

CHARLOTTESVILLE REDEVELOPMENT & HOUSING AUTHORITY

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CRHA Resolution No.: 1426

July 7, 2020

RESOLUTION AUTHORIZING THE PARTICIPATION OF CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY IN THE RENOVATION AND DEVELOPMENT OF THE SOUTH FIRST STREET PHASE TWO APARTMENTS

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 South First Street Phase Two Apartments, located at 500 S. First Street in the City of Charlottesville (the “Property”) and consisting of 113 low-income rental housing units (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, South First Phase Two LLC, a Virginia limited liability company (the “Company”), was created to own the Project, South First Street Phase Two 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 South First Street Phase Two 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



CRHA does not discriminate on the basis of race, color, sex, age, religion, national origin, disability, veteran status, or union affiliations in any of its federally assisted programs and activities.



WHEREAS, the Board of Commissioners of the Authority supports the South First Street Phase Two renovation and partial demolition.

WHEREAS, CRHA desires to assist the Company with the development, financing and operation of the Project.

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”) to obtain approval for the partial demolition of South First Street Phase Two 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 26th DAY OF July 2021 BY THE CRHA BOARD OF COMMISSIONERS.

CRHA Board Chair

Mr. John Sales
CRHA Board Secretary