



4113 Main Street, Suite 105  
Rowlett, TX 75088  
rowlethfc.org

**Board of Directors Meeting  
Thursday, April 24, 2025, at 4:00 p.m.  
4000 Main Street, Rowlett, TX 75088**

**AGENDA**

**As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the RHFC legal counsel on any agenda item herein. The Board of Directors reserves the right to reconvene, recess or realign the Regular meeting agenda or called Executive Session or order of business at any time prior to adjournment.**

**Call to order.**

- 1. Public input - The Board of Directors may receive public input on any of the agenda items listed below.**
- 2. Approval of Minutes: Consider and take action to approve the minutes of the April 17th, 2025, Rowlett Housing Finance Corporation Board meeting.**
- 3. Legal update.**
- 4. Discuss and take action on a Memorandum of Understanding between Rowlett Housing Finance Corporation and RRC Development Lakeview Seniors, LLC pending payment of the Condon Tobin invoice.**
- 5. Items of Community Interest, Topics for future agenda: Members of the Board may request topics to be placed on the agenda for a subsequent meeting. Any deliberation or decision shall be limited to a proposal to place the topic on the agenda for a subsequent meeting.**

**Thursday, April 17, 2025, at 4:00 PM  
4000 Main Street, Rowlett, Tx 75088**

**1. Call to Order:**

President Winget called the meeting to order at 4:06 PM, with a quorum present (Directors Winget, Kull, Schupp and Holston). Director Dunnican was absent. Also in attendance were Executive Director David Hall and Treasurer Michael Kuhn. Attorney Ryan Bowen with Chapman and Cutler attended by phone. President Winget read into the minutes the rules for conducting the Board of Directors Meeting/Executive Sessions.

**2. Public Input:**

There were no members of the public present, therefore there were no public comments.

**3. Approval of Minutes:**

Consider and take action to approved the minutes of the March 17, 2025 Rowlett Housing Finance Corporation minutes. Director Holston made a motion to approve the minutes as submitted. Director Schupp seconded the motion, and it passed unanimously.

**4. Legal Update:**

President Winget recommended Agenda Item 4 be held until the next RHFC Board Meeting and asked if that would be acceptable. Attorney Bowen agreed to this. Director Holston said he wanted clarification on our treasurer being a member of HFC Board and should that discussion be in Executive Session. President Winget said we would deal with that during Agenda Item 5 and recommended moving on to Agenda Item 5. No action was taken on Agenda Item 4.

**5. Consider and Take Action to Employ Michael Kuhn as Treasurer:**

President Winget asked Attorney Bowen if employing Michael Kuhn as Treasurer would require or preclude going into Executive Session. Attorney Bowen said it would not be necessary to go into Executive Session for this purpose and he and Executive Director Hall said the HFC By-laws do not require the Treasurer to be a Board member; that is, the Treasurer may or may not be a Board Member. Director Holston asked if that means Mr. Kuhn is both an employee of the City and an employee of the HFC, given we have an agreement with the City to provided services to the HFC. Executive Director Hall said technically the HFC doesn't have an employment relationship with the City at this time, he was appointed Executive Director of the HFC, and Mr. Kuhn works for Mr. Hall, so we should be appointing Mr. Kuhn as Treasurer. An employment relationship will need to be worked out, although the HFC will be compensating the City for any City staff time spent on behalf of the HFC. Director Kull asked if this same discussion is also necessary for the HFC Foundation. President Winget said yes, but at a meeting of the Foundation.

There being no further discussion on Agenda Item 5, Director Holston made a motion to appoint Michael Kuhn Treasurer of the RHFC. Director Kull seconded the motion and it passed unanimously.

**6. Consider Action to Appoint the RHFC Treasurer and Executive Director as signatories on the RHFC Truist Baking Accounts:**

President Winget said the next few Agenda Items are more of a formality. There being no discussion on this Agenda Item, Director Schupp made a motion to name the RHFC Treasurer and Executive Director as signatories on the RHFC Truist Banking Accounts. Director Holston seconded the motion and it passed unanimously.

**7. Consider Action to Appoint the RHFC Treasurer as the RHFC Investment Officer:**

There being no discussion on this Agenda Item, Director Holston made a motion to Appoint The RHFC Treasurer as the RHFC Investment Officer. Director Schupp Seconded the motion, and it passed unanimously.

**8. Consider and Take Action to Appoint the RHFC Treasurer as the New Primary Administrative Contact for the TexPool Prime Government Pool, and Appointing the RHFC Executive Director and the RHFC President as Backup Contacts:**

There being no discussion on this Agenda Item, Director Schupp made a motion to appoint the RHFC Treasurer as the new primary administrative contact for the TexPool Government Pool, and appoint the RHFC President and Executive Director as Backup Contacts. Director Holston seconded the motion, and it passed unanimously.

**9. Consider and Take Action to appoint the RHFC Treasurer as the New Primary Administrator for the LOGIC Government Pool Accounts, and Appointing the RHFC President and Executive Director as Backup Contacts:**

There being no discussion on this Agenda Item, Director Schupp made a motion to Appoint the RHFC Treasurer as the new Primary Administrator for the LOGIC Government Pool Accounts, and the RHFC President and Executive Director as Backup Contacts. Director Holston seconded the motion, and it passed unanimously. President Winget said this is another RHFC investment pool held in JP Morgan primarily, and holds the bulk of the RHFC funds. Director Holston asked for additional information/explanation of these accounts at a future meeting.

**10. Consider and Take Action to Appoint the RHFC Treasurer as the New Primary Administrator for the JP Morgan Money Market Accounts and Appoint the RHFC Executive Director as Backup Contact:**

President Winget asked Attorney Bowen if wanted to add anything to this discussion. Attorney Bowen said he had no objection to the RHFC Board deciding to take these actions to set up accounts to accommodate the new staffing arrangement. Directors Holston and Schupp said they would like more detailed information on these accounts at one of our next meetings. There being no further discussion on Agenda Item 10, Director Holston made a motion to appoint the RHFC Treasurer as the New Primary Administrator for the JP Morgan money market accounts and appoint the RHFC Executive Director as the Backup Contact. Director Schupp seconded the motion, and it passed unanimously.

**11. Discuss and Take Possible Action on an Invoice from Condon Tobin:**

President Winget reminded the Board this invoice is for legal work this law firm did on behalf of the RHFC when we were sued over the legal issues arising from an injury at the Lakeview Seniors Project. He said the Fishers promised to pay this invoice but have not done so to date. The RHFC paid a \$5,000.00 retainer to this law firm to represent us in this case, which was ultimately dismissed. Director Holston said the Fishers told this Board they would pay this invoice. President Winget asked Attorney Bowen to write a demand to pay letter to the Fishers before we take any other action. Attorney Bowen agreed to do that. No action was taken on Agenda Item 11.

**12. Items of Community Interest, Topics for Future Agenda:**

President Winget asked for items for our future agenda, and Director Kull said we need a follow up with One90 Main, including a tour to see where they are regards project completion, revisit RHFC financials including the Foundation, promote TDHCA and explore homeowner assistance programs. President Winget added a request from Lakeview Seniors to set a groundbreaking date, and consideration of HFCs operating outside their jurisdiction, including the Pecos HFC possibly working on the JPI project in our community. Director Holston said we need to keep on top of accounts payable and receivable so nothing falls through the cracks, and President Winget said he was keeping in touch with City Staff in this regard. Director Schupp suggested we keep up with physical assets owed to the HFC during the office shut down and staff transition. President Winget said he wants to look at the timing of financial reporting. The next RHFC Board of Directors meeting is scheduled for April 24, 2025 at 4:00 PM in the City Hall Conference Room. There being no further business, President Winget said we would adjourn with no action taken on Agenda Item 12.

**13. Adjournment:**

The RHFC Board meeting was adjourned at 4:50 PM.

Approved on \_\_\_\_\_, 2025

\_\_\_\_\_  
**Jeff Winget, President**

\_\_\_\_\_  
**Richard Kull, Secretary**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**ROWLETT HOUSING FINANCE CORPORATION**

**AND**

**RRC DEVELOPMENT LAKEVIEW SENIORS, LLC**

**“SAVANNAH AT LAKEVIEW”**

THIS MEMORANDUM OF UNDERSTANDING (this “*MOU*”) is between the ROWLETT HOUSING FINANCE CORPORATION (the “*Rowlett HFC*”), a public, nonprofit housing finance corporation organized under Chapter 394 of the Texas Local Government Code, and RRC DEVELOPMENT LAKEVIEW SENIORS, LLC (the “*Developer*”), a Texas limited liability company, and is dated and effective as of [April \_\_, 2025].

The Developer is a developer of affordable housing in the State of Texas. The Rowlett HFC is a public, nonprofit housing finance corporation whose mission is to provide safe, decent and sanitary housing for persons of low and moderate income. Certain affiliates of the Developer and the Rowlett HFC are participating in the financing, development and operation of Savannah at Lakeview, a 272-unit multifamily residential development for seniors located in Dallas County, Texas (the “*Project*”).

The Developer has formed a Texas limited partnership named Savannah at Lakeview, LP (formerly known as TX Lakeview Seniors, LP) (the “*Partnership*”) for the purpose of owning the Project. Rowlett HFC is the sole member of Savannah at Lakeview GP, LLC, a Texas limited liability company, the General Partner of the Partnership (the “*General Partner*”). An affiliate of the Developer, TX Lakeview Seniors SLP, LLC, a Texas limited liability company, is the Class B Special Limited Partner (the “*Class B SLP*”) of the Partnership. The General Partner and Class B SLP, together with 42EP IBC Fund II, LP, a Delaware limited partnership, the Investor Limited Partner of the Partnership (the “*ILP*”) and 42EP SLP, LLC, a Delaware limited liability company, the Special Limited Partner of the Partnership (the “*SLP*” and together with the General Partner, the Class B SLP and the ILP, the “*Partners*”), have entered into that certain Amended and Restated Limited Partnership Agreement dated December 22, 2017 (as amended by that certain First Amendment to the Amended and Restated Limited Partnership Agreement dated as of January 1, 2022 and that certain Second Amendment to the Amended and Restated Limited Partnership Agreement dated as of [May 1], 2023) (collectively, the “*Partnership Agreement*”).

The Developer and Rowlett HFC hereby agree as follows:

## **AGREEMENTS**

### **A SUPPLEMENTAL FINANCING**

1. On behalf of the Partnership, the Developer has received a reservation of up to \$10,000,000 in private activity bond volume cap in connection with multifamily housing bonds to be issued by the Rowlett HFC (the “*Supplemental Bonds*”). The Developer shall be responsible for selecting the manner in which the Bonds will be sold to facilitate debt financing for the Project and negotiating the financing terms of the Bonds on behalf of the Partnership; *provided*, that the Rowlett HFC shall have the right to review and approve the financing arrangements and the terms and conditions of any Bond or loan documents.

2. The Developer has received a commitment of low-income housing Tax Credits (the “*Tax Credits*”) from the Texas Department of Housing and Community Affairs (the “*TDHCA*”). The Developer shall be responsible for selecting the manner in which the Tax Credits will be sold to facilitate additional equity financing (the “*Equity*”) for the Project, and negotiating the equity financing terms on behalf of the Partnership; *provided*, that the Rowlett HFC shall have the right to review and approve the financing arrangements and the terms and conditions of any Equity financing documents, including any amendments to the Partnership Agreement.

3. In connection with the transactions described above, the Developer will apply for supplemental loan financing (the “*Loan*”) on behalf of the Partnership. The Developer shall be responsible for selecting the lender and negotiating the loan terms on behalf of the Partnership; *provided*, that the Rowlett HFC shall have the right to review and approve the financing arrangements and the terms and conditions of any Loan documents.

4. The Developer shall pay all costs and fees associated with applying for the Supplemental Bonds, the Loan and the Tax Credits (collectively, the “*Supplemental Financing*”), which costs, along with all other pre-development costs incurred by the Developer (to the extent included within the approved budget), shall be reimbursed at closing of the Supplemental Financing (the “*Closing*”) from the proceeds of the Supplemental Bonds and Equity. In the event this MOU is terminated or the transaction fails to close as contemplated herein, the Developer shall be solely responsible for all costs described above, and the Rowlett HFC and its affiliates shall have no responsibility for payment or reimbursement of such costs.

5. THE DEVELOPER SHALL PROVIDE ANY GUARANTEES OF CONSTRUCTION COMPLETION, OPERATING EXPENSES, TAX CREDIT DELIVERY, AND THE LIKE THAT MAY BE REQUIRED IN

CONJUNCTION WITH THE SUPPLEMENTAL FINANCING. THE ROWLETT HFC, THE GENERAL PARTNER AND/OR ANY OF THEIR AFFILIATES SHALL NOT PROVIDE ANY GUARANTEES OR INDEMNITIES IN CONNECTION WITH THE FINANCING OF THE PROJECT.

## B. FEES AND EXPENSES

The Developer and Rowlett HFC shall work cooperatively to cause the Partners to amend the Partnership Agreement and to amend other relevant Project documents to reflect the following fee arrangements:

1. The Developer shall be entitled to receive a development fee (the "*Development Fee*") for its services in developing the Project. The amount of the Development Fee shall be equal to 15% of the Project's total development costs, as calculated pursuant to applicable TDHCA guidelines. All payments of Development Fee shall be made pro-rata with 75% going to Developer and 25% going to the Rowlett HFC or its subsidiary (the "*Rowlett HFC Share*"). The Rowlett HFC Share shall be paid by the Partnership pro rata with the Developer's share of the Development Fee.

2. The General Partner shall be entitled to receive an annual tax exemption administration fee (the "*Tax Administration Fee*"), payable by the Partnership on each January 1, in the initial amount of \$105,000 and increasing by 3% annually. Commencing on the January 1 in year 16 following Closing, the Tax Administration Fee shall be \$393,000 and shall increase by 3% annually. The Tax Administration Fee shall accrue without interest in the event Net Cash Flow from Operations (as defined in the Partnership Agreement) is insufficient in any year.

3. The General Partner shall be entitled to receive a Partnership Management Fee in the amount of \$10,000 per year for its services in connection with management of the Partnership, which fee shall accrue without interest in the event Net Cash Flow from Operations is insufficient to pay such fee in any year and which fee shall increase by 3% annually.

4. The General Partner shall be entitled to receive a fee equal to 1.5% of the gross sales price or loan amount pursuant to a sale or refinance of the Project.

5. Neither party shall enter into any contractual relationship or agreement relating to the Project (including any litigation settlement) that would cause either financial or legal liability to the other, without the other party's prior written consent.

6. All expenses incurred by the Rowlett HFC in connection with this MOU, including but not limited to costs for staff time to review the proposed Project, third-party reports, the Rowlett HFC's legal counsel, counsel to the General Partner, special real estate counsel, financial advisor and other expenses incurred by the Rowlett HFC in connection with the proposed Project (the "*Costs*"), shall be included in the Project's development budget and reimbursed by the Partnership to the Rowlett HFC concurrently with Closing.

7. For the avoidance of doubt, the usual and customary fees received by the Rowlett HFC as issuer of the Bonds are separate and apart, and in addition to all Costs and fees payable to the Rowlett HFC, its subsidiaries or its advisors as described in this MOU.

8. If, upon termination of this MOU or the Project, the Rowlett HFC has unreimbursed Costs, the Rowlett HFC, GP Counsel (as defined herein) or Hilltop Securities (as defined herein), as applicable, shall invoice the Developer for these Costs and the Developer shall reimburse the Rowlett HFC or such third party directly for these Costs within sixty (60) days of receipt of such invoice.

9. The Developer acknowledges and agrees that it is the intent of the parties hereto that the Rowlett HFC shall bear no out-of-pocket costs or expenses in connection with the Project.

#### C. MISCELLANEOUS

1. This MOU reflects the entire understanding between the parties with respect to the transactions contemplated herein and may only be amended in writing, signed by both parties. This MOU is a contract and not merely an "agreement to agree." Except as expressly set forth in this MOU, the parties intend that the Partnership Agreement shall continue in full force and effect, and all other terms and provisions of the Partnership Agreement and associated equity and loan documents previously entered into shall remain unchanged.

2. The parties agree to execute such documents and do other such reasonable things as may be necessary or appropriate to facilitate the completion and operation of the Project and the consummation of the agreements set forth herein.

3. The Rowlett HFC's execution of this MOU is subject to approval by the Rowlett HFC's Board of Directors.

4. This MOU may be executed in several counterparts, each of which shall be deemed to be an original and all of which together shall constitute one contract binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart

5. THIS MOU SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUSIVE OF CONFLICT OF LAWS PRINCIPLES.

6. In case any one or more of the provisions contained in this MOU for any reason is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision hereof, and this MOU will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.



7. The parties hereto submit exclusively to the jurisdiction of the state and federal courts of Dallas County, Texas, and venue for any cause of action arising hereunder shall lie exclusively in the state and federal courts of Dallas County, Texas.

8. Should any party employ an attorney or attorneys to enforce any of the provisions hereof, to protect its interest in any manner arising under this MOU, or to recover damages for the breach of this MOU, the non-prevailing party in any action pursued in courts of competent jurisdiction (the finality of which is not legally contested) agrees to pay to the prevailing party all reasonable costs, damages and expenses, including specifically, but without implied limitation, attorneys' fees, expended or incurred by the prevailing party in connection therewith.

9. The subject headings contained in this MOU are for reference purposes only and do not affect in any way the meaning or interpretation hereof.

10. This MOU shall continue until terminated upon the occurrence of any one of the following conditions:

(a) The Rowlett HFC and the Developer sign a mutual consent to terminate this MOU;

(b) The Supplemental Financing for the Project is not closed by July 9, 2025;

(c) The terms of the Supplemental Financing for the Project are unacceptable to the Rowlett HFC, in its sole discretion, and the Rowlett HFC provides the Developer notice of such fact and a 30-day opportunity to provide financing terms that are acceptable to the Rowlett HFC and the Developer, but the Developer does not do so;

(d) The Rowlett HFC's Board of Directors takes action to cause the withdrawal of the General Partner pursuant to Article 9 of the Partnership Agreement;

(e) Developer fails to deliver due diligence items in connection with the transactions contemplated herein as reasonably requested by the Rowlett HFC; *provided*, that prior to any termination pursuant to this Paragraph C.10(e), Rowlett HFC shall provide notice and 15 days for the Developer to cure such failure;

(f) Either party breaches its obligations under this MOU, the non-breaching party provides the breaching party notice of such fact and a 30-day opportunity to cure, and the breaching party fails to do so; or

(g) Either party files for bankruptcy protection, makes an assignment for the benefit of creditors, has a receiver appointed as to its assets, or generally becomes insolvent.

11. Upon termination of this MOU for any of the reasons cited above, neither party shall have any ongoing obligation to the other with respect to this MOU nor the Project, except for the obligation of the Developer to reimburse the Rowlett HFC for Costs as provided herein.

12. In addition, the provisions of this MOU with respect to the Project will be terminated when the Rowlett HFC and the Developer and their affiliates, as applicable, enter into definitive agreements to amend the Partnership Agreement and with respect to the Supplemental Financing as contemplated herein.

13. The parties acknowledge that Rowlett HFC and its affiliates will be represented by Chapman and Cutler LLP ("*GP Counsel*") in a legal capacity and Hilltop Securities Inc. in a financial advisory capacity ("*Hilltop Securities*"). The Developer, the Class B SLP and their affiliates and the Partnership will be represented by separate legal counsel, will not be entitled to rely on GP Counsel for legal representation in this matter and acknowledge that no financial advisory relationship will exist among the the Developer, the Class B SLP and their affiliates , the Partnership and Hilltop Securities.


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EXECUTED to be effective as of the date above shown.

ROWLETT HOUSING FINANCE CORPORATION

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

RRC DEVELOPMENT LAKEVIEW SENIORS, LLC

By  \_\_\_\_\_  
Name: Melissa Fisher  
Title: Partner

# **EXHIBIT A**

## **ROWLETT HOUSING FINANCE CORPORATION CHECKLIST OF DUE DILIGENCE FOR TAX CREDIT TRANSACTIONS**

<b>PROPERTY ITEMS</b>		
<b>RECEIVED</b>	<b>ITEM</b>	<b>NOTES</b>
	Project Description, including number of units, unit sizes, and amenities	
	Site Location information, with map	
	Proposed Rent Schedule, with tenant income restrictions	
	Site Plan	
	Market Study	
	Appraisal	
	Phase I Environmental	
	Soils Report	
	Evidence of site control	
	Evidence of zoning	
	Title commitment with all exceptions	
	Survey	
	Physical needs analysis (for rehabilitation projects)	
<b>DEVELOPMENT ITEMS</b>		
<b>RECEIVED</b>	<b>ITEM</b>	<b>NOTES</b>
	Detailed Development Budget	
	Sources and Uses	
	Statement of Developer's experience, including evidence of net worth	
	Plans and Specifications	
	Resume of Architect, with evidence of experience	

Memorandum of Understanding

Savannah at Lakeview

April \_\_, 2025

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FINANCING ITEMS		
RECEIVED	ITEM	NOTES
	15-year Pro Forma	
	Debt financing commitment	
	Equity financing commitment	
	Description of all other sources of financing	
	Application for debt financing	
	Application for Tax Credits	
OPERATIONAL ITEMS		
RECEIVED	ITEM	NOTES
	Resume of property management company, with evidence of experience	
	Description of social services to be provided and information regarding social services provider	
	Proposed Rent Schedule, with tenant income restrictions	
	Current rent roll (if applicable)	
ORGANIZATIONAL ITEMS		
RECEIVED	ITEM	NOTES
	Organizational documents for limited partnership	