

**FIRST AMENDMENT TO
AMENDED AND RESTATED OPERATIONS GRANT AGREEMENT**

This First Amendment to Amended and Restated Operations Grant Agreement (the "First Amendment") is entered into between the **CITY OF HOUSTON**, a home-rule city organized under the laws of the State of Texas ("City"), and the **HOUSTON LAND BANK**, a Texas local government corporation created pursuant to TEX. TRANSP. CODE ANN. § 431.101 ("HLB") f/k/a LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY, a public not for profit local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code, and Chapter 394, Texas Local Government Code.

RECITALS

WHEREAS, pursuant to Chapter 311 of Vernon's Texas Tax Code Annotated, entitled the "Tax Increment Financing Act" (the "Act"), the City has designated certain areas within the City of Houston (the "City") as Tax Increment Reinvestment Zones ("TIRZs") in order to promote the development or redevelopment of those areas; and

WHEREAS, Section 311.011 (f) of the Act requires that one-third (1/3) of the tax increment collected by each petition-created TIRZ be dedicated to providing affordable housing ("Affordable Housing Component"); and

WHEREAS, certain TIRZs have transferred their Affordable Housing Component to the City to administer; and

WHEREAS, the City Controller has created a Low-Income Housing Fund ("Fund 872"), which fund is now called the TIRZ Affordable Housing Fund ("Fund 2409"), in which the Affordable Housing Component from each participating TIRZ is deposited; and

WHEREAS, the City's Housing and Community Development Department ("HCDD") currently administers the City's affordable housing program; and

WHEREAS, pursuant to Ordinance Number 99-448 passed and adopted by the City Council of the City of Houston ("City Council") on May 19, 1999, as amended, the City has designated all funds placed in Fund 2409 (formerly Fund 872), as certified by the City Controller from time to time, for use by HCDD for low-income housing purposes ("Affordable Housing Funds"); and

WHEREAS, pursuant to Ordinance 2019-0965, passed and adopted by the City Council on December 4, 2019, the City Council authorized the appropriation of up to \$18,189,840.00 from Fund 2409 for Affordable Housing Activities, including \$5,668,450.00 for Single Family Activities ("Single Family Activities Funds"); and

WHEREAS, pursuant to Resolution No. 99-059, passed and adopted by City Council on October 27, 1999 ", the creation of the Land Assemblage Redevelopment Authority ("LARA") was authorized to aid, assist and act on behalf of the City in the performance of its governmental functions to engage in the acquisition, assemblage, management, maintenance, and disposition of tax delinquent properties to promote the common good and general welfare of the residents of the City of Houston; to promote and encourage the development or redevelopment of blighted, abandoned or vacant properties within the City; to improve the neighborhoods affected by such blighted, abandoned or vacant property and improve the quality of life for the citizens residing therein; to promote, develop, encourage and maintain safer and cleaner living conditions within the City and the affected neighborhoods and provide a means for the economic redevelopment in the City of Houston; and to perform the other purposes described in the Articles of Incorporation of HLB; and

WHEREAS, pursuant to Ordinance Number 2018-598, passed and adopted by City Council on July 25, 2018, LARA's name was authorized to be changed to "Houston Land Bank" and its Certificate of Formation was authorized to be amended to state that it was organized for the purpose of reclaiming vacant, abandoned, and deteriorated properties on behalf of the City in the performance of its governmental functions to promote the common good and welfare of the City. On behalf of the City, the Corporation is also organized to undertake one or more projects to include, without limitation, the strategic acquisition, assemblage, management, marketing, development, and disposition of properties throughout the City, and to create one or more programs to include, without limitation, the development of affordable housing, workforce housing, grocery stores, retail space, green space, and other community programs that stimulate economic development and create jobs as part of the Complete Communities Initiative or as otherwise directed by the Mayor of the City with the approval of City Council; and

WHEREAS, HLB's current activities are all conducted for Affordable Housing Purposes and HLB has agreed to notify the City if it expects to conduct activities for purposes other than Affordable Housing and that funds from this Grant shall not pay for costs that are not incurred for Affordable Housing Purposes; and

WHEREAS, HLB's revenues are not sufficient to cover costs associated with its administrative management, including but not limited to oversight and maintenance of property inventory, planning accounting, legal services and other professional services which are incurred for Affordable Housing Purposes but which are not paid with funds from the grant provided by the Land Assembly and Development Grant Agreement ("ADA Grant Agreement") or pursuant to the Acquisition and Development Agreement, as amended, which were initially authorized pursuant to Ordinance 2018-692, passed and adopted by City Council on August 29, 2018; and

WHEREAS, pursuant to Ordinance Number 2020-281, passed and adopted by the City Council on April 1, 2020, the City entered into an Operations Grant Agreement with

HLB (the “Original Grant Agreement”) to provide a grant of Single Family Activities Funds in the amount of \$2,000,000.00, with the option to be increased by supplemental funds of up to an additional \$1,650,000.00, which option was not exercised, to HLB to cover Administrative and Program Delivery Costs (as defined in the Original Grant Agreement) incurred in providing affordable housing; and

WHEREAS, pursuant to Ordinance Number 2021-209, passed and adopted by the City Council on March 24, 2021, the City entered into an Amended and Restated Operations Grant Agreement with HLB (the “AROGA”) to provide an additional grant of Single Family Activities Funds in the amount of \$1,820,817.00 (for a total of \$3,820,817.00 in Grant Funds) to continue its operations to develop affordable housing; and

WHEREAS, HLB now requires additional funding to continue its operations and to cover certain Administrative Costs and Program Delivery Costs (as defined in the AROGA) to develop affordable housing; and

WHEREAS, HCDD recommends that the City amend the AROGA to provide to HLB an additional \$1,782,213.00 in TIRZ funds for fiscal year 2022; and

WHEREAS, the Administrative Costs and the Program Delivery Costs that will be reimbursed pursuant hereto will have been incurred to provide affordable housing as required by Chapter 311 of the Texas Tax Code.

NOW THEREFORE, in consideration of the mutual promises, covenants, obligations and benefits of this First Amendment, the City and HLB agree as follows:

1.1 **Defined Terms.** All Capitalized terms used in this First Amendment shall have the respective meanings set forth in the preamble hereof or, if not defined in the preamble hereof, shall have the respective meanings set forth in the AROGA, as amended.

1.2 **Authority for Amendment.** This First Amendment is adopted pursuant to and in accordance with the provisions of Article XII of the AROGA, as amended.

1.3 **Amended Provisions.** The AROGA is amended as follows:

(a) Paragraph 1.1 under Article I of the AROGA, entitled “Statement of Work and Grant,” is amended to read as follows:

“The City hereby amends and restates the Grant Agreement to provide a grant (“Grant”) in an amount of up to **ONE MILLION SEVEN HUNDRED EIGHTY-TWO THOUSAND TWO HUNDRED THIRTEEN AND 00/100 DOLLARS**

(\$1,782,213.00) (the “Grant Funds”) for fiscal year 2022 to reimburse expenses incurred as Administrative Costs and Program Delivery Costs, following satisfaction of the City Reimbursement Conditions, for the purposes and in the manner set forth herein. The Grant will be paid from Affordable Housing Funds and all activities undertaken pursuant to this AROGA with funds from the TIRZ Affordable Housing Fund shall be dedicated to providing affordable housing in compliance with Section 311.011(f) of Chapter 311 of Vernon's Texas Tax Code Annotated, entitled the "Tax Increment Financing Act" and Applicable Law, as said term is defined under Article VIII, Section 8.”

(b) Paragraph 1.2 under Article I of the AROGA, entitled “Statement of Work and Grant,” is amended to read as follows:

“The current budget for the Administrative Costs and Program Delivery Costs, for a portion of which HLB expects to seek reimbursement, is set forth on **EXHIBIT A** (“Budget”). HLB will periodically update budgets and will submit them for the Director’s review.”

(c) The definition of “Director” under Article II of the AROGA, entitled “Definitions,” is amended to read as follows:

““Director” means the Director or Interim Director of the City’s Housing and Community Department or their designee.”

(d) The definition of “Reimbursement Funds” under Article II of the AROGA, entitled “Definitions,” is deleted in its entirety.

(e) The definition of “Reserve Funds” under Article II of the AROGA, entitled “Definitions,” is deleted in its entirety.

(f) Paragraph 3.1 under Article III of the AROGA, entitled “Purpose of Grant,” is amended to read as follows:

Purpose. The Purpose of this the Grant is to fund the reimbursement of (i) Administrative Costs so that HLB will have the organizational capacity and funding for operational costs to perform its duties to acquire, hold, market and maintain Property held pursuant to the Acquisition and Development Agreement and/or its other programs and to provide Affordable Housing, and (ii) Program Delivery Costs incurred by HLB. The Grant Funds provided by this Grant are not intended to reimburse direct costs incurred to acquire property, which will be paid from the ADA Grant or other sources. HLB shall, subject to the availability of funds and the limitations of this AROGA, engage in the following activities for Affordable Housing Purposes:”

(g) Paragraph 4.1 under Article IV of the AROGA, entitled “Time of Performance, Supplemental Funding, Termination,” is amended to read as follows:

“Term. The term (“Term”) of this AROGA shall commence on the date of countersignature by the City Controller (“Effective Date”) and shall end on the earlier of (i) four (4) years from the Effective Date or (ii) sixty (60) days following the date on which the Grant Funds have been fully expended (“Fund Depletion Termination Date”), unless extended or sooner terminated as provided for in this AROGA. At his sole election, the Director may extend the Fund Depletion Termination Date by up to ninety (90) days by providing HLB with written notice thereof at least ten (10) days prior thereto. All requests for reimbursement of funds from HLB must be submitted to the City within 30 days following the end of the Term and shall cover costs and expenses incurred and paid during the Term. The functions or services to be reimbursed under this AROGA shall be completed by HLB prior to the end of the Term as described above.”

(h) Paragraph 4.2 under Article IV of the AROGA, entitled “Time of Performance, Supplemental Funding, Termination,” is amended to read as follows:

“Funds Expenditure Notice and Funding Increase Request. HLB shall notify the City at least 60 days before it expects to have fully expended the funds that have been appropriated or allocated to the Grant pursuant to Section 5.6 and may request that the Grant Funds be increased to cover Administrative Costs and Program Delivery Costs. HLB may request an increase in Grant Funds no more than once per HLB’s fiscal year for additional funding for the following fiscal year, which the City may, but is not obligated to, grant pursuant to Section 5.6.”

(i) Paragraph 5.4 under Article V of the AROGA, entitled “Funding”, is amended to read as follows:

“Funding Structure. As set forth in Sections 1.1 and 1.2, the maximum amount of the Grant Funds for FY2022 is **\$1,782,213.00**, which shall be available to HLB for reimbursement of Administrative and Program Delivery Costs.”

(j) Paragraph 5.5 under Article V of the AROGA, entitled “Funding”, is amended to read as follows:

“Grant Funding Procedure. Subject to the limit of appropriation set forth in Section 5.6, the City will transfer to HLB as reimbursement the portion of Grant Funds substantiated by a funding request from HLB to the City, supporting invoices, and adequate back-up materials to support the Administrative Costs or Program Delivery Costs, as identified in the approved budget, within 30 days after the City’s receipt of all said request, invoices, and back-up materials. . HLB shall submit its funding requests no more than once each calendar month. Acquisition Administrative Fees (as defined in the ARADA) and Sales

Administrative Fees (as defined in the ARADA) that HLB receives during the period covered by its request for payment shall be set forth in the request and, pursuant to the MOU (Exhibit "E" to the ARADA), shall reduce the amount to be paid pursuant thereto. Costs that have been paid from another source shall not be included in invoices or requests for payment under this AROGA. HLB will provide the Director with an annual budget detailing the Administrative Costs and Program Delivery Costs for which HLB expects to seek reimbursement, associated with administrative and operational management of HLB, which HLB may amend from time to time to provide for Administrative Costs that were unforeseen at the time the initial budget was provided to the City. The annual budget and any amendment thereof shall be subject to the Director's written approval."

(k) Paragraph 5.6 under Article V of the AROGA, entitled "Funding", is amended to read as follows:

Limit of Appropriation. Notwithstanding anything to the contrary herein, HLB understands that the City's obligation for payment and reimbursement under this AROGA, if any, is limited to the TIRZ Affordable Housing Funds allocated to this AROGA in accordance with the provisions of this Section; unless adequate funds are received, the City shall have no obligation to provide the funds, or pay or reimburse HLB. HLB must look to these allocated funds only and to no other funds for the City's payment or reimbursement under this AROGA and that the City is permanently excused from making payments or reimbursements due under this AROGA if, for whatever reason there is a lack of funds or if the City does not allocate and appropriate (if necessary) funds for this AROGA. The City's duty to pay money or reimburse HLB under this AROGA is limited in its entirety by the provisions of this Section 5.6.

"In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated **\$1,782,213.00** of TIRZ Affordable Housing Funds for the current fiscal year 2022 to pay money under this AROGA (the "Current Allocation"), as may be amended. The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this AROGA ("Supplemental Allocation"), but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:"

(l) The name "Anne Haynes" in Article X of the AROGA, entitled "Address and Notices," is hereby replaced with the name "Christa Stoneham," and HLB's street address, 1919 Decatur Street, Houston, Texas 77007, is hereby replaced by "4450 Harrisburg Boulevard, Suite 432, Houston, Texas 77011."

(m) The following Paragraphs 15.19, 15.20, and 15.21 under Article XV of the AROGA, entitled “Miscellaneous Provisions”, are added in their entirety:

“15.19 **Anti-Boycott of Energy Companies**. HLB certifies that it is not currently engaged in, and agrees for the duration of this AROGA not to engage in, the boycott of energy companies as defined by Section 809.001 of the Texas Government Code.”

“15.20 **Anti-Boycott of Firearm Entities or Firearm Trade Associations**. HLB certifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, or will not discriminate against a firearm entity or firearm trade association for the duration of this AROGA, as defined by Section 2274.001 of the Texas Government Code.”

“15.21 **Certification of No Business with Foreign Terrorist Organizations**. For purposes of Section 2252.152 of the Code, HLB certifies that, at the time of this AROGA neither it nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of HLB, is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Code as an entity known to have contracts with or provide supplies or to a foreign terrorist organization.”

(n) **EXHIBIT “A”** (Budget) of the AROGA is hereby amended to add **EXHIBIT “A-1”**, attached hereto and incorporated herein to apply to Fiscal Year 2022, and all references to **EXHIBIT “A”** in the AROGA shall also refer to **EXHIBIT “A-1”**.

1.4 **Ratification and Reaffirmation**. The City and HLB hereby ratify and reaffirm all the terms and conditions of the AROGA and this First Amendment, and each hereby acknowledge that the AROGA remains in full force and effect, as so amended.

1.5 In the event of a conflict between the AROGA and this First Amendment, this First Amendment shall prevail.

IN WITNESS WHEREOF, the City and HLB have executed this First Amendment in multiple originals, each of equal force, to be effective as of the date of countersignature by the City Controller as set forth below.

[SIGNATURE PAGE FOLLOWS]

Signature Authority. The parties have executed this First Amendment in multiple copies, each of which is an original. Each person signing this First Amendment represents and warrants that they are duly authorized and have legal capacity to execute and deliver this First Amendment. Each party represents and warrants to the other that the execution and delivery of this First Amendment and the performance of such party's obligations hereunder have been duly authorized and that the First Amendment is a valid and legal agreement binding on such party and enforceable in accordance with its terms. The Parties hereby agree that each Party may sign and deliver this First Amendment electronically or by electronic means and that an electronic transmittal of a signature, including but not limited to, a scanned signature page, will be as good, binding, and effective as an original signature.

HLB:

HOUSTON LAND BANK

DocuSigned by:
Mathew Zeis
By: _____
Name: Mathew Zeis
Title: Chairman of the Board

DS

CITY:

AL/ATTEST:



DocuSigned by:
Pat Jefferson-Daniel

City Secretary

APPROVED:

DocuSigned by:
Keith W. Bynam

Keith W. Bynam, Interim Director
Housing and Community Development
Department

APPROVED AS TO FORM:

DocuSigned by:
David Chang

Senior Assistant City Attorney
LD. No. 0292001015002

CITY OF HOUSTON, TEXAS

DocuSigned by:
Dylan Linn

Mayor

COUNTERSIGNED:

DocuSigned by:
Brenda Bonham

DocuSigned by:
Lenard Polk

Controller

COUNTERSIGNATURE DATE:

3/15/2022

EXHIBIT "A-1"
BUDGET

Exhibit A-1

HOUSTON LAND BANK
Proposed Budget FY2022

Account	FY2021 Annualized	FY2021 Approved Budget	FY2022 Proposed Budget
HLB Traditional Disp Proceeds	1,203,449	1,200,000	937,500
A&D Disposition Proceeds	7,931,432	4,939,503	703,988
Operational Reimbursement	1,403,107	1,820,817	1,782,213
Administrative Fees	157,841	135,000	93,750
Interest Income	427	2,634	3,000
Outside Sources Other	25,000	-	189,000
Total Revenues	\$ 10,721,255	\$ 8,097,954	\$ 3,709,451
Salaries & Fringe	693,439	753,050	983,212
Legal Fees	154,888	113,836	100,000
Professional Services	197,602	284,798	197,800
Lot Maintenance	509,617	536,650	502,666
Software & Subscriptions	77,331	123,660	57,740
Office Rent	58,500	65,700	47,700
Other (Insurance, Car Lease, and Supplies)	5,604	74,523	50,937
Grant Expenditures	-	-	189,000
HLB Traditional Acquisitions	49,850	250,000	725,000
HLB Traditional Disposition Cost	477,509	500,000	515,625
NHDP Disposition Cost	180,452	991,408	328,988
A&D Acquisitions	231,146	370,906	-
Total Expenditures	\$ 2,635,939	\$ 4,064,531	\$ 3,698,668
Excess (Deficit) of Revenues over Expenditures	\$ 8,085,317	\$ 4,033,423	\$ 10,784
Change in Fund Balance			
Estimated Beginning of Year	4,361,515	4,361,515	12,446,832
Estimated End of Year	\$ 12,446,832	\$ 8,394,938	\$ 12,457,615

Operational Agreement
Request

Controller's Office

To the Honorable Mayor and City Council of the City of Houston:

I hereby certify, with respect to the money required for the contracts, agreements, obligation or expenditure contemplated by the ordinance set out below that:

- () Funds have been encumbered out of funds previously appropriated for such purpose.
- () Funds have been certified and designated to be appropriated by separate ordinance to be approved prior to the approval of the ordinance set out below.
- () Funds will be available out of current or general revenue prior to the maturity of any such obligation.
- () No pecuniary obligation is to be incurred as a result of approving the ordinance set out below.
- () That the money required for the expenditure or expenditures specified below is in the treasury, in the fund or funds specified below, and is not appropriated for any purposes.
- () A certificate with respect to the money required for the expenditure or expenditures specified below is attached hereto and incorporated hereby by this reference.
- () Other - Grant Funds Available

C. B. Brown
City Controller

Date: 3-8, 2022

City Controller of the City of Houston

SC FUND REF: 2409 3200 500 159 AMOUNT: \$ 1,702,213.00 ENCUMB. NO.: FR 3. 4635

Q FMBBI-837297
OA 46-16042

ORD. 2022-186

City of Houston, Texas, Ordinance No. 2022 - 186

AN ORDINANCE APPROVING AND AUTHORIZING A FIRST AMENDMENT TO THE AMENDED AND RESTATED OPERATIONS GRANT AGREEMENT BETWEEN THE CITY OF HOUSTON AND THE HOUSTON LAND BANK; PROVIDING AN INCREASED GRANT AMOUNT TO REIMBURSE COSTS FOR OPERATIONS AND PROGRAM DELIVERY ACTIVITIES FOR FISCAL YEAR 2022; SETTING A MAXIMUM CONTRACT AMOUNT; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EMERGENCY.

* * *

WHEREAS, pursuant to Chapter 311 of Vernon's Texas Tax Code Annotated, entitled the "Tax Increment Financing Act" (the "Act"), the City has designated certain areas within the City of Houston (the "City") as Tax Increment Reinvestment Zones ("TIRZs") in order to promote the development or redevelopment of those areas; and

WHEREAS, Section 311.011 (f) of the Act requires that one-third (1/3) of the tax increment collected by each petition-created TIRZ be dedicated to providing affordable housing ("Affordable Housing Component"); and

WHEREAS, certain TIRZs have transferred their Affordable Housing Component to the City to administer; and

WHEREAS, the City Controller has created a Low-Income Housing Fund ("Fund 872"), which fund is now called the TIRZ Affordable Housing Fund ("Fund 2409"), in which the Affordable Housing Component from each participating TIRZ is deposited; and

WHEREAS, the City's Housing and Community Development Department ("HCDD") currently administers the City's affordable housing program; and

WHEREAS, pursuant to Ordinance Number 99-448 passed and adopted by the City Council of the City ("City Council") on May 19, 1999, as amended, the City has designated all funds placed in Fund 2409 (formerly Fund 872), as certified by the City Controller from time to time, for use by HCDD for low-income housing purposes; and

WHEREAS, pursuant to Ordinance 2021-12, passed and adopted by the City Council on January 5, 2021, the City Council authorized the appropriation of up to \$15,464,067.17 from Fund 2409 for Affordable Housing Activities, including \$4,890,217.00 for Single Family Activities ("Single Family Activities Funds"); and

WHEREAS, pursuant to Resolution No. 99-059, passed and adopted by City Council on October 27, 1999, the creation of the Land Assemblage Redevelopment Authority ("LARA") was authorized to aid, assist and act on behalf of the City in the performance of its governmental functions to engage in the acquisition, assemblage,

management, maintenance, and disposition of tax delinquent properties to promote the common good and general welfare of the residents of the City of Houston; to promote and encourage the development or redevelopment of blighted, abandoned or vacant properties within the City; to improve the neighborhoods affected by such blighted, abandoned or vacant property and improve the quality of life for the citizens residing therein; to promote, develop, encourage and maintain safer and cleaner living conditions within the City and the affected neighborhoods and provide a means for the economic redevelopment in the City of Houston; and to perform the other purposes described in the Articles of Incorporation of HLB; and

WHEREAS, pursuant to Ordinance Number 2018-598, passed and adopted by City Council on July 25, 2018, LARA's name was authorized to be changed to "Houston Land Bank" ("HLB") and its Certificate of Formation was authorized to be amended to state that it was organized for the purpose of reclaiming vacant, abandoned, and deteriorated properties on behalf of the City in the performance of its governmental functions to promote the common good and welfare of the City. On behalf of the City, HLB is also organized to undertake one or more projects to include, without limitation, the strategic acquisition, assemblage, management, marketing, development, and disposition of properties throughout the City, and to create one or more programs to include, without limitation, the development of affordable housing, workforce housing, grocery stores, retail space, green space, and other community programs that stimulate economic development and create jobs as part of the Complete Communities Initiative or as otherwise directed by the Mayor of the City with the approval of City Council; and

WHEREAS, HLB's current activities are conducted solely for the provision of Affordable Housing in compliance with Section 311.011(f) of Chapter 311 of Vernon's Texas Tax Code Annotated, entitled the "Tax Increment Financing Act" ("Affordable Housing Purposes") and HLB has agreed to notify the City if it expects to conduct activities for purposes other than Affordable Housing and that TIRZ funds shall not pay for costs that are not incurred for Affordable Housing Purposes; and

WHEREAS, HLB's revenues are not sufficient to cover costs associated with its administrative management, including but not limited to oversight and maintenance of property inventory, planning accounting, legal services and other professional services which are incurred for Affordable Housing Purposes (Administrative Costs and Program Delivery Costs") but which are not paid with funds from the grant provided by the Land Assembly and Development Grant Agreement ("ADA Grant Agreement") or pursuant to the Acquisition and Development Agreement, as amended, which were initially authorized pursuant to Ordinance 2018-692, passed and adopted by City Council on August 29, 2018; and

WHEREAS, pursuant to Ordinance Number 2020-281, passed and adopted by the City Council on April 1, 2020, the City entered into an Operations Grant Agreement with HLB (the "Grant Agreement") to provide a grant (the "Grant") of Single Family Activities Funds in the amount of up to \$2,000,000.00 to HLB to cover Administrative

and Program Delivery Costs (as defined in the Grant Agreement) incurred in providing affordable housing; and

WHEREAS, pursuant to Ordinance Number 2021-209, passed and adopted by the City Council on March 24, 2021, the City entered into an Amended and Restated Operations Grant Agreement ("AROGA") to extend the term of the agreement and increase the Grant of Single Family Activities Funds in the amount of up to \$1,820,817.00 to HLB to cover Administrative and Program Delivery Costs (as defined in the AROGA) incurred in providing affordable housing; and

WHEREAS, HLB now requires additional funding to continue its operations and to cover certain Administrative Costs and Program Delivery Costs to develop affordable housing; and

WHEREAS, HBL and the City desire to amend the AROGA to increase the Grant of Single Family Activities Funds; and

WHEREAS, the City's HCDD recommends that the City Council approve this First Amendment to the AROGA to provide to HLB an increase to the Grant of Single Family Activities Funds for fiscal year 2022 in an amount not to exceed \$1,782,213.00, which shall be paid from TIRZ funds previously appropriated for Single Family Activities by the City Council pursuant to Ordinance Number 2021-12, to cover Administrative Costs and Program Delivery Costs (as defined in the AROGA) incurred in providing affordable housing; and

WHEREAS, HCDD has determined that the Administrative Costs and Program Delivery Costs that will be reimbursed pursuant hereto will provide affordable housing as required by Chapter 311 of the Texas Tax Code; and

WHEREAS, the City Council finds that the activities under the AROGA will provide affordable housing in accordance with Texas Tax Code Section 311.011(f).
NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the City Council hereby finds and determines that the facts and recitals contained in the preamble of this Ordinance are true and correct and hereby adopts the recitals set forth above.

Section 2. That the City Council hereby approves and authorizes the contracts, agreements, or other undertakings described in the title of this Ordinance, in substantially the form as shown in the documents which are attached hereto and incorporated herein by this reference. The Mayor is hereby authorized to execute such document and all related documents on behalf of the City. The Interim City Secretary is hereby authorized to attest to all such signatures and to affix the seal of the City to all such documents. The City Attorney is hereby authorized to take all action necessary to enforce legal obligations under said contract without further authorization from City

Council. The Director or Interim Director of the Housing and Community Development Department or their designee is hereby authorized to execute ministerial or supplementary documents on behalf of the City of Houston without further authorization from City Council.

Section 3. That the grant amount to reimburse costs for operations and program delivery activities for this contract, agreement or other undertaking will be increased for fiscal year 2022, but shall not exceed **\$1,782,213.00**, unless and until this sum is increased by ordinance of City Council during fiscal year 2022.

Section 4. That, based on operations and activities, the grant amount may increase after fiscal year 2022, but the total allocation for the contract, agreement or other undertaking approved and authorized hereby shall never exceed **\$9,203,030.00**, unless and until this sum is increased by ordinance of City Council.

Section 5. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 9th day of March, 2022.

APPROVED this _____ day of _____, 2022.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is MAR 1, 2022.

DS
03

[Signature]
City Secretary

DocuSigned by:
David Chang
8D06B092B9E3407...

Prepared by Legal Dept. _____
Sr. Assistant City Attorney

(DC/mm/02/11/2022)
Requested by Keith W. Bynam, Interim Director of Housing and Community Development Department
L.D. File No. 0292001015002
FUND REF: \$1,782,213.00
TIRZ Affordable Housing Fund (2409)
z://Real Estate/DCMM/Houston Land Bank/HCD22-8 1st Am to AROGA

Meeting 3/09/2022

Aye	No	
✓		Mayor Turner
....	Council Members
✓		Peck
✓		Jackson
✓		Kamin
✓		Evans-Shabazz
✓		Martin
✓		Thomas
✓		Huffman
✓		Cisneros
✓		Gallegos
✓		Pollard
✓		Castex-Tatum
✓		Knox
✓		Robinson
✓		Kubosh
✓		Plummer
✓		Alcorn
Caption	Adopted	

Captions Published in DAILY COURT REVIEW

Date: 3/15/2022