



GARLAND

**NOTICE OF MEETING
THE BOARD OF DIRECTORS OF THE
GARLAND PUBLIC FACILITY CORPORATION
WILL HOLD A MEETING AT 6:30 P.M. ON
MONDAY, MAY 14, 2018
IN THE WORK SESSION ROOM OF CITY HALL
WILLIAM E. DOLLAR MUNICIPAL BUILDING
200 N. FIFTH STREET
GARLAND, TEXAS**

AGENDA:

1. Approval of the Minutes of April 16, 2018
2. Briefing regarding a proposed Development Agreement, Lease, Partnership Agreement, Construction Contract and Master Sub-Contract for the Corporation to enter into a public private partnership to construct and own a 300 unit housing facility at Saturn Road and Marketplace in Garland, Texas
 - a. Briefing by City staff
 - b. Jim Plummer, the outside attorney for the City/GPFC will discuss the legal structure and terms of the Agreements
 - c. Executive session, if needed, pursuant to Section 551.071, Texas Government Code (consultation with attorney) and Section 551.087, Texas Government Code (economic development matters)
3. Consideration of possible approval of resolution authorizing Saturn Road Apartments Transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in GPFC Saturn Road LP and authorizing the financing for such transaction; and authorizing Garland Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.



GARLAND

Garland Public Facility Corporation

1.

Meeting Date: 05/14/2018

Item Title: Meeting Minutes

Summary:

Approval of the Minutes of April 16, 2018

Attachments

Meeting Minutes

Minutes of the Garland City Council Regular Meeting

The Board of Directors of the Garland Public Facility Corporation convened in Special Session at 11:00 p.m. on Monday, April 16, in the Work Session Room at City Hall, 200 North Fifth Street, Garland, Texas, with the following members present:

MEMBERS PRESENT:	Chairman	Douglas Athas
	Vice Chairman	David Gibbons
	Secretary/Treasurer	B. J. Williams
	Assistant Secretary	Bryan Bradford
	Director	Jerry Nickerson
	Director	Rich Aubin
	Director	Scott LeMay
	Director	Robert Smith
ABSENT:	Director	Anita Goebel
	Director	Robert Vera
STAFF PRESENT:	City Attorney	Brad Neighbor
	City Secretary	Eloyce René Dowl

CALL TO ORDER: The meeting was called to order by Douglas Athas at 11:00 a.m.

1. Election of chairman of meeting until officers elected

Douglas Athas volunteered to serve as chair and conduct the meeting; the board unanimously concurred.

2. Consideration and adoption of Garland Public Facility Corporations' articles and bylaws

The staff briefing was presented by Brad Neighbor, City Attorney. A motion was made by Director Smith to approve the Articles and Bylaws, seconded by Director Aubin. Motion carried 7 ayes, 0 nays.

3. Election of officers of the Garland Public Facility Corporation

- a. Chairman/President
- b. Vice Chairman/Vice President
- c. Secretary/Treasurer
- d. Assistant Secretaries

The following nominations were brought forward by Douglas Athas:

- a. Douglas Athas, Chairman/President
- b. David Gibbons, Vice Chairman/Vice President
- c. B. J. Williams, Secretary/Treasurer
- d. Bryan Bradford, Assistant Secretary

A vote was cast to elect the proposed Board members to the proposed positions with 7 ayes, 0 nays.

4. Establishing the fiscal year of the corporation to match the City's fiscal year and authorizing the corporation to open a bank account with the City's depository bank

A motion was made by Director Williams to establish the corporations fiscal year to match the City's fiscal year and open a bank account with the City's depository bank, seconded by Director Smith. Motion carried 7 ayes, 0 nays.

5. Briefing regarding a proposal by Wolff Development regarding a public private partnership to construct and own a 300-unit housing facility at Saturn Road and Marketplace Drive in Garland, Texas

a. Briefing by city staff

Brad Neighbor, City Attorney and Bryan Bradford, City Manager presented the Staff briefing to the Board.

b. Kyle Lovelady with Wolff Development will make a presentation regarding the project

Kyle Lovelady, Wolff Development presented information on design details and financial analysis on the development.

c. Jim Plummer, the outside attorney for the City/GPFC will discuss the legal structure and corporation's role

Jim Plummer, Attorney for the City/GPFC explained, in specific detail, the legal structure of the project. There was discussion by the board.

d. Executive session, if needed, pursuant to Section 551.071, Texas Government Code (consultation with attorney) and Section 551.087, Texas Government Code (economic development matters)

The Board did not convene in Executive Session.

e. Consideration and possible approval of a nonbinding term sheet for the development of the project

There was discussion by the Board. A motion was made by Director Aubin to Approve the nonbinding term sheet for the development of the project, seconded by Director LeMay. Motion carried 7 ayes, 0 nays.

Adjourn: There being no further business to come before the board, the meeting was adjourned by Chairman Athas at 11:42 p.m.



GARLAND

Garland Public Facility Corporation

3.

Meeting Date: 05/14/2018

Item Title: Saturn Road Apartments Resolution

Summary:

Consideration of possible approval of resolution authorizing Saturn Road Apartments Transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in GPFC Saturn Road LP and authorizing the financing for such transaction; and authorizing Garland Public Facility Corporation to serve as the general contractor; and other matters in connection therewith.

Attachments

Resolution and Certificate Wolff Project Saturn Road Apartments

CERTIFICATE FOR RESOLUTION

The undersigned officer of the Garland Public Facility Corporation, a Texas nonprofit corporation created pursuant to the laws of the State of Texas (“GPFC”) hereby certifies as follows:

1. In accordance with its bylaws, the Board of Directors of GPFC (the “Board”) held a meeting on May 14, 2018, (the “Meeting”) of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

RESOLUTION AUTHORIZING SATURN ROAD APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN GPFC SATURN ROAD LP AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING GARLAND PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

(the “Resolution”) was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Bylaws of GPFC.

SIGNED May 14, 2018.

Bryan Bradford, Assistant Secretary

RESOLUTION NO. _____

RESOLUTION AUTHORIZING SATURN ROAD APARTMENTS TRANSACTION, INCLUDING THE EXECUTION OF ALL DOCUMENTATION NECESSARY TO CARRY OUT THE TRANSACTION; AUTHORIZING THE PURCHASE OF THE LAND FOR THE TRANSACTION AND THE LEASE OF SUCH LAND FOR THE TRANSACTION; AND AUTHORIZING THE ACQUISITION OF THE MEMBERSHIP INTEREST IN GPFC SATURN ROAD LP AND AUTHORIZING THE FINANCING FOR SUCH TRANSACTION; AND AUTHORIZING GARLAND PUBLIC FACILITY CORPORATION TO SERVE AS THE GENERAL CONTRACTOR; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Saturn Apartments Development Company, LP, a Delaware limited partnership (the “Partnership”), has been formed to acquire and construct an approximately 300-unit multifamily housing facility (the “Housing Facility”) to be located on Saturn Road and Marketplace in Garland, Texas (the “Land,” together with the Housing Facility, the “Project”);

WHEREAS, at the request of the Partnership, Garland Public Facility Corporation (“GPFC”) has agreed to (i) serve as the sole member of a limited partner of the Partnership in connection with the financing of the Project, (ii) acquire the Land and own the Project and lease it to the Partnership pursuant to a Ground Lease (the “Ground Lease”), and (iii) serve as the general contractor for the Project;

WHEREAS, in connection with the financing of the Project, the Partnership will enter into a first lien loan transaction in the next nine (9) months for a loan in the approximate amount of \$24,300,000 (the “Loan”);

WHEREAS, in connection with the execution of the Loan, the Partnership will be required to enter into certain agreements, including, but not limited to, a promissory note, a construction loan agreement, a leasehold deed of trust, security agreement and financing statement, together with a joinder of deed of trust to be executed by GPFC (collectively, the “Loan Documents”);

WHEREAS, the Project will be constructed pursuant to a Development Agreement between GPFC and the Partnership (the “Development Agreement”);

WHEREAS, the Partnership will raise and contribute approximately \$13,100,000 of equity to construct the Project (the “Equity Financing”);

WHEREAS, in connection with the Equity Financing, the Partnership, the GPFC Limited Partner, and/or GPFC will be required to enter into certain agreements, including but not limited to a Limited Partnership Agreement, and closing certificates (collectively, the “Equity Documents”);

WHEREAS, to reduce the cost of the Project by eliminating sales tax on the construction of the Project, GPFC will serve as the general contractor and enter into any required construction contracts and ancillary documents (the "Construction Documents");

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of Garland for the various entities to enter into the transactions described above so that the Partnership may construct the Project;

WHEREAS, this Board of Directors has reviewed the foregoing and determined that the action herein authorized is in furtherance of the public purposes of GPFC;

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE GARLAND PUBLIC FACILITY CORPORATION, THAT:

Section 1. The Project, the various forms of financing contemplated for the Project, including but not limited to the acquisition of the Land, the Equity Financing, and the Equity Documents, the Development Agreement, the Ground Lease, the Construction Documents, and the Loan and the Loan Documents, are hereby authorized and approved when such documents are approved.

Section 2. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are hereby authorized to execute any and all documentation required for the financing and construction of the Project, including, but not limited to, the Development Agreement, the Ground Lease, the Equity Documents, the Construction Documents, the Loan Documents, indemnity agreements and guaranties covering the Land or the Project, and all other documents relating to the Equity Financing, the Development Agreement, the Ground Lease, and the Loan to which the GPFC Limited Partner and/or GPFC is a party.

Section 3. The purchase of the Land, the lease of the Land, the acquisition of membership interest in the GPFC Limited Partner by GPFC, and the role of GPFC as the general contractor for the Project are approved and the President, any Vice President, the Secretary, the Treasurer, and any Assistant Secretary, or any of them, are hereby authorized to execute the documents required to be executed by GPFC in order to effect such transactions.

Section 4. The President, any Vice President, the Secretary, the Treasurer, and the Assistant Secretaries, or any of them, and, if required by the form of the document, the Secretary and any Assistant Secretary, or any of them, of GPFC are authorized and directed to modify, execute and deliver any of the documents to be signed by or consented to by GPFC, and any and all certificates and other instruments necessary to carry out the intent thereof and hereof. The President, any Vice President, the Secretary, the Treasurer, any Assistant Secretary, or any of them, are authorized to negotiate and approve such changes in, or additions to, the terms of any of the documents, including amendments, renewals, and extensions, as such officers shall deem necessary or appropriate upon the advice of counsel to GPFC, and approval of the terms of any of the documents by such officers and this Board shall be conclusively evidenced by the execution and delivery of such documents.

Section 5. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by

the documents approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 6. The officers of this Board hereby approve the selection of Bracewell LLP as counsel to the Limited Partner and GPFC for this transaction.

Section 7. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 9. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 11. This Resolution shall be in force and effect from and after its passage.