

**COOPERATION AGREEMENT
BETWEEN
THE CITY OF SCHERTZ, TEXAS AND
TEXAS HOME COLLABORATIVE**

This Agreement (“**Agreement**”) is made and entered into by and between the City of Schertz, Texas (the “**City**”) a political subdivision of the State of Texas, and Texas Home Collaborative, a non-profit public facility corporation (“**Corporation**”) sponsored by the Housing Authority of the City of Texarkana, Texas (the “**Authority**”), a public housing authority organized under Chapter 392 of the Texas Local Government Code.

WHEREAS, the City desires to promote, maintain, and provide safe, sanitary, and affordable housing for low to moderate-income citizens of the City of Schertz; and

WHEREAS, the Schertz Housing has found the need to enter into a Cooperation Agreement with the Texas Home Collaborative; and

WHEREAS, the Authority’s mission is to provide safe, sanitary and affordable housing for eligible residents and desires to support the development and operation of affordable housing through Corporation, its affiliate entity, a public housing authority sponsored public facility corporation, in communities across the state of Texas; and

WHEREAS, Chapter 791 of Texas Local Government Code allows City and the Authority to enter into interlocal agreements in order to increase the efficiency and effectiveness of local governments; and

WHEREAS, Section 392.059 of the Texas Local Government Code states that authorities may cooperate with a municipality in providing housing for persons of low income within the boundaries of the cooperating political subdivision; and,

WHEREAS, the City has a need for and desires to increase its supply of quality affordable housing for the benefit of its current and future residents; and

WHEREAS, the Corporation has identified The NRP Group (“**Developer**”) to act as its developer partner to construct a multifamily development more commonly known as 1518 Apartments (the “**Project**”); and

NOW THEREFORE, the City and the Corporation (collectively, the “**Parties**”) agree as follows:

Section 1: Purpose and Objective. The Parties agree that the purpose of this Agreement is to facilitate collaboration and coordination between the Parties in the development of the Project to be constructed and operated within the territorial limits of the City for the purpose of providing quality, safe, and affordable housing to low and moderate income residents of the City; provided, however, that this Agreement does not amend or otherwise affect any development agreement related to the Property to which the City is a party.

Section 2: Role of the Corporation. The responsibilities of the Corporation under this

Agreement shall include the following:

- (a) Corporation shall coordinate with the City to provide requested briefings to the City Council and City staff, as appropriate.
- (b) Corporation shall work with the developer to prepare and submit an application to the Texas Department of Housing and Community Affairs (“**TDHCA**”) for an allocation of 4% Low Income Housing Tax Credits (“**4% Credits**”) to support the Project.
- (c) Corporation shall serve as the issuer of any bonds required in conjunction with the award of the 4% Credits.

Section 3: Role of the City. The City’s responsibility under this Agreement shall include the following:

- (a) City staff shall cooperate with the Corporation and shall participate in briefings to the City Council upon the Corporation’s request.
- (b) The City agrees to supply the Project with the same degree of public services that it supplies to other similar development within the City.

Section 4: Term.

Agreement Term. This Agreement shall be effective upon execution by the last party whose signature renders this Agreement fully executed. Unless otherwise terminated in accordance with this Agreement, the term of this Agreement (“**Agreement Term**”) shall continue throughout the life of the Project (the life of the Project shall be considered to have expired if the multifamily housing operation completely ceases for a period of at least 365 consecutive days).

Section 6: Representations and Warranties.

6.1. The Corporation hereby unconditionally warrants and represents to the City as follows:

- (a) It has the legal and financial capacity to assume responsibility for compliance with all applicable laws, regulations, rules, programs and agreements and to enter into this Agreement and to perform all of the undertakings set forth herein. In connection with the Project, the Corporation will comply with all legal requirements required to be met, including but not limited to the following: (i) any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any governmental authority in any way applicable to the Authority or the Project, including, without limitation, the ownership, use, construction, occupancy, possession, operation, maintenance, alteration, repair or reconstruction thereof, (ii) any and all covenants, conditions, and restrictions contained in any deed or other form of conveyance or in any other instrument of any nature that relate in any way or are applicable or to the ownership, use, construction, occupancy, possession, operation,

maintenance, alteration, repair or reconstruction thereof, (iii) the Corporation's presently or subsequently effective bylaws and articles of incorporation or partnership, limited partnership, joint venture, trust or other form of business association agreement, (iv) any and all terms, provisions and conditions of any commitment which are to be performed or observed by the Corporation, (v) any and all leases and other contracts (written or oral) of any nature that relate in any way to the Project and to which the Corporation may be bound and (vi) all applicable restrictive covenants, zoning ordinances, subdivision and building codes, or if no local building codes are in place, then the most recent version of the International Building Code, flood disaster laws, applicable health and environmental laws and regulations and all other ordinances, orders or requirements issued by any state, federal or municipal authorities having or claiming jurisdiction over the Project.

(b) It is a duly organized and validly existing legal entity under the laws of the State of Texas.

(c) The Corporation is not a party to any contract or agreement or subject to any charter or other legal restriction of any kind which materially and adversely affects the business, property or assets, or the condition, financial or otherwise, of the Authority. Neither the execution and delivery of this Agreement, nor compliance with the terms, conditions and provisions hereof, will conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under any law or any regulation, order or decree of any court or governmental agency, or any indenture or other agreement or instrument to which the Corporation is subject, or will result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation pursuant to the terms of any such indenture or agreement or instrument, and will not require the approval of any federal regulatory body or of any state or local commission or authority having jurisdiction with respect thereto, unless such approval has been obtained and is in full force and effect on the date hereof.

(d) There is no action, proceeding or investigation now pending before any court or any governmental department or agency nor any basis therefor, known or believed to exist which: (i) questions the validity of this Agreement or any action or act taken or to be taken by the Corporation pursuant to this Agreement, or (ii) is likely to result in a material adverse change in the authority, property, assets, liabilities or condition of the Corporation which will materially and substantially impair its ability to perform pursuant to the terms of this Agreement.

Section 7: Notices. All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, or delivered to the Corporation at the following address:

Antonio D. Williams, Secretary & CEO
Village Communities Development Corporation
1611 N. Robison Road
Texarkana, Texas 75501
E-mail: awilliams@texarkanaha.org

with a copy to:

Barry J. Palmer
Coats Rose, P.C.
9 Greenway Plaza #1000
Houston, Texas 77046
E-mail: bpalmer@coatsrose.com

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested to the City at the following address:

City of Schertz
1400 Schertz Parkway
Schertz, Texas 78154
Attention: City Manager

with a copy to:
Denton Navarro Rocha Bernal & Zech, P.C.
2517 N. Main Avenue
San Antonio, Texas 78212
Attention: T. Daniel Santee

Notice will be considered given and completed upon actual receipt of the notice by the receiving party. Either party may change its designated address for notice purposes upon ten (10) days' prior written notice to the other party.

SECTION 8. Cooperation and Compliance. The parties hereto agree to cooperate with each other and provide all necessary documentation, certificates and consents and to take all necessary action in order to satisfy the terms and conditions hereof in accordance with the applicable laws, regulations and agreements relating thereto.

SECTION 9. Miscellaneous.

9.1 Waivers. No delay or omission by either party to insist upon the strict performance of any of the other party's obligations under this Agreement or to exercise any right or remedy available hereunder shall impair any such right or remedy or constitute a waiver thereof in the event of any subsequent occasion giving rise to such right or availability or remedy or obligation, whether of a similar or dissimilar nature.

9.2 Assignment and Successors. No party to this Agreement will make, in whole or in part, any assignment of this Agreement or any obligation hereunder without the prior written consent of the other party. The terms, covenants, agreements, provisions, and conditions contained herein shall bind and inure to the benefit of the parties hereto, their successors and assigns and shall not bestow any rights upon any third party.

9.3 Applicable Laws, Interpretation and Governing Law. In addition to the matters specifically set forth herein, this Agreement is subject to all laws, rules, orders and regulations of the United States of America, the State of Texas, and the City of Schertz. This Agreement shall

not be construed against the party who prepared it but shall be construed as though prepared by both parties. This Agreement shall be construed, interpreted, and governed by the laws of the State of Texas, and with respect to any dispute hereunder, jurisdiction and venue shall lie with the courts of Collin County, Texas. Should any party hereto retain counsel for the purpose of litigation to enforce, prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all reasonable costs and expenses incurred thereby, including, but not limited to, reasonable attorneys' fees and costs incurred by such prevailing party.

9.4 Final Agreement. This Agreement constitutes the final understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements between the parties, whether written or oral. This Agreement may be amended, supplemented or changed only by a writing signed or authorized by or on behalf of the party to be bound thereby.

9.5 Approvals. Any approvals required from the parties in connection with this Agreement shall not be unreasonably withheld, conditioned or delayed.

9.6 Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such term or provision shall be deemed severed from this Agreement and the remaining parts shall continue in full force as though such invalid or unenforceable term or provision had not been part of this Agreement.

9.7 Headings. The Section and Subsection entitlements hereof are inserted for convenience of reference only and in no way shall alter, modify or define, or be used in construing, the text of such Sections and Subsections.

9.8 Counterparts. This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

9.9 Further Assurances. Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transactions contemplated by this Agreement.

9.10 Parties Bound. No officer, director, shareholder, employee, agent, or other person authorized to act for and on behalf of either party shall be personally liable for any obligation, express or implied, hereunder.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED, this ____ day of _____, 2022.

TEXAS HOME COLLABORATIVE
a Texas non-profit public facility corporation

By: _____
Antonio D. Williams
Secretary & CEO

CITY OF SCHERTZ, TEXAS
a Texas municipal corporation

By: _____
Name: _____
Title: _____