

PASSED

IN THE BOARD OF COMMISSIONERS OF THE
HOUSING AND COMMUNITY SERVICES AGENCY
OF LANE COUNTY, OREGON

ORDER
08-2-6-1H

)In the Matter of Authorizing the Executive Director or Deputy Director to
)Create the Roosevelt Crossing Limited Partnership and to Acquire a
)Parcel on Elmira Road in Eugene to Develop Transitional Housing for
)Ex-Offenders with Sponsors, Inc.

WHEREAS, the Housing Authority and Community Services Agency (HACSA) was duly formed to address needs in the community for affordable housing for low-income households; and

WHEREAS, the Housing Authority and Community Services Agency (HACSA) wishes to assist in the development of affordable transitional housing targeted to ex-offenders; and

WHEREAS, ORS 456.120 includes in the Powers of Authority as a Public Corporation the authority to enter in a partnership agreement with an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire or operate a housing project; and

NOW IT IS THEREFORE ORDERED THAT:

- (1) That The Executive Director Or The Deputy Director Is Authorized To Create The Roosevelt Crossing Limited Partnership (As Organized By The Draft Partnership Agreement Provided In Exhibit "A" And Incorporated By This Reference), And That HACSA Shall Proceed To Act As The General Partner Of The Roosevelt Crossing Limited Partnership; and
- (2) That HACSA Shall Acquire From Sponsors The Real Property Specifically Described In Exhibit "B" In Eugene, Oregon And That The Executive Director Or The Deputy Director Is Authorized To Take Such Actions As Necessary To Carry Out This Acquisition.

DATED this 6th day of February, 2008


Chair, HACSA Board of Commissioners

**AGREEMENT OF LIMITED PARTNERSHIP
OF
ROOSEVELT CROSSING LIMITED PARTNERSHIP
(an Oregon limited partnership)**

GENERAL PARTNER: Housing Authority and Community Services Agency of Lane County.

LIMITED PARTNER: Sponsor's, Inc., an Oregon nonprofit corporation.

AGREEMENT

THIS AGREEMENT is made and entered into by and between the General Partner and the Limited Partner effective as of the date set forth in Section 5, below.

1. **Formation.** Commencing as of the effective date set forth in Section 5, below, the parties hereby form a limited partnership (the "Partnership") on the terms and conditions set forth in this agreement, pursuant to the provisions of the Oregon Uniform Limited Partnership Act (the "Act"). The General Partner is authorized to admit additional limited partners without causing dissolution of the Partnership, on such terms and conditions as the General Partner deems appropriate. Unless otherwise specified, references in this agreement to "Partner" or "Partners" shall mean the General Partner and the Limited Partner.

2. **Name.** The name of the Partnership shall be Roosevelt Crossing Limited Partnership.

3. **Purpose.** It is the purpose of the Partnership to construct and lease apartment units affordable to persons of low-income in the development known as the Sponsors Transitional Housing located in Eugene, Oregon; to make and perform related contracts and undertakings, and to engage in any and all activities and transactions as may be necessary or advisable in connection therewith; and to engage in any other lawful activities for which a limited partnership may be organized, not inconsistent with the foregoing.

4. **Registered and Principal Office and Agent for Service of Process.**

4.1 **Designation.** The initial registered office and principal place of business of the Partnership will be 177 Day Island Road, Eugene, Oregon 97401. The initial registered agent of the Partnership, whose business office is identical with the registered office, shall be Chris Todis. The General Partner may designate other places of business for the Partnership and change the registered office and registered agent of the Partnership. The registered office may, but need not, be the same place as the Partnership's place of business. The business office of the registered agent shall at all times be identical with the

registered office of the Partnership. The General Partner shall promptly notify the remaining Partners of any change in the Partnership's place of business or registered office.

4.2 **Service.** The registered agent of the Partnership shall be an agent of the Partnership and of the General Partner. Any process, notice or demand which arises out of the conduct of the affairs and business of the Partnership and which is required or permitted by law to be served upon the Partnership or the General Partner may be served upon the registered agent.

5. **Term.** The Partnership shall commence as of the date the Certificate of Limited Partnership is filed with the Corporation Division of the State of Oregon, and shall continue until the date specified in the Certificate of Limited Partnership unless earlier terminated in accordance with this Agreement.

6. **Capital of the Partnership.** The General Partner shall contribute \$10 in cash, and the Limited Partner shall contribute \$1 in cash to the capital of the Partnership. Each contribution shall be fully paid and contributed to the Partnership as of the date of formation.

7. **Limitation of Liability.** Except as required by law, the Limited Partner shall not be personally liable for any indebtedness, liability, or loss of the Partnership solely by reason of being a limited partner. A Partner shall have liability only for those acts of the Partnership occurring before termination of such Partner's interest in the Partnership, whether by transfer of interest or otherwise.

8. **Capital Accounts.** The Partnership shall maintain an individual capital account for each Partner on a cumulative basis in accordance with applicable provisions of the Internal Revenue Code and Regulations.

9. **Allocation of Taxable Gain, Tax Losses and Distributions.** All taxable gains and tax losses shall be allocated 0.1 percent to the General Partner, and 99.9 percent to the Limited Partner. Distributions of the Partnership's cash available for distribution or other assets to the Partners shall be made in the General Partner's discretion and such distributions shall be made 0.1 percent to the General Partner, and 99.9 percent to the Limited Partner.

10. **Section 704(c) Allocations.**

10.1 In accordance with Section 704(c) of the Internal Revenue Code and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of, the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial Gross Asset Value (computed in accordance with clause (i) of the definition of "Gross Asset Value").

In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to clause (ii) of the definition of "Gross Asset Value," subsequent allocations of income, gain, loss and

deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the General Partner in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 10.1 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

10.2 For the purposes of this Section 10, "Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the contributing Partner and the Partnership;

(ii) The Gross Asset Values of all Partnership Assets may be adjusted to equal their respective gross fair market values, as determined by the General Partner, as of the following times: (a) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis capital Contribution; (b) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership Property as consideration for an interest in the Partnership; and (c) the liquidation of the Partnership within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (a) and (b) above may be made only if the General Partner determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) The Gross Asset Value of any Partnership asset distributed to any Partner shall be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Partnership assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m) and to Section 6.04(h) hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this clause (iv) to the extent the General Partner determines that an adjustment pursuant to clause (ii) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to clause (i), (ii) or (iv) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

11. **Section 754 Adjustments.** To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

12. **Management of the Partnership.** Except as otherwise provided in this Agreement, the management of the Partnership shall be vested in the General Partner. The General Partner shall further have responsibility for the day-to-day management and administrative operation of the Partnership and over all major business decisions (such as those affecting litigation, loans, cash flow and the distribution of the same) including decisions which might prove to make it impossible to carry on the purposes of the Partnership. The General Partner shall not have authority to contravene this Agreement nor require additional capital from the Limited Partner. The General Partner shall not be liable or accountable in damages or otherwise to any of the other Partners for any act or omission performed or omitted in good faith pursuant to the authority granted to the General Partner.

13. **Transfer of Interests.** A Partner's interest in the Partnership shall not be assigned, pledged, sold or otherwise transferred, in whole or in part, without the prior written consent of the General Partner, except as otherwise provided in Section 14 hereof.

14. **Dissolution and Winding Up.** Upon the expiration of the term of the Partnership, or upon written notice to the Partnership by the General Partner, the second General Partner, or the Limited Partner, the Partnership shall be dissolved and the business wound up in accordance with the Act.

15. **Applicable Law.** This agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the state of Oregon.

16. **Meetings of the Partners.** Upon the request of any Partner, the General Partner shall promptly convene a meeting of all the Partners.

IN WITNESS WHEREOF, the Partners have signed this Agreement of Limited Partnership to be effective as of the date first written above.

GENERAL PARTNER

Housing Authority and Community Services Agency of Lane County.

By: _____
Chris Todis, Executive Director Date _____

LIMITED PARTNER

Sponsors, Inc.

Richard Greene, President Date _____

EXHIBIT "B"
LEGAL DESCRIPTION

Tax Lots 300 and 301, Map 17 04 26 24 in Eugene, Oregon