



City of Killeen

Agenda

Killeen Public Facility Corporation

Tuesday, July 27, 2021

City Hall
Council Chambers
101 N. College Street
Killeen, Texas 76541

ANNUAL MEETING OF THE KILLEEN PUBLIC FACILITY CORPORATION IMMEDIATELY FOLLOWING THE REGULAR CITY COUNCIL MEETING

Call to Order

Roll Call

Directors

___ Jose Segarra, Mayor	___ Nina Cobb
___ Debbie Nash-King	___ Jessica Gonzalez
___ Michael Boyd	___ Ken Wilkerson
___ Mellisa Brown	___ Rick Williams

City Staff

___ Kent Cagle, City Manager
___ Traci Briggs, City Attorney

Approval of Agenda

Citizen Comments

This section allows members of the public to address the Board regarding any item(s), other than a public hearing item, on the agenda for the Board's consideration. Each person shall sign up in advance, may speak only one time, and such address shall be limited to three (3) minutes. The Presiding Officer may allow a one (1) minute extension, if requested at the end of the original three (3) minute period. No other extensions will be allowed.

Approval of Minutes

1. [PFC-4](#) Consider Minutes of the Killeen Public Facility Corporation Meeting of February 2, 2021.
Attachments: [Minutes](#)

Agenda Items

2. [PFC-5](#) Election of Officers

3. [PFC-6](#) Receive Project Update

Attachments: [Presentation](#)

Adjournment

I certify that the above notice of meeting was posted on the Internet and on the bulletin boards at Killeen City Hall and at the Killeen Police Department on or before 5:00 p.m. on July 23, 2021.

Lucy C. Aldrich, City Secretary

The public is hereby informed that notices for City of Killeen meetings will no longer distinguish between matters to be discussed in open or closed session of a meeting. This practice is in accordance with rulings by the Texas Attorney General that, under the Texas Open Meetings Act, the City Council may convene a closed session to discuss any matter listed on the agenda, without prior or further notice, if the matter is one that the Open Meetings Act allows to be discussed in a closed session.

This meeting is being conducted in accordance with the Texas Open Meetings Law [V.T.C.A., Government Code, § 551.001 et seq.]. This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for those services, please call 254-501-7700, City Manager's Office, or TDD 1-800-734-2989.



City of Killeen

Legislation Details

File #: PFC-4 **Version:** 1 **Name:** Minutes of the Killeen Public Facility Corporation Meeting of February 2, 2021

Type: Agenda Items **Status:** Minutes

File created: 7/19/2021 **In control:** Killeen Public Facility Corporation

On agenda: 7/27/2021 **Final action:**

Title: Consider Minutes of the Killeen Public Facility Corporation Meeting of February 2, 2021.

Sponsors: City Council

Indexes:

Code sections:

Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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City of Killeen
Killeen Public Facility Corporation
City Hall Council Chambers
February 2, 2021 at 5:00 p.m.

Presiding: Jose L. Segarra

Attending: Shirley Fleming (via video conference), Debbie Nash-King, Steve Harris, Ken Wilkerson, Rick Williams, and Mellisa Brown

Also attending were City Manager Kent Cagle, City Attorney Traci Briggs

Vacant: District 3 Seat

Approval of Agenda

Motion was made by Ms. Fleming to approve the agenda as written. Motion seconded by Mr. Harris. The motion carried unanimously.

Citizen Comments

No citizens signed up to speak.

Agenda Items

1. Consider approval of Bylaws of the Killeen Public Facility Corporation.

Motion was made by Ms. Brown to approve the bylaws adding that the board have the opportunity to review any documents prior to being signed and submitted by the Assistant Secretary. Motion was seconded by Ms. Nash-King. Following discussions, Ms. Nash-King withdrew her second with no second, the motion dies.

Motion was made by Ms. Brown to approve the bylaws with the addition that the board shall review and approve any documents not specifically outlined in the term sheet and that all documents shall be made available to the board for review within 24 hours of after signing. Legal Counsel Plummer recommended that the board consider addressing this specific concern in the upcoming review of agenda item #3, the resolution. Any changes to the bylaws would need to go back to city council for review and adoption of amendments. With no second to Ms. Brown's motion, the motion dies.

Motion was made by Ms. Nash-King to approve the bylaws as written. Motion was seconded by Ms. Fleming. Motion carried 5 to 1 with Ms. Brown in opposition.

2. Election of Officers

Motion was made by Mr. Wilkerson to appoint Ms. Brown as President. Motion was seconded by Mr. Williams. The motion carried unanimously.

Motion was made by Mr. Harris to appoint himself as Vice President. Motion was seconded by Ms. Fleming. The motion carried unanimously.

Motion was made by Ms. Nash-King to appoint Executive Director of Finance Jon Locke as Treasurer. Motion was seconded by Mr. Wilkerson. The motion carried unanimously.

Motion was made by Mr. Williams to appoint Executive Director of Community Development Leslie Hinkle as Secretary. Motion was seconded by Ms. Fleming. The motion carried unanimously.

3. Consider a resolution authorizing the North Killeen Apartments transaction with the NRP Group, including all documentation necessary to carry out the transaction.

Motion was made by Ms. Brown to approve the resolution adding that the board shall review and approve any documents not specifically outlined in the term sheet and that all documents shall be made available to the board for review within 24 hours after signature. Motion was seconded by Mr. Wilkerson. Mr. Wilkerson requested to amend the motion adding language consistent with the term sheet in Section 2 of the resolution. Motion was seconded by Ms. Nash-King. Following discussions, Ms. Nash-King withdrew her second and Mr. Wilkerson withdrew his request to amend the motion. Mr. Wilkerson further withdrew his second to the motion and Ms. Brown withdrew her motion.

Motion was made by Ms. Brown to approve the certificate for resolution with the following additions: under Section 2 that the secretary may approve any documents consistent with the term sheet; that all documents shall be made available to the board for review within 24 hours after signing; and that the name of the KPFC North Killeen, LLC be added to the term sheet. Motion was seconded by Ms. Nash-King. Motion carried unanimously.

Adjournment

With no further business, upon motion being made by Mr. Wilkerson, seconded by Mr. Harris, and unanimously approved, the meeting was adjourned at 5:50 p.m.

Mellisa Brown, President

Leslie Hinkle, Secretary



City of Killeen

Legislation Details

File #: PFC-5 **Version:** 1 **Name:** Election of Officers
Type: Agenda Items **Status:** Agenda Item
File created: 7/19/2021 **In control:** Killeen Public Facility Corporation
On agenda: 7/27/2021 **Final action:**
Title: Election of Officers
Sponsors: City Attorney Department
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: PFC-6 **Version:** 1 **Name:** Receive Project Update
Type: Agenda Items **Status:** Agenda Item
File created: 7/19/2021 **In control:** Killeen Public Facility Corporation
On agenda: 7/27/2021 **Final action:**
Title: Receive Project Update
Sponsors: City Attorney Department
Indexes:
Code sections:
Attachments: [Presentation](#)

Date	Ver.	Action By	Action	Result
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KILLEEN MULTIFAMILY PFC

A partnership between
The NRP Group & the City of Killeen

Site Plan



Elevations



SW 7674
Peppercorn
Interior / Exterior
Location Number: 238-C7

SW 7650
Ellie Gray
Interior / Exterior
Location Number: 238-C6

SW 9166
Drift of Mist
Interior / Exterior
Location Number: 238-C2



STUDIO SCHAFFER

Public Facility Corporation (PFC) Refresh

- City of Killeen formed PFC in January 2021
- City of Killeen PFC approved the project in February 2021
- NRP is currently under contract to purchase the property
- At Closing (Estimated November 2021), title to the property is conveyed to the PFC and contemporaneously a 75 year lease is signed between the PFC and the developer Joint Venture (JV) entity
- NRP builds the project – at completion the PFC is the owner of the land and the improvements, but the project is encumbered by the lease allowing the JV to operate the project

City / PFC Benefits

- Affordability – 50% of units reserved for moderate income citizens, Killeen incomes ranging from \$35,000 - \$50,000 (HUD published for Bell County)
- Economic Development – High quality new construction in North Killeen
- Financial
 - Origination Fee paid at Closing = \$350,000
 - Sales Commission at Initial Sale = \$250,000
 - 15% carried interest in the JV entity (share in cash flow once equity investors receive a 10% preferred return), based on project performance (see next slide for forecasted cash flow)
 - 3.5 Acres of Commercial Land not to be encumbered by the lease (+/- \$300,000)
 - \$82,000 payment at Closing to City Parks Department for Conder Park

City / PFC Benefits

- Cash Flow from 15% carried interest (assuming JV holds 10 Years)
 - Year 1: \$350,000 (origination fee)
 - Year 2 & 3: \$0 (construction/lease-up)
 - Year 4: \$202,869
 - Year 5: \$212,702
 - Year 6: \$222,663
 - Year 7: \$101,994 (I/O Period of Loan Ends, Amortization begins)
 - Year 8: \$112,213
 - Year 9: \$122,562
 - Year 10: \$133,041 + \$250,000 sales commission

Project Financing Update

- Project Cost = \$52,053,387
- Cash Equity (35%) = \$18,223,936 (JP Morgan + NRP)
- Construction Loan (65%) = \$33,844,452 (Texas Capital Bank)
- PFC takes no liability on the project (both from a construction standpoint and from a loan guarantee standpoint)
- PFC doesn't fund any of the development costs

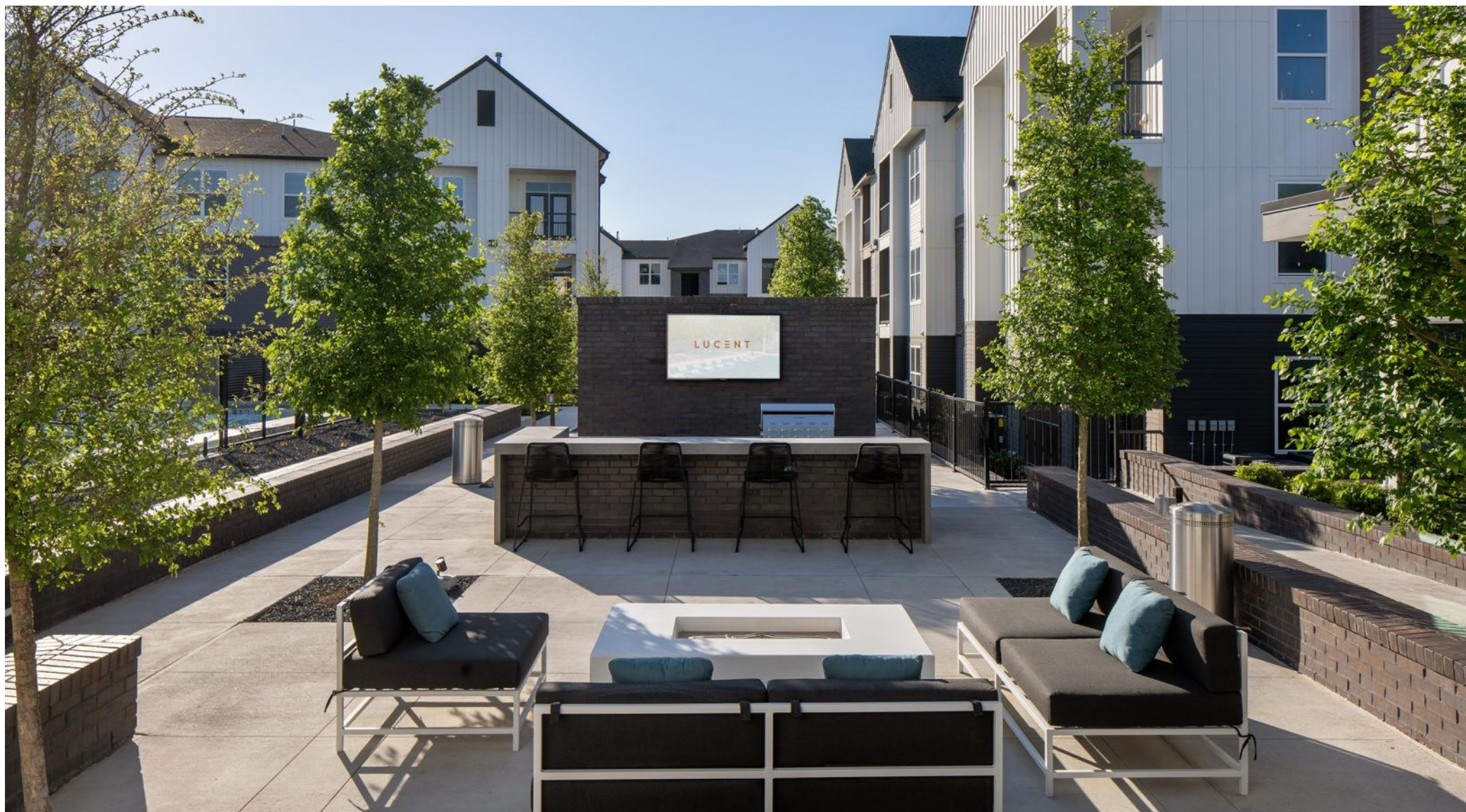
Design and Permitting Update

- PUD Zoning - Approved in January 2021
- Final Plat – Approved by P&Z, recordation in August/September
- Land Disturbance Permit – In review, anticipated approval August
- Civil Site Development Permit – In review, anticipated approval October
- Building Permit – In review, anticipated approval October



LUCENT PHOTOGRAPHY

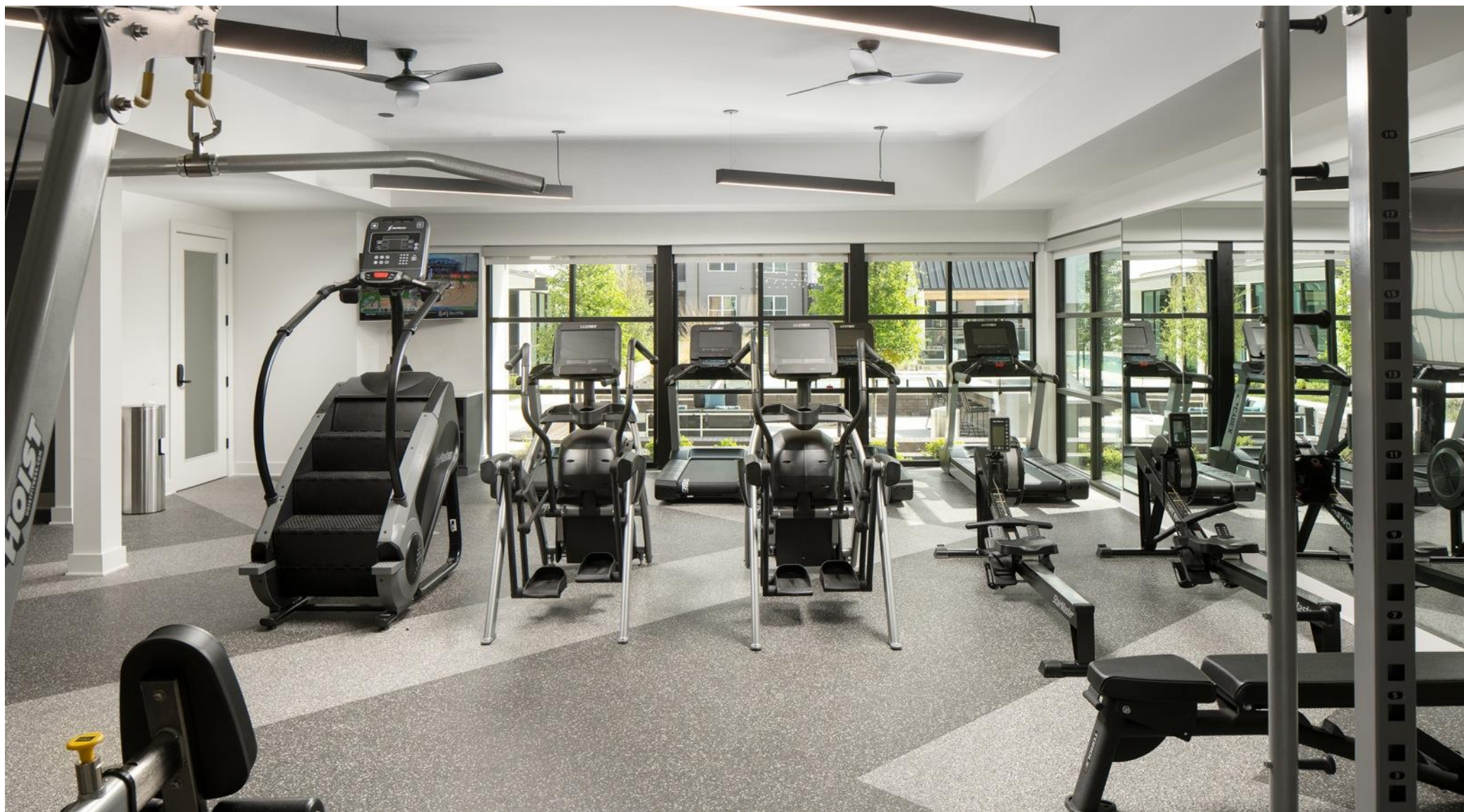


















THANK YOU