CHARLOTTESVILLE REDEVELOPMENT & HOUSING AUTHORITY

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Residents *FIRST*!

CRHA Resolution No.: 1455

RESOLUTION AUTHORIZING THE SUBMISSION OF A DEMOLITION/DISPOSITION APPLICATION TO THE U.S. DEPARTMENT OF HOUSNG AND URBAN DEVELOPMENT FOR THE SIXTH STREET PHASE 1

WHEREAS the Board of Commissioners (the "Board") of Charlottesville Redevelopment and Housing Authority ("CRHA" or the "Authority") has formed such limited liability companies, corporations and other entities as may be necessary or desirable to facilitate the renovation of the Sixth Street Phase 1 apartments, located at 707 Sixth Street in the City of Charlottesville (the "Property"); and

WHEREAS, Sixth Street Phase 1 is a public housing development currently consisting of 24 units in 4 residential building, and one community center, situated on 4.34 acres; and

WHEREAS, Sixth Street Phase 1 is currently subject to a Declaration of Trust between the U.S. Department of Housing and Urban Development ("HUD") and CRHA; and

WHEREAS, CRHA, working in tandem with the Resident Advisory Board (the Public Housing Association of Residents ("PHAR"), seeks to demolish 1 resdiential building known as the existing 707 Sixth Street improvements and redevelop the site with 47 low-income rental housing apartment building (hereinafter collectively referred to as the "Project"); and

WHEREAS, CRHA has applied to Virginia Housing, formerly known as Virginia Housing Development Authority ("VHDA"), for Low-Income Housing Tax Credits ("LIHTC") for the Project and Virginia Community Development Corporation ("VCDC") has offered to contribute equity to the Project in return for a limited partnership interest therein; and

WHEREAS, as part of the financing structure necessary for the use of LIHTC, Sixth Street Phase 1 LLC, a Virginia limited liability company (the "Company"), was created to own the Project, Sixth Street Phase 1 Management LLC, a Virginia limited liability company ("Management Company") was created to serve as the managing member of the Company, and Charlottesville Community Development Corporation, a Virginia corporation ("CCDC") was created to serve as sole member of the Management Company; and

WHEREAS, CRHA serves as the sole shareholder of CCDC; and

WHEREAS, CRHA owns the Property and wishes to ground lease the Property to the Company to facilitate the development of the Project; and

WHEREAS, CRHA, through the special purpose entities identified above, desires to participate in the Project as developer during the construction phase and as property manager upon completion of construction of the housing units; and

WHEREAS, the development costs for the Project will be financed, in part, with LIHTC equity; and

WHEREAS, the Board of Commissioners of the Authority approved the demolition at Sixth Street Phase 1 in an effort to improve the overall community livability; and

WHEREAS, the Authority has held meetings with South First Street Phase Two residents and the Resident Advisory

Board to receive input relating to demolition; and

WHEREAS, the relocation resources are decent, safe and sanitary with rents no higher than those permitted by the Uniform Relocation Assistance and Real Property Acquisition Policies Act ("URA"); and

WHEREAS, consultation regarding the proposed demolition has occurred with Mayor Lloyd Snook and local government is supportive of the Project; and

WHEREAS, CRHA desires to assist the Company with the development, financing and operation of the Project and in furtherance thereof, seeks approval for the submission of a HUD Section 18 Demolition and Disposition Application under 24 CFR 970.17(c).

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Charlottesville Redevelopment and Housing Authority as follows:

1. The participation of CRHA in the Project as the sole shareholder of CCDC (the managing member of the Management Company), as landlord under the Ground Lease, as developer, as property manager and as guarantor is hereby approved, and the execution of any agreements and documents evidencing the participation of CRHA in the Project in such capacities is hereby authorized.

2. The execution of the Ground Lease by the Authority in its capacity as landlord is hereby authorized.

3. The Executive Director or his designee is hereby authorized to prepare, execute and submit any and all applications, certifications, agreements and other documents to the U. S. Department of Housing and Urban Development ("HUD"), including but not limited to a HUD Section 18 Demolition and Disposition Application, in conjunction with the Project and to take such other actions and to sign such other documents as he may deem necessary or desirable to carry out the intent of this Resolution.

4. All actions previously taken by the Authority in connection with the transactions contemplated by this Resolution are hereby ratified and approved.

5. This Resolution shall be in effect from and after the date of its adoption.

RESOLVED THIS 24th DAY OF APRIL 2023 BY THE CRHA BOARD OF COMMISSIONERS

Dr. A'lelia Henry	Mr. John Sales
CRHA Board Chair	CRHA Board Secretary