

**RESOLUTION NO. \_\_\_\_\_**

**Resolution of the Commissioner's Court of Hidalgo County to support the proposed affordable housing project to be known as LA PALMILLA and to approve a loan or other funding for such development.**

Whereas, VDC La Palmilla, LP (the "Applicant") has proposed a development for affordable rental housing to be located at the SWQ of Alberta and Raul Longoria in the extra-territorial jurisdiction of the City of Edinburg, Hidalgo County 78542, and to be named La Palmilla (the "Development"); and

Whereas, the Applicant intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2015 Low Income Housing Tax Credit Program funds for the Development; and

Whereas, the Commissioner's Court finds that there is a need for affordable housing for the City of Edinburg and Hidalgo County citizens of modest means and desires to support the Development; and

Whereas, the Applicant has also requested a loan and/or in-kind contribution as a match of local funds for the Applicant's application for tax credit funding; and

Whereas, the Commissioner's Court has reviewed such request for a loan and/or in-kind contribution and wishes to support such development by providing the requested funding, subject to standard closing conditions and acceptable funding terms; and

Whereas, the County is not related to the Applicant in any way; and

Whereas, the funds that will be utilized by the County to provide the funding to the Applicant will not first be provided to the County by the Applicant or any party related to the Applicant.

NOW THEREFORE, BE IT RESOLVED, as follows:

1. The Commissioner's Court of Hidalgo County hereby confirms its support for the Development described above and that this formal action has been taken to put on record the opinion expressed by the County Commissioner's Court on this date.
2. The Commissioner's Court of Hidalgo County hereby supports the Applicant's application for tax credit funding from the Texas Department of Housing and Community Affairs and supports an award of tax credits for the Development pursuant to the Qualified Allocation Plan of the Texas Department of Housing and Community Affairs.
3. In accordance with 10 Texas Administrative Code §11.9(d)(2), the County hereby commits to provide funding for the Development in the amount of \$160,000. These funds will be in the form of an in-kind match/contribution (such as a fee waiver or reduction or similar

contribution) and/or a permanent loan having a minimum term of fifteen (15) years, minimum amortization period of thirty (30) years, and interest rate no higher than 3 percent per annum and/or any other form of permanent financial participation by the County acceptable to the Texas Department of Housing and Community Affairs. Other provisions of the loan or other funding form, including the source of funding for the loan (which will not be from funds provided by the Applicant) or other funding, will be as determined by the County. Notwithstanding anything to the contrary contained herein, the following terms and conditions shall apply to the County's participation:

- a) The maximum aggregate value of the funding from the County, regardless of the form, is \$160,000.00 over the course of the project.
- b) The form of the participation (tax abatement, loan, etc.) must be acceptable to the County.
- c) The terms of the applicable agreement concerning the County's participation, and any supporting documentation, must be acceptable to the County and in accordance with then applicable laws and policies, and such agreement must be fully executed and delivered to the County.
- d) In the event the funding is provided in the form of a loan, availability to the County of collateral sources provided by Applicant upon such terms as are acceptable to the County in its sole discretion and in an amount that the County finds sufficient to fund the loan at the time of closing.
- e) The County may require Applicant to pay all costs associated with the funding, including origination fees, attorney fees and other related costs and fees assessed by the County.
- f) There shall be no material adverse change in Applicant or the Development or the circumstances surrounding Applicant's development of the Development that would, in the County's sole judgment, make provision of the funding unacceptable to the County.
- g) The Applicant's application for tax credits for the Development is approved and accepted, and the Applicant receives a commitment of tax credits for the Development from the Texas Department of Housing and Community Affairs.
- h) The Applicant complies with all requirements and applicable laws.

4. The funding referenced above will be provided to the Applicant no earlier than the date that the Applicant provides evidence that it has received an award of tax credit funding from the Texas Department of Housing and Community Affairs.

5. For and on behalf of the Commissioner's Court, Ramon Garcia, Hidalgo County Judge, is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

6. This Resolution is a firm commitment of funding from Hidalgo County for purposes of 10 Texas Administrative Code §11.9(d)(2) and the Qualified Allocation Plan of the Texas Department of Housing and Community Affairs.

7. This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED the 17<sup>th</sup> day of February, 2015 at a Regular Meeting of the Commissioner's Court of Hidalgo County.

**HIDALGO COUNTY**

**By:** \_\_\_\_\_  
Ramon Garcia, County Judge

**ATTEST:**

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