical of PFC financings.

The agreement, as with the current agreement, provides for general counsel services apart from project-based services.

Bickerstaff is recommended based on its qualifications.

- LEGAL REVIEW:** Yes, Gregory Miller, Counsel
- FISCAL IMPACT:** The agreement modifies the billing rates for general counsel services as provided in the current contract for legal services.
- PRESENTATION:** Yes
- ATTACHMENTS:** Yes

- Form of agreement

PROPOSED MOTION:

Move that the Board authorize the General Manager to negotiate and execute an agreement with Bickerstaff, Heath, Delgado, Acosta LLP for legal services, with the scope of services and fee structure to be as stated in the form of agreement provided to the Board in connection with this item.

STAFF RECOMMENDATION: Staff recommends approval

Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expy., Building 1, Suite 300, Austin, Texas 78746

ENGAGEMENT AGREEMENT

This agreement sets forth the standard terms of our engagement as your attorneys. Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement with you. Therefore, we ask that you review this agreement carefully and contact us promptly if you have any questions. Please retain this agreement in your file.

Identity of Client. We will be representing the interests of the Manor Housing Public Facility Corporation (the "MHPFC").

Attorneys. Bickerstaff Heath Delgado Acosta LLP is engaged by you as your attorneys, and I, Gregory D. Miller, will be the partner who will coordinate and supervise the services we perform on your behalf. The bulk of the work will be performed by myself. We routinely delegate selected responsibilities to other persons in our Firm when, because of special expertise, time availability or other reasons, they are in a better position to carry them out. In addition, we will try, where feasible and appropriate, to delegate tasks to persons who can properly perform them at the least cost to you.

The Scope of Our Work. You should have a clear understanding of the legal services we will provide. We will provide services related only to matters as to which we have been specifically engaged. Although in the future we may from time to time be employed on other matters, our present relationship is limited to representing the above-named client in the matters described in Exhibit A. We will at all times act on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your legal matters are expressions of our best professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed. We cannot guarantee the success of any given matter, but we will strive to represent your interests professionally and efficiently.

Fees for Legal Services.

Bond Counsel. Our fees and expenses in connection with the issuance of MHPFC Bonds will be payable at the time of the delivery of and payment for the Bonds, but our fees for these services are wholly contingent upon actual issuance of the Bonds. Should the Bonds not be issued, the MHPFC would be responsible only for payment of the costs of any newspaper publications or translation services incurred. The initial agreed fee schedule for services as Bond Counsel is attached as Exhibit B.

Project-Based Counsel to PFC. Our fees and expenses in connection with the representation of the MHPFC, including its wholly-controlled and owned special purpose entities, in connection with specific housing developments of the MHPFC will be payable from the time of the financial close of the transaction. Should financial close on a respective development project not occur the MHPFC would be responsible only for payment of the costs of any newspaper publications or translation services incurred. The initial agreed fee schedule for services as Counsel to the P General Partner is attached as Exhibit B.

General Counsel. Our charges for professional services are customarily based on the time devoted to the matter, the novelty and difficulty of the questions presented, the requisite experience, reputation and skill required to deal with those questions, time limitations imposed by the circumstances, and the amount involved and the results obtained. Unless otherwise indicated in writing, our fees for legal services are determined on the basis of the hourly rates of the respective lawyers and other timekeepers who perform the services. These rates vary depending on the expertise and experience of the individual. We adjust these rates annually, increasing them to reflect experience, expertise, and current economic conditions. We will notify you in writing if this fee structure is modified. The initial agreed billing rates for attorneys and other timekeepers engaged on your work are attached as Exhibit B.

Other Charges. All out-of-pocket expenses (such as copying charges, travel expenses, messenger expenses, filing and other court costs, and the like) incurred by us in connection with our representation of you will be billed to you as a separate item on your statement. A description of the most common expenses is included as Exhibit C and agreed to as part of this agreement.

Billing Procedures and Terms of Payment. Our billing period begins on the 16th of the month and ends on the 15th of the following month. We will render periodic invoices to you for legal services and expenses. We usually mail these periodic

invoices on or before the last day of the month following the latest date covered in the statement. Each invoice is due upon receipt, must be paid in U.S. Dollars, and is considered delinquent if not paid in full within 30 days of its stated date. Payment must be made to the Firm at 3711 S. MoPac Expressway, Building One, Suite 300, Austin, Texas, 78746. If any invoice is not paid within 30 days after its stated date, interest at the rate of 1 ½ percent per month (18 percent per annum) will accrue on the balance due. However, if at any time 18 percent per annum exceeds the highest interest rate permitted by applicable law, then the interest rate that will be applied to any overdue amounts will be reduced to the maximum rate permitted under applicable law. We will include all information reasonably requested by you on all invoices and will reference any purchase order number provided by you. Payment and interest, if any, will comply with the Prompt Payment Act (Texas Government Code Chapter 2251), if applicable, for any final invoices. If you have any question or disagreement about any invoice that we submit to you for payment, please contact me at your earliest convenience so that we can resolve any problems without delay. Typically, such questions or disagreements can be resolved to the satisfaction of both sides with little inconvenience or formality.

Termination of Services. You have the right at any time to terminate our employment upon written notice to us, and if you do we will immediately cease to render additional services. We reserve the right to discontinue work on pending matters or terminate our attorney-client relationship with you at any time that payment of your account becomes delinquent, subject to Court approval if necessary. In the event that you fail to follow our advice and counsel, or otherwise fail to cooperate reasonably with us, we reserve the right to withdraw from representing you upon short notice, regardless of the status of your matter. No termination, whether by you or by us, will relieve you of the obligation to pay fees and expenses incurred prior to such termination.

Retention of Documents. Although we generally attempt to retain for a reasonable time copies of most documents in the possession of this Firm related to the matter(s) described in Exhibit A, we are not obligated to do so indefinitely, and we hereby expressly disclaim any responsibility or liability for failure to do so. We generally attempt to furnish copies of all documents and significant correspondence to you at the time they are created or received, and you agree to retain all originals and copies of documents you desire among your own files for future reference. This document serves as notice to you that we will destroy such materials in accordance with the Firm's record retention policy, which may be amended from time to time and a copy of which will be provided at your request. It is our Firm's policy to destroy all copies, whether in paper or electronic form, of materials in connection with the representation seven (7) years after the completion of our work relating to this engagement or the completion of a particular project under this engagement, unless and to the extent an exception recognized in our document retention policy or other legal requirement applies to some or all of the subject materials and requires retention for a longer period of time. The Firm also reserves the discretion to retain its records of pertinent documents relating to its ongoing representation of a client, e.g. in a general counsel capacity. If you would like to obtain copies of materials in the Firm's possession related to this matter prior to the scheduled destruction of the materials, please notify the Firm. Because you will have been furnished with copies of all relevant materials contained in our files during the course of the active phase of our representation, if you later ask us to retrieve and deliver materials contained in a file that has been closed, you agree that we will be entitled to be paid a reasonable charge for the cost of retrieving the file, and identifying, reproducing, and delivering the requested materials to you.

Fee Estimates. We are often requested to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. Our attorneys do their best to estimate fees and expenses for particular matters when asked to do so. However, an estimate is just that, and the fees and expenses required are ultimately a function of many conditions over which we have little or no control, especially in litigation or negotiation situations where the extent of necessary legal services may depend to a significant degree upon the tactics of the opposition. Unless otherwise agreed in writing with respect to a specific matter, all estimates made by us will be subject to your agreement and understanding that such estimates do not constitute maximum or fixed-fee quotations and that the ultimate cost is frequently more or less than the amount estimated.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, without giving effect to its choice of laws provisions. Venue of any case or controversy arising under or pursuant to this Agreement will be exclusively in Travis County, Texas, United States of America.

Standards of Professionalism and Attorney Complaint Information. Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we hereby advise you that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. Information on the grievance procedures is available from the State Bar of Texas, and any questions you have about the disciplinary process should be addressed to the Office of the General Counsel of the State Bar of Texas, which you may call toll free at 1-800-932-1900.

Questions. If you have any questions from time to time about any aspect of our arrangements, please feel free to raise those questions. We want to proceed in our work for you with your clear and satisfactory understanding about every aspect of our billing and payment policies; and we encourage an open and frank discussion of any or all of the matters addressed in this agreement.

Acceptance of Terms. If this arrangement is acceptable to you and Dallas County, please sign the enclosed duplicate original of this agreement and return it and the required retainer to us at your earliest convenience. We truly appreciate the opportunity to be of service to you and look forward to working with you in a mutually beneficial relationship.

DRAFT

AGREED TO AND ACCEPTED

MANOR HOUSING PUBLIC
FACILITY CORPORATION

BICKERSTAFF HEATH DELGADO ACOSTA LLP

By: _____

By: _____
Gregory Dion Miller

[Printed name]

Title: _____

Date: _____

cc: Billing Department

DRAFT

Exhibit A – Scope of Services

Bickerstaff Heath Delgado Acosta LLP

While we agree that in the future we may from time to time be employed on other matters, this agreement provides that our relationship is limited to representing and counseling you in connection with the following:

- *Bond Counsel*. Generally, we will perform all usual and necessary legal services as bond counsel in connection with the authorization, issuance, and delivery of LIHTC Bonds and other bonds of the MHPFC, including conduit bonds.
- *Project-Based Counsel to MHPFC*. Generally, we will perform all usual and necessary legal services as general and transactional counsel in connection with the incorporations of special purpose entities, negotiation, structuring, and drafting of real estate, partnership, and other legal documents for the MHPFC's development projects and representing the MHPFC in bringing the financing of each project to financial close.
- *General Counsel*. Generally, we will perform all usual and necessary legal services as general and transactional counsel in connection with any business of the MHPFC that is not directly related to a specific development for which we are expected to be paid from fees earned by the PFC upon financial close on a development transaction or from the closing of any bond transaction.
- Other legal services assigned or requested, only if the scope of which is confirmed by you in writing at the time of assignment

Other legal services not assigned or requested, and confirmed in writing, are specifically not within the scope of our representation.

Exhibit B – Billing Rates
Bickerstaff Heath Delgado Acosta LLP

Bond Counsel

Par amount \$19,999,999 or less	\$65,000
Par amount \$20,000,000 or more	\$70,000 <i>plus</i> \$4.00 per \$1,000 of bonds in excess of \$20,000,000

Project-Based Counsel to MHPFC

\$100,000 per transaction

General Counsel

Timekeeper	2024 Billing Rate
Gregory Dion Miller, Partner	\$380
Sara Labashosky, Associate	\$310
Legal Assistants/Specialists	\$205

Exhibit C—Client Costs Advanced
Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of outside copy facilities, and other cases may not be so paper-intensive. Standard services handled within the firm are not charged, and client specific expenses are billed to the client needing those services. An explanation of the billing structure is as follows:

Not Charged

Secretarial and word processing time, routine postage, file setup, file storage, local or ordinary long distance charges, fax charges, and computerized legal research data charges.

Delivery Services

Outside delivery services are used for pickup and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage

Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies and Prints

Our standard rate for black and white copies and prints made by firm personnel is \$0.15 per page. Color copies and prints are charged at a standard rate of \$0.55 per page. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Phone Charges

Only charges for conference calls or international calls are charged, and charges are billed at the same amount billed to the firm by the outside provider.

Travel

Attorney and other timekeeper time spent traveling on behalf of a client is billed to the client. Hotel, meals, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Maps

Maps produced in conjunction with a project will be billed at \$50 for each 34 x 44 inch map and \$20 for each smaller map, plus cost (time fees) for preparation.

Other Expenses

Expenses incurred with outside providers in connection with the client's legal services will be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses.

Exhibit D—Verification Required by Texas Government Code Chapter 2271
Bickerstaff Heath Delgado Acosta LLP

By signing below, Bickerstaff Heath Delgado Acosta LLP hereby verifies the following:

1. The Firm does not boycott Israel; and
2. The Firm will not boycott Israel during the term of this Engagement Agreement.

SIGNED BY:

Gregory Dion Miller
May 1, 2024

This Verification is incorporated and made a part of the Engagement Agreement between Bickerstaff Heath Delgado Acosta LLP and the Manor Housing Public Facility Corporation.

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**PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM**

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute a professional services agreement with Brown Graham & Company, P.C. for accounting services for the Manor Housing Public Facility Corporation.

BACKGROUND/SUMMARY:

The Manor Housing Public Facility is required to keep records of its financial transactions and accounts, and also to provide reporting to state and occasionally federal tax and revenue authorities. Attached to this Summary Form is a proposed agreement between the MHPFC and Brown Graham & Company, P.C. for the provision of accounting services.

Brown Graham is recommended based on its qualifications.

LEGAL REVIEW: Yes, Gregory Miller, Public Finance Counsel
FISCAL IMPACT: Yes, This agreement is a fee for services to be billed at an hourly rate
PRESENTATION: Yes
ATTACHMENTS: Yes

- Proposed agreement

PROPOSED MOTION:

Move to authorize the General Manager to negotiate and execute an agreement with Brown Graham & Company, P.C. for auditing and accounting services of the type and at the rates stated in the draft agreement provided to the Board.

STAFF RECOMMENDATION: Staff recommends approval



PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute an agreement with Hilltop Securities to advise the Corporation in its role as General Partner in the anticipated Tower Road Apartments Project.

BACKGROUND/SUMMARY:

The Corporation currently engages Hilltop Securities as a municipal advisor to the Corporation.

It is anticipated that the Corporation’s next project will involve the issuance of Low Income Housing Tax Credit Bonds. For these types of transactions, the Corporation itself, or a special purpose entity of the Corporation, will be a general partner in a partnership formed with the developer of the transaction.

This item is to approve an agreement for financial advisory services with Hilltop Securities specifically as financial advisor to the Corporation in its role as general partner for such transactions. The advisor’s compensation for its work on each such project is contingent on the successful bond financing of the project and neither the City nor the Corporation is responsible for payment of those fees.

Hilltop is recommended based on their qualifications.

LEGAL REVIEW: Yes, Gregor Miller, Bond Counsel
FISCAL IMPACT: No
PRESENTATION: Yes
ATTACHMENTS: Yes

- Form of agreement

PROPOSED MOTION:

Move that the Board authorize the General Manager to negotiate and execute an agreement with Hilltop Securities for advisory services for the Corporation in its role as general partner in connection with the Corporation transactions involving the sale of bonds, with the scope of services and fee structure to be as stated in the form of agreement provided to the Board in connection with this item.

STAFF RECOMMENDATION: Staff recommends approval



**PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM**

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action authorizing the General Manager to negotiate and execute an agreement with Chapman and Cutler LLP to serve as special tax counsel in connection with the Tower Road Apartments Project financing.

BACKGROUND/SUMMARY:

It is anticipated that the Corporation’s next project, the Tower Road Apartments development, will involve the issuance of Low Income Housing Tax Credit (LIHTC) bonds. For these types of transactions, the Corporation will issue such bonds for the project. The ability to obtain and maintain the LIHTC credit for the purchasers of the bonds requires strict compliance with the applicable regulations by the Corporation and the developer. For these reasons, it is customary for issuers, such as the Corporation, to engage tax counsel for a LIHTC transaction to ensure that the applicable federal tax regulations are being satisfied as the transaction is structured.

The tax counsel’s compensation for its work on the project is contingent on the successful bond financing of the project and neither the City nor the Corporation is responsible for payment of those fees.

Chapman Cutler is recommended based on their qualifications.

LEGAL REVIEW: Yes, Gregory Miller, Counsel
FISCAL IMPACT: No
PRESENTATION: Yes
ATTACHMENTS: Yes

- Form of agreement

PROPOSED MOTION:

Move that the Board authorize the General Manager to negotiate and execute an agreement with Chapman Cutler LLP for tax counsel in connection with the sale of bonds financing the Tower Road Apartments Project, with the scope of services and fee structure to be as stated in the form of agreement provided to the Board in connection with this item.

STAFF RECOMMENDATION: Staff recommends approval

April 23, 2024

VIA E-MAIL

Manor Housing Public Facility Corporation
Attention: Christopher Harvey

Manor Leased Housing Development I, LLC
Attention: Neal Route
nroute@dominiuminc.com

Re: Manor Housing Public Facility Corporation
(Tower Road Apartments)

Gentlemen:

As you know, we will represent and serve as special tax counsel (“*Special Tax Counsel*”) to the Manor Housing Public Facility Corporation (the “*Issuer*”) in connection with the proposed issuance of tax-exempt obligations for the Tower Road Apartments project (the “*Bonds*”), the proceeds of which are to be loaned to Manor Leased Housing Associates I, Limited Partnership (the “*Borrower*”). We look forward to working with you on this financing and wanted to take this opportunity to set forth the scope of our responsibilities as Special Tax Counsel in connection with the captioned financing, and to describe the basis for our compensation.

Identification of Client. In our role as Special Tax Counsel in conduit bond issues such as this, although the Issuer only, and not the Borrower, Manor Leased Housing Development I, LLC (the “*Developer*”) or any affiliate of the Borrower or the Developer, is our client, the fees and expenses of Special Tax Counsel are the responsibility of the Borrower and the Developer.

Scope of Services. As Special Tax Counsel, we will deliver an opinion regarding the excludability of interest on the Bonds from gross income for federal tax purposes. In connection with our role as Special Tax Counsel, we will prepare the tax documentation and certifications and conduct the tax analysis needed to give the opinion regarding the excludability of interest on the Bonds from gross income for federal tax purposes and will file any required documents and forms with the Internal Revenue Service.

Our duties as Special Tax Counsel are limited as stated above. Among other things, our duties *do not* include:

1. Giving any advice, opinion or representation as to the financial feasibility or the fiscal prudence of issuing the Bonds or any other aspect of the Bond transaction, such as the investment of Bond proceeds (except for any rebate memorandum or explanation of rebate and yield

limitations), or the making of any investigation of or the expression of any view as to the creditworthiness of the Bonds.

2. Assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds (except for any written material submitted by us for inclusion in such document) or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering any advice, view or comfort that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

3. Preparing any requests for tax rulings from the Internal Revenue Service, blue sky or investment surveys with respect to the Bonds or state legislative amendments.

4. Opining on securities law compliance or as to the continuing disclosure undertaking pertaining to the Bonds; or, after the execution and delivery of the Bonds, providing advice as to any Securities and Exchange Commission investigations or concerning any actions necessary to assure compliance with any continuing disclosure undertaking.

5. After the issuance of the Bonds, providing continuing advice to the Borrower or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be tax-exempt.

6. Any representation of the Borrower in the event an audit of the Borrower or this transaction is commenced by the Internal Revenue Service. However, if separately engaged, we would be available to undertake representation for such purpose.

Legal Fees. Based upon our current understanding of the terms, structure, size and schedule of the proposed financing, the duties we will undertake pursuant to this engagement letter, the time we estimate will be necessary to effectuate the transaction and the responsibilities we will assume, our fee for Special Tax Counsel services will be \$1.25 per \$1,000 of principal amount of Bonds issued. Additionally, we would expect to be reimbursed for any out-of-pocket expenses incurred, including, but not limited to those incurred in connection with the publication of notice of the TEFRA hearing.

We will require a retainer in the amount of \$15,000 be paid to us for our work as Special Tax Counsel when the acknowledgement for this engagement letter is returned by the Developer. We will bill our actual fees and expenses against this deposit. The remaining portion of our fee and cost reimbursement for this financing will be due on the closing date for the Bonds and may be reimbursed by the Borrower. The Borrower may pay the remaining fees out of the proceeds of

the Bonds, subject to federal tax law limits, or out of other funds available to the Developer or the Borrower, at your option. If for any reason the financing is abandoned or terminated, we would expect to bill for services rendered and expenses incurred to the date of abandonment or termination of the financing. In such case, we would look to the Developer for the payment of such fees. Our willingness to proceed with our work as Special Tax Counsel is expressly premised on the understanding that we will be paid for such work, whether or not the Bonds are actually issued.

IRS Audits. Please be advised that the Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. Certain types of transactions may be targeted for audit, including multi-family housing financings.

It has been reported in industry trade publications that the Service has found non-compliance with various tax requirements in a substantial percentage of audited transactions. The most common outcome resulting from adverse determinations by the Service in these situations has been the mandatory prepayment or redemption of the Bonds at the conclusion of the audit, together with a payment by the conduit borrower of a settlement amount to the Service to preserve the tax-exempt status of interest previously paid on the Bonds. You should be aware that, under current law, no party has the right to an independent review by a court of the tax-exempt status of the Bonds prior to a formal declaration of taxability of interest on the Bonds by the Service and an assessment against the recipient of interest paid on the Bonds.

Consent to Potential Adverse Party Conflict. In light of the extent of our finance-related practice, it is possible that some of our present or future clients will have matters adverse to the Issuer during the course of this engagement. From time to time, we represent in a variety of capacities and consult with most underwriters, investment bankers, credit enhancers such as bond insurers or issuers of letters of credit or liquidity facilities, rating agencies, investment providers, brokers of financial products, financial advisors, conduit issuers and other persons active in the public finance market on a wide range of issues. The Issuer’s acceptance of our services and execution of this engagement letter constitutes its consent to these other past, present and future engagements.

General Terms. Upon execution of this engagement letter, the Issuer will be our client, and an attorney-client relationship will exist between us. However, our services as Special Tax Counsel are limited as set forth in this engagement letter, and the execution of this engagement letter by the Developer and the Issuer will constitute an acknowledgment of those limitations.



Manor Housing Public Facility Corporation
April 23, 2024
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This engagement letter shall be deemed to have been made, executed and delivered in the State of Texas. The parties hereto agree that any action or proceeding related directly or indirectly to this agreement shall, at our election, be maintained only in courts located in the State of Texas. The parties hereto hereby irrevocably consent to the jurisdiction and venue of any such court.

This engagement letter contains the entire agreement between the parties hereto respecting the settlement of any lawsuit. The parties hereto acknowledge and agree that this agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Please acknowledge your acceptance of this engagement letter by executing in the space provided below and returning an executed engagement letter to us at your earliest convenience.

[Remainder of page intentionally left blank.]



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Sincerely,

CHAPMAN AND CUTLER LLP

By Ryan J. Bowen
Ryan J. Bowen

ACKNOWLEDGED AND AGREED TO:

MANOR LEASED HOUSING DEVELOPMENT I, LLC

By _____
Name: _____
Title: _____

MANOR HOUSING PUBLIC FACILITY CORPORATION

By _____
Name: Christopher Harvey
Title: President



**PUBLIC FACILITY CORPORATION
AGENDA ITEM SUMMARY FORM**

PROPOSED MEETING DATE: May 1, 2024
PREPARED BY: Scott Moore, General Manager

AGENDA ITEM DESCRIPTIONS:

Consideration, discussion, and possible action adopting the official seal of the Manor Housing Public Facility Corporation.

BACKGROUND/SUMMARY:

It is reasonable to expect that the Manor Housing Public Facility will be required to place its seal on certain documents needed for its upcoming transactions.

This item is for the Board’s adoption of an official seal of the Corporation.

LEGAL REVIEW: Yes, Gregory Miller, Counsel
FISCAL IMPACT: No
PRESENTATION: Yes
ATTACHMENTS: Yes

- Proposed seal

PROPOSED MOTION:

Move that the Board adopt as the official seal of the Manor Housing Public Facility Corporation a seal in the form of the one provided to the Board in support of this item.

STAFF RECOMMENDATION: Staff recommends approval

Manor Housing Public Facility Corporation

Meeting of the Board of Directors

May 1, 2024

Materials for the Selection of the Official Seal of the MHPFC

Option No. 1



City of Manor Housing
Public Facility Corporation

Option No. 2



City of Manor Housing
Public Facility Corporation