



COMMUNITY ROOTS
— HOUSING —

PDA Board Meeting

August 2023

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COMMUNITY ROOTS
— HOUSING —

SECTION 1:
Meeting Keys

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August 2023

Community Roots Housing Board Meeting Keys and Agenda

The Meeting will start at 5:30 PM. Please try to arrive a little early so we can start on time.

As always, reading the Keys in advance of the meeting will provide you with a good overview of the topics to be addressed and voted on.

We will enter executive session as needed pursuant to RCW 42.30.110.

Meeting

Welcome and Introductions, Agenda Review and Other: Board, staff and guests of the Board will make brief introductions. The Chair will review the agenda. Derrick Belgarde will chair the meeting.

Disclosures and Recusals: Board members will review items on the agenda and make any necessary disclosures and recusals.

Consent Agenda: Derrick will present the consent agenda. There are two formal resolutions included in the consent agenda which are described below. Any Board member can remove an item from the consent agenda for full Board consideration. The Board will be asked to adopt the consent agenda.

Resolution 2023-25 – Tort Claim Registered Agent: The Board passed a Tort Claim Registered Agent at the June 2023 meeting naming Sarah as agent. With her departure this resolution names two new agents, Andrew Oommen and Leslie Woodworth. This resolution was presented to and approved by the Executive Committee for inclusion in the consent agenda.

Resolution 2023-24 – Northgate Bond Inducement: This resolution as with all Bond inducement resolutions is prepared by bond counsel and precedes the adoption of the full Bond Issuance and Omnibus resolutions, which will come to the Board next month. The Board shall have the absolute right to rescind this resolution at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable. This resolution was presented to and approved by the PDC for inclusion in the consent agenda.

Omnivorous: Jessica Sherwin will talk about Omnivorous, September 13th.

The 10-minute Lesson: Andrew will present on our Resident Grievance Process.

Public Comment: We will provide up to ten minutes for public comment as needed, or members of the public can place comments in the chat.

Presentations and Discussion

Update from All Staff Meeting: Chris and staff team will re-cap the all staff meeting while focusing on the central themes of centering residents and building a sustainable CRH.

Real Estate Development

Resolution 2023-21 –Pride Place: This resolution requests board approval for creating a new LLC entity to hold the Pride Place retail condominium unit; reaffirms CRH’s assumption of the retail construction loan associated with the retail condo unit; and approves an additional Seattle Office of Housing loan to Broadway LGBTQ Senior LLLP for project cost increases due to the concrete strike. This resolution was written by counsel and approved by the PDC.

Resolution 2023-22 – Rainier and Genesee Acquisition: Resolution creates a single purpose entity for the purchase of Rainier and Genesee land, authorizes a land acquisition loan from a mix of potential funding sources, authorizes the close on acquisition. It is anticipated that the acquisition will happen only if our Office of Housing loan is approved which makes the likelihood of permanent financing greater.

Resolution 2023-23 – Seattle Mennonite Church Project: Funding Applications: This resolution provides approval to submit funding applications for the Seattle Office of Housing, State Housing Trust Fund and King County NOFA’s (Notice of Funds Availability).

Projects Updates

Jazz House. Jason will update on Jazz House. We continue to target September 13 for close and construction start. There are, of course, complications that we will discuss with the Board.

Abu Bakr and potential fee development. Staff will introduce a potential partnership with Abu Bakr based in Tukwila and present the concept of fee development services as an additional way for CRH to partner with community-based organizations in the future.

Finance and Asset Management

Financial Summary: Michelle and Leslie will present the regular report and dashboard through June 2023. As anticipated, cash decreased with several major outflows as detailed in the report. Physical vacancy remains under 5%, but collections remain well beneath where we need to be to remain healthy. We continue to hold expenses down where we can especially administration, technology, consulting, and payroll.

Resolutions for Property Dispositions

Resolution No. 2023-19 – Broadway Disposition and Resolution No. 2023-20 – Park Hill Disposition. Authorize moving these properties forward for disposition. It is our goal to sell the Broadway for affordable home ownership opportunities.

CEO Review Update. The Board will enter executive session under RCW 42.30.110(g) to review the performance of a public employee.

Upcoming Meetings and Events

Please let Carolina know if you'd like additional information on any event or meeting.

- September 4 Labor Day - CRH Holiday
- September 5 Executive Committee Meeting
- September 11 PDA Board Meeting
- September 13 Omnivorous

Board Packet Sections

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2. Meeting Agenda, p. 11-12
3. August 2023 Finance Report, June Statements and Asset Management Report, p. 15-29
4. Resolution 2023-19 – Broadway Sale, p. 33-37
5. Resolution 2023-20 – Park Hill Sale, p. 41-44
6. Resolution 2023-21 – Pride Place, p. 47-56
7. Resolution 2023-22 – Rainier and Genesee Acquisition, p. 59-64
8. Resolution 2023-23 – Seattle Mennonite Church Project: Funding Application, p. 67-70
9. Consent Agenda and Attachments, p. 73-109
 - a. Contracts and Expenditures, p. 73
 - b. July 2023 Board Minutes Draft, p. 74-76
 - c. Fundraising & Communications Memo, p. 77-79
 - d. Resident and Property Success Committee Report, p. 80-81
 - e. Resident Services Report, p. 82-83
 - f. Property Development Committee Report and Minutes, p. 84-89
 - g. Capitol Hill EcoDistrict Report and Minutes, p. 90-92
 - h. July Executive Committee Minutes, p. 93-94
 - i. August Executive Committee Minutes, p. 95-97
 - j. Joint Board Development Committee Report and Minutes, p. 98-99
 - k. Resolution 2023-24 – Northgate Bond Inducement, p. 100-106
 - l. Resolution 2023-25 – Tort Claim Registered Agent, p. 107-109

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COMMUNITY ROOTS
— HOUSING —

SECTION 2:

Agenda

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**COMMUNITY ROOTS HOUSING BOARD
REGULAR MEETING**

August 14, 2023
5:30-7:30 PM

Pike Pine Conference Room and RingCentral
1620 12th Ave Seattle, WA 98122

RingCentral Link

<https://v.ringcentral.com/join/766871424?pw=388912b2be95af96cb38d750761b39ed>

AGENDA

5:30 Call to Order (Belgarde) – 20 mins total

- a. Welcome, Introductions, Agenda Review
- b. Disclosures and Recusals
- c. Consent Agenda Sec. 9, Page 71
 - i. **Resolution 2023-25** – Tort Claim Registered Agent Sec. 9, Page 107
 - ii. **Resolution 2023-24** – Northgate Bond Inducement Sec. 9, Page 100
- d. Omnivorous update (Sherwin)
- e. The 10-minute Lesson – 10 mins
 - i. Resident Grievance Process (Oommen)

5:50 Public Comment – 10 mins total

6:00 Presentations & Discussion (Persons) – 20 mins total

- a. Update from All Staff Meeting
 - i. Centering our residents – 10 mins
 - ii. Building a sustainable CRH – 10 mins

6:30 Real Estate Activities (McLin, Munchel) – 25 mins total

- a. Resolutions
 - i. **Resolution 2023-21** – Pride Place (Cavell) – 10 mins Sec. 6, Page 45
 - ii. **Resolution 2023-22** – Rainier and Genesee Acquisition (Munchel) – 10 mins Sec. 7, Page 57
 - iii. **Resolution 2023-23** – Seattle Mennonite Church Project: Funding Applications (Cavell) – 10 mins Sec. 8, Page 65
- b. Projects Update
 - i. Jazz House (McLin) – 5 mins
 - ii. Abu Bakr and potential fee development (Munchel, Persons) – 10 mins

- 6:55 Finance and Asset Management – 20 mins total**
- a. June Financials (Purnell-Hepburn, Woodworth) – 10 mins Sec. 3, Page 13
 - b. Resolutions for Property Dispositions
 - i. **Resolution No. 2023-19** – Broadway Disposition (Hagen, Persons) – 5 mins Sec. 4, Page 31
 - ii. **Resolution No. 2023-20** – Park Hill Disposition (Hagen, Persons) – 5 mins Sec. 5, Page 39
- 7:15 CEO review – 15 mins total**
- 7:30 Adjourn (Porter)**



COMMUNITY ROOTS
— HOUSING —

SECTION 3:

August 2023 Finance Report, June Statements and Asset Management Report

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JUNE 2023 FINANCE & ASSET MANAGEMENT BOARD REPORT AND MINUTES

Finance & Asset Management Committee Members: Jill Cronauer, **Frank Alvarado**, **Chasten Fulbright**, Michelle Purnell-Hepburn

Staff Liaisons to the Board: **Leslie Woodworth**, **Lisa Hagen**, **Chris Persons**, **Andrew Oommen**, **Hilary Prinz**, **Lariah Thompson**, and **Lucas Simons**

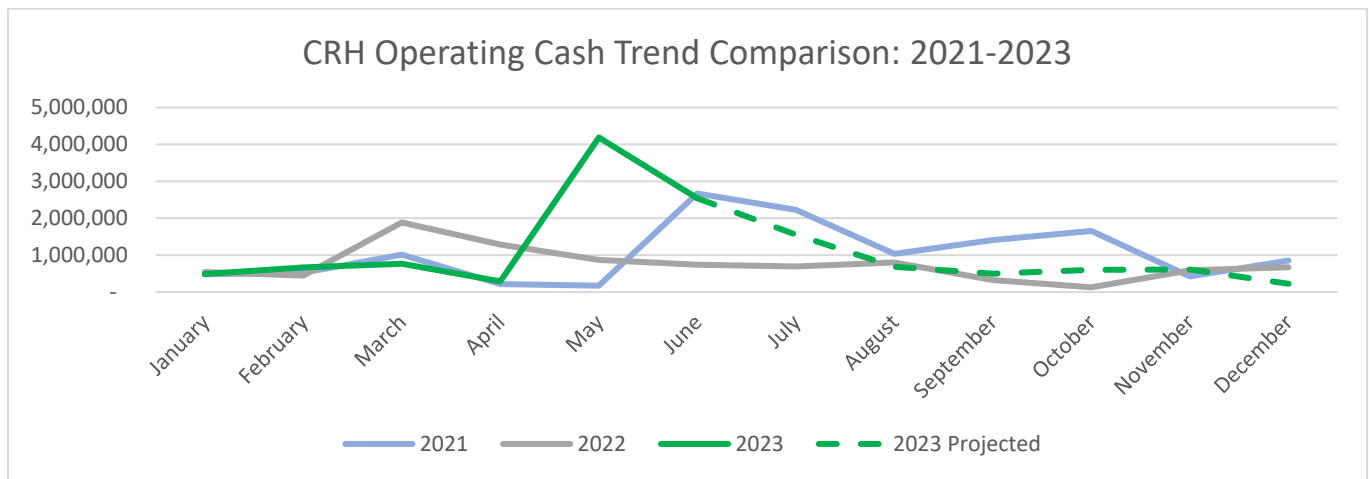
Date, time and location of meeting: August 1, 2023 – 4:00 PM – RingCentral meeting

Financial Position Summary:

BALANCE SHEET

During June unrestricted cash decreased \$1.6M.

- Significant inflows of \$62k distribution from Foundation, \$355k distribution from 12AA commercial, and \$44k reserves draw for capital projects completed in Q2.
- Significant outflows of \$752k for two payrolls, \$445k OH rental assistance disbursed to affiliate buildings, \$395k CRH paid past due rent to 12AA commercial, \$239k CRH replenished HPN, and \$562k CRH repaid Board Designated Reserves and Board Designated Opportunity Fund.
- Construction activity during the month resulted in a net increase of \$234k to unrestricted cash, from construction draws in excess of disbursements.

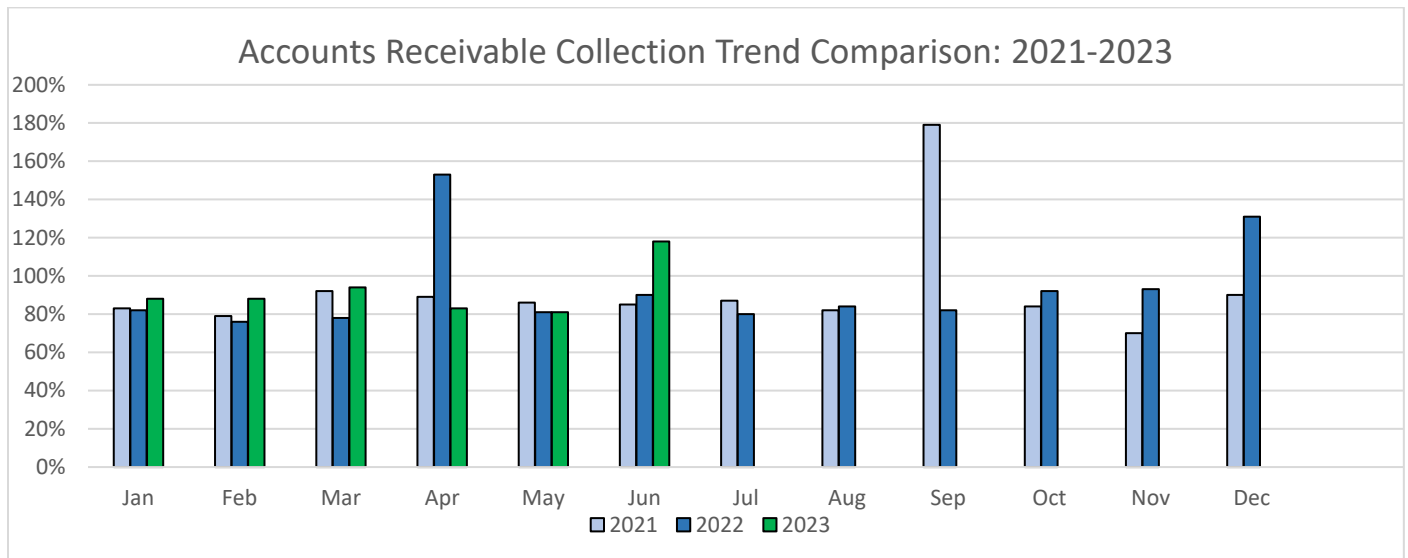


*Cash Flow projection is based on cash inflows that cannot be guaranteed, but CRH management is anticipating receiving

Development activity contributed towards balance sheet changes as follows:

- Cash restricted for development decreased \$684k related to 2 projects, due to funding draws in excess of spending and CRH replenishing predevelopment funds.
- Building, improvements, and equipment increased \$107k related to 1 construction project
- Accounts payable increased \$1.4M, related to 3 projects, due to timing difference in billing and payment.

Accounts receivable decreased \$369k, broken out between commercial decreasing \$369k and residential remained flat. Portfolio-wide residential collections were approximately 97% in June, with total collections at 118%.



**September 2021, and April 2022 AR collection significantly impacted by rental assistance grants from City of Seattle Office of Housing. December 2022 significantly impacted by internal rental assistance.*

**April and May 2023 were lower than actual due to a process change as we moved Property Management software. The error was fixed in June 2023.*

OPERATING STATEMENT

The year-to-date operating statement through June 30, 2023, shows an adjusted operating surplus of \$1.0M, as compared to a budgeted surplus of \$709k, resulting in a positive variance of \$290k.

Developer fee revenue was \$1.6M lower than budget, due the following:

- Africatown (\$218k) variance – expected \$218k in January but are now not expected until perm conversion in July 2024.
- Jazz House (\$89k) variance – Projected closing date has been delayed until late August/early September.
- 12AA Housing \$240k Variance – expected \$200k in July but with audit released we were able to take \$240k in March.
- Yesler/ Big Village (\$284k) variance – expected in May, but is now expected in June 2024
- Heartwood (\$346k) variance – expected in June but now expecting partial in September and the rest in March 2024
- Northgate (\$383k) variance – expected in June but now expecting in October
- White Center (\$292k) variance –expected in June but now expecting in January 2024
- Devonshire (\$225k) variance – expected in June at closing, but closing is delayed until September

Transactional inflows were budgeted in June 2023 but on May 31, 2023, the sale of Fredonia was completed and the cash proceeds from that sale of \$2.7M. Transactional inflows are utilized in the operating statement for cash proceeds that would not otherwise show up in the operating statement.

Financial Review: The committee reviewed the monthly financial reports. Comments and Analysis regarding the Balance Sheet and Operating Statement are included as annotations in the attached statements.

The committee reviewed the Property Management dashboard report

June figures for the portfolio were as follows:

- Monthly physical vacancy was 4.0%
- Monthly economic vacancy was 6.6%
- 12-month rolling economic vacancy rate was 6.9%

Department and Project Updates: Staff provided brief updates on the following:

- Cash Flow overview
- Asset Management updates
- Resolutions for Broadway and Park Hill building sale
- 2022 audit presentation

Community Roots Housing Blended Balance Sheet

	06.30.2023 Unaudited	05.31.2023 Unaudited	Change from prior month		12.31.2022 Internal Presentation	12.31.2021 Internal Presentation
ASSETS						
Unrestricted Cash						
CRH Operating Cash	2,541,425	4,191,020	(1,649,595)	1	670,162	852,951
Blended Partnerships Operating Cash	2,100,309	1,850,015	250,294	2	3,251,437	2,891,308
General Building Reserves	391,440	391,440	0		366,598	624,761
Total Unrestricted Cash	5,033,174	6,432,475	(1,399,301)		4,288,197	4,369,020
Accounts Receivable						
Tenant & Commercial AR	1,306,776	1,675,670	(368,894)	3	1,373,910	1,461,615
Grants Receivable	714,654	714,654	0		884,521	2,521,123
GAAP Rent Receivable	304,544	304,544	0		304,544	336,280
Other Receivable	2,566,544	430,896	2,135,648	4	795,482	1,397,700
Total Accounts Receivable	4,892,518	3,125,764	1,766,754		3,358,457	5,716,718
Board Designated Reserve						
General Board Reserve	1,000,000	500,000	500,000	5	1,000,000	1,000,000
Opportunity Fund	644,940	578,025	66,915	5	612,510	285,909
Total Board Designated Reserve	1,644,940	1,078,025	566,915		1,612,510	1,285,909
Restricted Cash						
Portfolio Reserves	7,923,925	8,053,948	(130,023)	6	8,251,631	7,667,387
Development	944,679	1,628,795	(684,116)	7	2,509,106	4,082,662
Rental Assistance	44,143	44,143	0		44,143	526,489
Restricted Misc	629,211	595,344	33,867		575,195	223,355
Total Restricted Cash	9,541,958	10,322,230	(780,272)		11,380,075	12,499,893
Fixed Assets						
Land	24,664,923	24,664,923	0		24,834,923	22,906,927
Buildings, Improvements & Equipment	148,067,027	147,712,743	354,284	8	147,847,211	131,120,506
Accumulated Depreciation	(70,787,056)	(70,418,028)	(369,028)	9	(69,614,902)	(57,978,033)
Lease Receivable	567,455	567,455	0		567,455	602,410
Total Fixed Assets	102,512,349	102,527,093	(14,744)		103,634,687	96,651,810
Other Assets						
Intangible Assets	(83,664)	(89,868)	6,204		(73,393)	94,180,245.00
Investment in LPs/LLCs	1,644,081	1,644,081	0		1,588,534	5,291,555.00
Due from Affiliates	18,334,252	18,171,243	163,009	10	16,333,561	5,820,644.00
Notes Receivable from Affiliates	17,355,164	17,355,164	0		18,089,995	522,795.00
Prepays & Other Current Assets	696,713	771,443	(74,730)		191,822	273,170
Total Other Assets	37,946,546	37,852,063	94,483		36,130,519	106,088,409
Total Assets	161,571,485	161,337,650	233,835		160,404,445	226,611,759
LIABILITIES						
Notes Payable	98,758,923.00	98,882,355.00	(123,432)		100,583,693.00	86,379,496
Accrued Interest Payable	6,128,575.00	6,128,575.00	0		5,894,987.00	4,828,540
Accounts Payable & Accrued Liabilities	9,041,053.00	7,842,894.00	1,198,159	11	7,781,783.00	8,362,991
Tenant Security Deposit Liability	492,700	481,899	10,801		525,066	499,581
Total Liabilities	114,421,251	113,335,723	1,085,528		114,785,529	100,070,608
Net Position	47,150,234	48,001,927	(851,693)		45,618,916	126,541,151
Total Liabilities and Net Assets	161,571,485	161,337,650	233,835		160,404,445	226,611,759

Community Roots Housing Blended Balance Sheet

Significant balance sheet changes from prior month

1) The following significant cash transactions increased cash during the period:

- \$62k Distribution from Foundation
- \$44k Reserve draw for capital projects completed in Q2
- \$355k Distribution from 12AA commercial
- Approx. \$234k net inflow from development transactions, construction draw in excess of disbursements

The following significant cash transactions decreased cash during the period:

- \$752k Payroll for 2 pay cycles
- \$445k OH rental assistance disbursed to affiliate buildings
- \$395k CRH paid all past due rent and NNN to 12AA commercial
- \$239k CRH paid down HPN
- \$562k CRH repaid Board Designated reserves and Board Designated Opportunity Fund

Additional activity consists of inflows and outflows from regular operations, including rent receipts, regular accounts payable disbursements, office rent, insurance financing, and funding transfers to CRH from affiliates.

- 2)** Blended Partnerships Operating Cash: Incr \$250k - Due to Helen V unrestricting cash to pay vendors the interior upgrade project \$175k, CRH paid all past due rent and NNN to 12AA commercial \$395k, 12AA making a distribution to CRH (\$355k)
- 3)** Tenant & Commercial AR: Decr \$369k - Commercial balances decreased \$369k and residential remained flat.

Collected approx 97% of billed residential rents in June, with total collections including commercial tenants at 118%.

- 4)** Accounts Receivable - Other Receivable: Incr \$2.1M - Due to CRH paying GenPride tenant improvement invoices \$1.1M, CRH borrowing from White Center to help pay for GenPride invoices \$775k and Grant for White Center \$250k
- 5)** Board Designated Reserves - General Board Reserves: Incr \$567k - Due to CRH repaying General board reserves \$500k and repaying the Opportunity Fund from Rainier and Genesee equity payment \$62k, and monthly interest earned \$5k
- 6)** Restricted Cash - Portfolio Reserves: Decr \$130k - Due to Helen V taking reserves for ongoing interior upgrades (\$233k), John Carney residual reserves payment based on 2022 audit \$100k, Fredonia replacement reserve closed out and moved to CRH operating (\$62k), offset by monthly reserves payments to all blended buildings
- 7)** Restricted Cash - Development: Decr. \$684k - Cash increased (decreased) for the following, based on timing between disbursements and draws: (\$834k) White Center, (\$100) South Annex, \$239k CRH replenished HPN
- 8)** Bldg, Impr & Equip: Incr \$354k - Additions to construction in process for projects, including the following: \$107k Youth Care, \$67k Devonshire and \$172k Helen V interior upgrades.
- 9)** Accumulated Depreciation: Decr \$369k - Monthly depreciation expense.
- 10)** Other Assets - Due from Affiliates: Incr. \$163k - Due to an increase of \$107k in development project cost paid by CRH, and additional activity consist of normal operating businesses
- 11)** Accounts Payable & Accrued Liabilities: Incr \$1.2M - Construction costs in accounts payable increased (decreased) for the following: \$199k White Center, \$106k Youth Care and \$1.1M Pride Place. Also, routine fluctuation in accrued payable balances based on timing of payroll and accounts payable check run, and fluctuations in intercompany "Due to CRH" balance.

Community Roots Housing
Statement of Revenues and Expenditures - Unaudited
From 1/1/2023 Through 6/30/2023

	Year to Date Actual	Year to Date Budget	Year to Date Budget Variance	Variance Pct	Total Budget	Budget Remaining
Revenue						
Residential Tenant Revenue						
Residential tenant revenue	6,385,338	6,528,180	(142,842)	(2.19%)	13,069,187	6,683,849
Parking, Laundry & Other	108,596	106,167	2,429	2.29%	203,643	95,047
Residential Vacancy & Concessions	(553,502)	(402,573)	(150,929)	1 37.49%	(805,695)	(252,193)
Total Residential Tenant Revenue	5,940,432	6,231,774	(291,342)	(4.68%)	12,467,135	6,526,703
Commercial Tenant Revenue						
Commercial Rent Revenue	809,538	754,486	55,052	7.30%	1,570,805	761,267
Triple net revenue	175,412	251,264	(75,852)	2 (30.19%)	485,373	309,961
Commercial vacancy & concessions	(37,922)	(17,326)	(20,596)	3 118.87%	(40,913)	(2,991)
Total Commercial Tenant Revenue	947,028	988,424	(41,396)	-4.19%	2,015,265	1,068,237
Bad Debt & Collection Loss						
Bad debt	(135,646)	(126,454)	(9,192)	7.27%	(252,796)	(117,150)
Total Bad Debt & Collection Loss	(135,646)	(126,454)	(9,192)	7.27%	(252,796)	(117,150)
Grants & Donations						
Grants & Donations	811,688	760,000	51,688	6.80%	1,561,000	749,312
Rental Assistance Awards	40,552	0	40,552	4 0	0	(40,552)
Total Grants & Donations	852,240	760,000	92,240	12.14%	1,561,000	708,760
Other Operating Revenue						
Accounting & Compliance fees	532,413	502,958	29,455	5.86%	1,006,083	473,670
Developer Fees	240,000	1,836,423	(1,596,423)	5 (86.93%)	2,839,196	2,599,196
Cash Distribution from Affiliate	971,279	0	971,279	6 0	0	(971,279)
Partnership Management Fees	57,031	0	57,031	7 24,900	24,900	(32,131)
Property Management Fees	798,545	800,949	(2,404)	(0.30%)	1,587,743	789,198
Interest Income	32,453	6,000	26,453	8 440.88%	12,000	(20,453)
Other Income	12,699	0	12,699	11,410	11,410	(1,289)
Total Other Operating Revenue	2,644,420	3,146,330	(501,910)	(15.95%)	5,481,332	2,836,912
Total Revenue	10,248,474	11,000,074	(751,600)	(6.83%)	21,271,936	11,023,462
Expenses						
Operating Expenses						
Accounting, Audit & Legal	520,326	495,522	(24,804)	(5.01%)	732,680	212,354
Administration	301,062	386,573	85,511	9 22.12%	732,413	431,351
Technology	164,331	245,161	80,830	10 32.97%	485,858	321,527
Board Expense	211	4,800	4,589	95.60%	10,000	9,789
CRH Occupancy Expense	230,959	242,568	11,609	4.79%	487,806	256,847
Cash Distribution to CRH	876,000	0	(876,000)	11 0	0	(876,000)
Compliance, Taxes & License	332,026	187,385	(144,641)	12 (77.19%)	341,175	9,149
Consulting	191,971	255,787	63,816	13 24.95%	448,771	256,800
Debt Service	1,150,992	1,207,971	56,979	4.72%	2,506,617	1,355,625
Insurance	420,435	373,626	(46,809)	14 (12.53%)	757,134	336,699
Leasing/Compliance Expense	171,453	187,786	16,333	8.70%	361,103	189,650
Miscellaneous Financial Expense	0	3,000	3,000	100.00%	8,500	8,500
Other Operating Expense	(1,932)	1,090	3,022	277.25%	1,180	3,112
Partnership Mgmt Fee Expense	57,031	0	(57,031)	15 20,000	20,000	(37,031)
Payroll, Taxes and Benefits	4,543,694	4,972,082	428,388	8.62%	10,005,805	5,462,111
Property Mgmt Fee Expense	580,357	577,132	(3,225)	(0.56%)	1,120,133	539,776
Repair and Maintenance	1,197,199	1,354,662	157,463	16 11.62%	2,288,687	1,091,488
Resident activities	7,451	17,419	9,968	57.22%	28,453	21,002
Utilities	940,439	879,372	(61,067)	(6.94%)	1,716,502	776,063
Total Expenses	11,684,005	11,391,936	(292,069)	(2.56%)	22,052,817	10,368,812
Operating Surplus (Deficit) before Reserves	(1,435,531)	(391,862)	(1,043,669)	266.34%	(780,881)	654,650

Reserve Contributions							
Replacement Reserve	(230,409)	(227,815)	(2,594)	1.14%	(455,762)	(225,353)	
Operating Reserve	(16,523)	(16,523)	0	0.00%	(33,047)	(16,524)	
Other Reserve	(49,907)	(54,907)	5,000	(9.11%)	(112,852)	(62,945)	
Total Reserve Contributions	(296,839)	(299,245)	2,406	(0.80%)	(601,661)	(304,822)	
Operating Surplus (Deficit)	(1,732,370)	(691,107)	(1,041,263)	150.67%	(1,382,542)	349,828	
Additional Unrestricted Cash Flows							
Transactional Inflows	2,731,682	1,400,000	1,331,682	17	95.12%	1,400,000	(1,331,682)
Adjusted Operating Surplus (Deficit)	999,312	708,893	290,419		40.97%	17,458	(981,854)

Variance Discussion (Greater than \$15K and 10%) all changes are reference to Budget

- 1) Residential vacancy: \$151k higher - Actual vacancy was higher than our goal at the property level. This is due to our operations team working to evict non-paying tenants and larger than normal rehabs at buildings
- 2) Triple net revenue: \$76k lower - Due to 800 Corp (Walgreens) tenants only being billed annually in December, but being accounted for monthly in the budget. Also, due to SPD bill being billed in July this year instead of April as budgeted, this was due to new property manager software implementation.
- 3) Commercial vacancy & concessions: \$21k higher - Due to a \$23k concession for Fredonia tenant to ensure payments to seller are made timely in the first 6 months after sale so we can recoup our \$200k escrow holdback
- 4) Rental Assistance Awards: \$41k higher - Applied the awarded amount \$485k of rental assistance to buildings within the portfolio, these are the funds we owe back to the City of Seattle, we returned the funds in July.
- 5) Developer Fees: \$1.6M lower - Differences of Budget amounts compared with actual amounts received for 2023 are as follows: (\$89k) Jazz house, (\$218k) Africatown, \$240k 12th Ave Arts Housing 2023 distribution, (\$284k) Yesler/ Big Village, (\$346k) Heartwood, (\$383k) Northgate, (\$292k) White Center and (\$225k) Devonshire.
- 6) Cash Distribution from Affiliate: \$971k higher - 2023 Cash waterfall distributions include: \$480k from Silvian, \$41k from Hazel and \$95k from Bonanza buildings, \$355 12AA commercial
- 7) Partnership Management Fees: \$57k higher - Due to Helen V paying down their partnership management fee.
- 8) Interest Income: \$26k higher - LGIP interest being about \$5k monthly compared to the budgeted amount of \$1k monthly
- 9) Administration: \$86k lower - Due to purposeful reduction in company-wide spending, which led to a decrease in the following categories: (\$33k) advertising, (\$39k) training and education, and (\$11k) out of town travel
- 10) Technology: \$81k lower - This budget captures our old property manager software, which is being phased out with new property manager software leading to a reduction of (\$50k) in property manager software cost and a purposeful reduction in other software cost leading to a decrease of (\$48k)
- 11) Cash Distribution to CRH: \$876k higher - due to the following blended buildings making cash distributions to CRH: \$480 Silvian, \$41k Hazel and \$355 12AA commercial
- 12) Compliance, Taxes & License: \$145k higher - Due to Excise tax paid in sale of Fredonia that was not budgeted
- 13) Consulting: \$64k lower - Due to purposeful reduction in company-wide spending, which led to a reduction of (\$45k) in finance, (\$15k) RETF, (\$10k) in Communications, (\$17k) in Development, and offset by excess spending of \$34k in Eco district
- 14) Insurance: \$47k higher - Insurance premium was higher than expected for Bremer \$18k, Broadway Crossing \$6k, Fredonia \$5k and several other properties with smaller amounts.
- 15) Partnership Mgmt Fee Expense: \$57k higher - Due to Helen V paying CRH accrued partnership fees
- 16) Repair and Maintenance: \$157k lower - Due to purposeful reduction in company-wide spending, which led to a reduction of (\$50k) at Park Hill, (\$23k) at Union James, (\$29k) at Hazel, (\$31k) at Mary Ruth Manor and (\$14k) at Silvian.
- 17) Transactional Inflows: \$2.9M higher - Due to sale of Fredonia

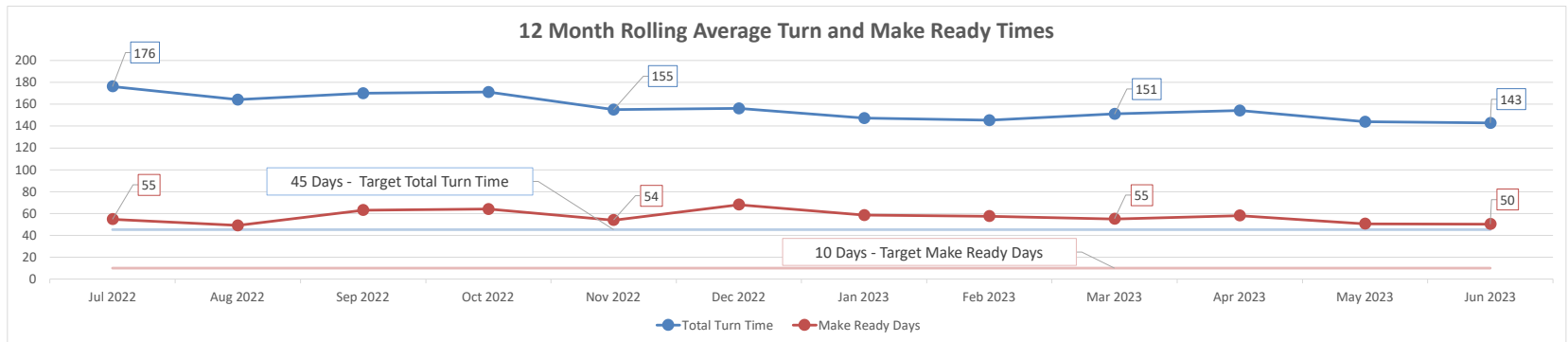
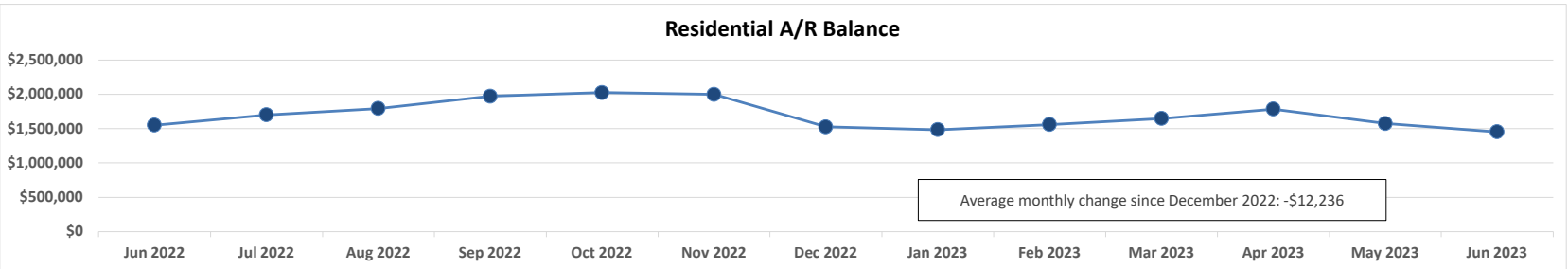
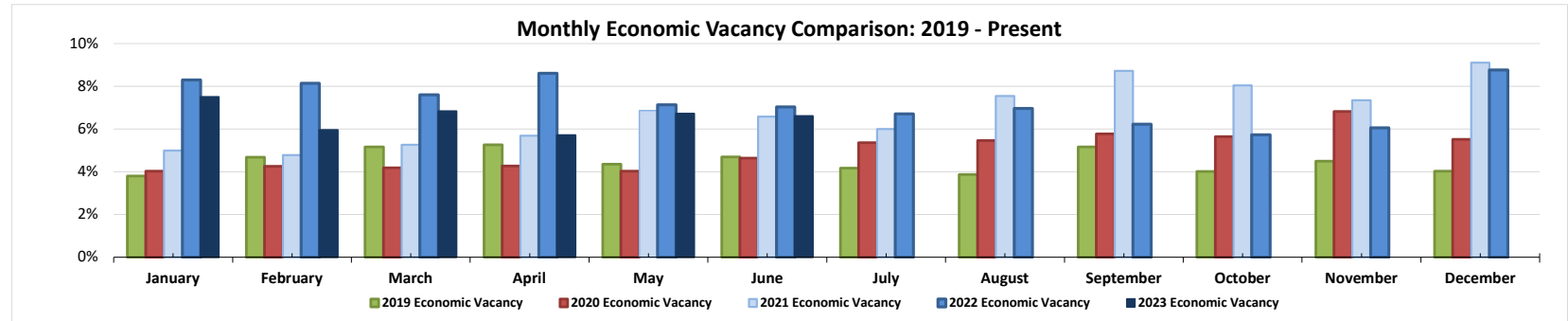
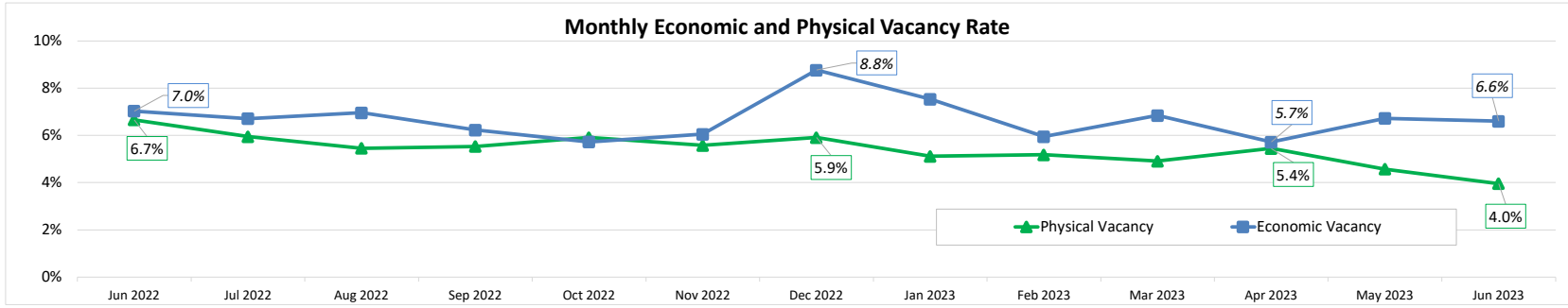


**Community Roots Housing
Asset Management Dashboard
Year to date as of June 30, 2023**

Building	Physical Vacancy (at month end)				Op Rev Per Unit YTD		Op Exp Per Unit YTD		Cash Flow Per Unit ¹ YTD			A/R Resident Portion	Monthly Change	Residential AR/(Billed Rent) ³	12-Month Rolling Avg. ⁴		Economic Vacancy		
	Occupied	Vacant Units	Vacancy %	Total Units	Actual	Budget Var %	Actual	Budget Var %	Actual	Variance	Budget Var %				June 2023	Make Ready	Total Days Vacant	June 2023	12 MO Rolling
Berneva	12	0	0.0%	12	\$5,178	0%	\$4,084	8%	\$502	\$377	303%	\$5,882	+3%	4.8%			0.0%	1.7%	6.3%
Burke Gilman Gardens	15	0	0.0%	15	\$7,248	0%	\$5,377	34%	\$1,671	\$4,289	164%	\$15,934	+30%	7.6%	26	96	7.3%	9.4%	8.1%
Boylston Howell	29	1	3.3%	30	\$6,055	-1%	\$5,060	-2%	\$1,473	\$1,348	1072%	\$29,474	-11%	8.8%	122	130	0.0%	5.3%	16.6%
Bremer	48	1	2.0%	49	\$5,077	-7%	\$3,550	-13%	\$2,453	\$1,565	176%	\$38,039	+22%	8.1%	18	83	3.3%	8.9%	20.8%
Brewster	35	0	0.0%	35	\$4,907	1%	\$4,456	-4%	\$74	(\$164)	-69%	\$46,840	+3%	13.9%	91	233	0.0%	2.4%	9.1%
Broadway	5	0	0.0%	5	\$6,900	-6%	\$4,951	14%	\$539	\$363	206%	\$1,534	-60%	2.3%			0.0%	2.4%	10.3%
Broadway Crossing	43	1	2.3%	44	\$5,487	-8%	\$5,752	-20%	(\$1,099)	(\$1,321)	-593%	\$7,261	-73%	1.6%	22	86	1.6%	-0.7%	7.3%
Byron Wetmore	11	1	8.3%	12	\$5,434	-8%	\$5,683	4%	(\$541)	\$177	25%	\$9,652	-4%	7.4%		486	21.5%	11.5%	8.6%
Centennial	28	2	6.7%	30	\$5,526	-14%	\$3,449	21%	(\$4)	(\$17)	-129%	\$22,463	-43%	6.5%	28	199	7.6%	9.7%	12.8%
Devonshire																			4.5%
Elizabeth James	59	1	1.7%	60	\$5,336	-5%	\$4,906	-34%	(\$905)	(\$1,471)	-260%	\$19,851	-12%	3.1%	165	179	5.4%	6.9%	8.0%
Fleming	35	1	2.8%	36	\$4,897	-3%	\$4,527	-14%	(\$958)	(\$693)	-263%	\$43,206	-17%	12.2%	51	177	0.0%	5.4%	4.3%
Four Twelve Apartments	11	1	8.3%	12	\$10,780	-18%	\$8,181	4%	(\$844)	(\$2,013)	-172%	\$15,861	-35%	6.0%	114	113	11.9%	17.0%	12.8%
Fremont Solstice	18	0	0.0%	18	\$6,422	-1%	\$5,191	-1%	(\$240)	\$85	26%	\$10,006	-16%	4.6%	29	145	0.0%	2.9%	7.3%
Gilman Court	25	0	0.0%	25	\$5,701	5%	\$6,255	-7%	(\$754)	(\$137)	-22%	\$28,745	+41%	10.6%			0.0%	2.7%	5.0%
Harrison at 15th	19	0	0.0%	19	\$10,755	-3%	\$7,179	3%	(\$84)	(\$67)	-401%	\$19,791	+33%	7.8%	23	47	13.3%	4.5%	5.0%
Hazel Plaza	15	1	6.3%	16	\$13,155	-16%	\$6,211	27%	\$2,951	(\$151)	-5%	\$15,955	+5%	3.7%	110	194	6.3%	10.4%	6.5%
Helen V	36	2	5.3%	38	\$8,109	-21%	\$4,994	-10%	(\$164)	(\$4,177)	-104%	\$47,363	+10%	7.9%	116	381	5.3%	5.6%	5.1%
Holden Vista	15	1	6.3%	16	\$8,646	-18%	\$7,827	-32%	\$602	(\$2,753)	-82%	\$9,207	-62%	3.0%		211	61.0%	20.1%	14.9%
John Carney	27	0	0.0%	27	\$5,345	-3%	\$5,668	-38%	(\$1,351)	(\$973)	-257%	\$22,861	+55%	8.2%	136	546	0.0%	10.1%	18.9%
Joe Black Apartments	21	3	12.5%	24	\$6,682	-11%	\$6,349	2%	(\$507)	(\$720)	-337%	\$68,333	-2%	21.1%	94	356	12.0%	9.4%	5.6%
Lamed	33	0	0.0%	33	\$5,685	-4%	\$4,436	7%	\$881	\$125	17%	\$24,124	-1%	10.4%	28	118	3.5%	6.5%	12.0%
Lincoln Court	26	3	10.3%	29	\$4,536	-16%	\$3,840	-5%	(\$1,078)	(\$887)	-466%	\$24,295	+12%	9.4%	80	278	9.7%	17.8%	17.9%
Maxwell	4	0	0.0%	4	\$6,018	-3%	\$5,186	19%	\$72	\$977	108%	\$0		0.0%			0.0%	0.0%	0.0%
Melrose	25	5	16.7%	30	\$3,334	-28%	\$5,073	-13%	(\$2,344)	(\$1,927)	-463%	\$11,973	-16%	5.0%	77	138	20.3%	15.2%	22.0%
Miller Park	12	0	0.0%	12	\$6,009	-14%	\$5,871	1%	(\$1,231)	(\$953)	-343%	\$17	-100%	0.0%	26	129	14.5%	10.6%	4.1%
Mary Ruth Manor	17	3	15.0%	20	\$9,864	-24%	\$6,366	17%	(\$1,316)	(\$1,849)	-347%	\$58,775	+6%	13.8%	162	132	18.3%	28.1%	12.8%
Oleta	27	7	20.6%	34	\$3,914	-26%	\$4,187	-11%	(\$1,863)	(\$1,798)	-2764%	\$33,401	+3%	10.3%	62	141	22.2%	9.9%	9.1%
Pantages	49	0	0.0%	49	\$5,748	0%	\$4,542	4%	\$282	\$318	884%	\$17,705	+11%	3.3%	57	76	0.3%	2.1%	5.6%
Park Hill																			8.6%
Seneca	28	4	12.5%	32	\$4,426	-21%	\$4,582	-4%	(\$1,224)	(\$1,341)	-1147%	\$27,342	+11%	8.4%	33	228	16.3%	14.4%	13.4%
Silvian	31	1	3.1%	32	\$7,761	-5%	\$3,833	4%	\$2,333	(\$200)	-8%	\$24,792	-2%	4.9%	25	75	9.7%	2.8%	2.5%
Union James	24	0	0.0%	24	\$9,805	2%	\$5,681	17%	\$1,805	\$1,293	253%	\$103,873	+3%	21.8%	103	151	0.0%	4.4%	4.0%
Villa	59	3	4.8%	62	\$6,290	-1%	\$5,298	-20%	(\$967)	(\$970)	-36036%	\$67,130	-17%	11.8%	64	119	5.1%	3.7%	7.5%
Blended Total	842	42	4.8%	884	\$6,191	-9%	\$5,034	-3%	(\$136)	(\$579)	-131%	\$871,686	-6%	8.3%	63	173	8.5%	8.4%	9.2%
Twelfth Avenue Arts Housing	86	2	2.3%	88	\$6,440	-1%	\$3,758	0%	(\$2,263)	(\$2,788)	-531%	\$79,122	+11%	7.2%	16	66	3.6%	4.1%	2.7%
Eighteenth Avenue	9	0	0.0%	9	\$9,877	-14%	\$6,376	-26%	(\$783)	(\$2,865)	-138%	\$40,818	+4%	20.6%			3.1%	4.7%	0.0%
El Nor	54	1	1.8%	55	\$8,709	-3%	\$4,095	-5%	\$698	(\$392)	-36%	\$28,303	-0%	2.9%	23	123	2.2%	2.8%	4.9%
Haines	30	0	0.0%	30	\$8,251	1%	\$3,707	0%	\$2,948	(\$42)	-1%	\$3,426	+37%	0.7%	46	123	4.4%	3.4%	6.8%
Holiday	29	1	3.3%	30	\$5,743	-4%	\$5,273	-17%	(\$1,731)	(\$993)	-134%	\$14,916	-64%	4.6%	105	227	0.0%	6.2%	8.8%
Jefferson Housing	40	0	0.0%	40	\$7,257	3%	\$4,645	5%	\$93	\$763	114%	\$44,662	+7%	8.3%	45	72	0.0%	1.3%	1.3%
Liberty Bank Building	112	3	2.6%	115	\$5,756	-2%	\$3,821	-10%	(\$325)	(\$454)	-351%	\$171,375	+20%	12.8%	19	96	1.8%	3.6%	4.8%
Ponderosa	22	1	4.3%	23	\$8,328	-16%	\$6,338	-35%	(\$1,965)	(\$5,884)	-150%	\$21,141	+22%	5.0%		135	13.7%	6.4%	3.1%
Station House	105	5	4.5%	110	\$6,743	-6%	\$3,635	-1%	\$577	(\$262)	-31%	\$60,785	-49%	4.0%	45	94	4.3%	5.4%	9.9%
Unity Village	29	1	3.3%	30	\$4,289	-16%	\$5,670	-1%	(\$2,165)	(\$1,454)	-204%	\$31,296	-45%	10.2%		155	7.9%	13.9%	7.7%
Discrete Total	516	14	2.6%	530	\$6,733	-4%	\$4,196	-6%	(\$399)	(\$1,044)	-162%	\$495,844	-11%	6.8%	31	100	3.6%	4.5%	5.5%
Portfolio Total	1358	56	4.0%	1414	\$6,394	-7%	\$4,720	-4%	(\$234)	(\$753)	-145%	\$1,452,315	-8%	7.7%	50	143	6.6%	6.9%	7.8%

¹ After Debt, Reserve Deposits, and Cash Based Non-Operating Expenses (Deferred Developer Fees, Partnership Management Fees, etc.)
² Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.
³ Resident Portion Account Receivable % is calculated as resident A/R balance divided by billed rent, inclusive of subsidy income.
⁴ Average turn and make ready times are based on partial data. Data on recent turns from certain properties was unavailable due to incomplete RealPage transition

COLOR CODING	Green	Yellow	Red
AR Monthly Change	<0%	0% - 9.9%	>10%
Residential AR/(Total GPR)	<2.0%	2.0% to 3.0%	>3.0%
Turn Time	<45 days	45 to 60 days	>60 days
Economic Vacancy	<5.0%	5.0% to 8.9%	9.0% or above



**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

Bank	CRH Blended Component Unit	Type	Balance
KeyBank	CRH - Misc Restricted	Operating - Restricted	605,811
KeyBank	CRH - Rental Assistance	Restricted Grant	44,143
KeyBank	12th AAA - Restricted	Equipment Reserve	23,400
KeyBank	White Center Hub - Comm Constructio	Construction	397,781
KeyBank	Capitol Hill Housing - Sound Families	Restricted Savings	3,863
KeyBank	Capitol Hill Housing	Security Deposit	179,202
Key Bank	Bremer - Resynd	Security Deposit	19,647
KeyBank	Hazel Plaza	Security Deposit	4,011
KeyBank	Larned	Security Deposit	18,012
Key Bank	John Carney - R	Security Deposit	9,739
KeyBank	Byron Wetmore	Security Deposit	8,572
Key Bank	412	Security Deposit	2,501
KeyBank	Holden Vista	Security Deposit	3,628
KeyBank	Mary Ruth Manor	Security Deposit	4,362
KeyBank	EJSH	Security Deposit	11,211
Key Bank	Boylston Howell-R	Security Deposit	10,228
KeyBank	Gilman Court LP	Security Deposit	13,021
KeyBank	Fleming Apts LP	Security Deposit	17,281
KeyBank	Villa Apts LP	Security Deposit	30,598
KeyBank	Harrison	Security Deposit	15,572
KeyBank	Oleta	Security Deposit	15,209
KeyBank	Helen V Apts LLC	Security Deposit	7,864
KeyBank	Pantages Apts LLC	Security Deposit	25,803
KeyBank	Silvian	Security Deposit	6,221
KeyBank	Broadway & Pine	Security Deposit	19,984
KeyBank	Woodland Park Ave LLC	Security Deposit	8,738
KeyBank	12th Avenue Arts Associates LLC	Security Deposit	62,971
Key Bank	Union James	Security Deposit	8,263
KeyBank	Hazel Plaza	Reserves	356,748
KeyBank	Byron Wetmore	Reserves	85,843
KeyBank	Holden Vista	Reserves	26,532
KeyBank	Mary Ruth Manor	Reserves	328,690
KeyBank	Gilman Court LP	Reserves	144,706
KeyBank	Villa Apts LP	Reserves	256,420
KeyBank	Helen V Apts LLC	Reserves	809,868
KeyBank	Broadway & Pine	Reserves	342,524
KeyBank	Woodland Park Ave LLC	Reserves	180,773
KeyBank	12th Avenue Arts Associates LLC	Reserves	41,986
Key Bank	Union James	Reserves	345,854
		Total KeyBank	4,497,580

**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

Banner	Berneva	Reserves	16,022
Banner	Seneca	Reserves	169,430
Banner	Seneca	Security Deposit	13,604
		Total Banner	199,056
LGIP	Capitol Hill Housing	Reserves	1,826,505
		Total LGIP	1,826,505
Walker Dunlop	EJSH	Escrow	5,308
Walker Dunlop	EJSH	Reserves	323,881
		Total Oppenheimer	329,189
Chase	Larned	Reserves	219,498
Chase	412	Reserves	177,081
Chase	Harrison	Reserves	206,965
Chase	Oleta	Reserves	83,943
		Total Chase	687,486
US Bank	Pantages Apts LLC	Reserves	527,814
US Bank	Silvian	Reserves	239,416
		Total USBank	767,230
KeyBank	Capitol Hill Housing	EQII	89,910
		Total KeyBank	89,910
KeyBank	Capitol Hill Housing	Lucky 7	66,579
		Total Lucky 7	66,579
KeyBank	Capitol Hill Housing	HPN	320,531
		Total HPN	320,531
KeyBank	Youth Care Predevelopment	Plymouth	32,994
		Total Plymouth	32,994
BofA	Fleming Apts LP	Reserves	102,328
		Total BofA	102,328
Heritage	Bremer - Resyndication	Construction	619
Heritage	Bremer	Reserves	226,830

**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

Heritage	John Carney	Construction	32,034
Heritage	John Carney	Reserves	226,672
Heritage	Boylston Howell	Construction	4,231
Heritage	Boylston Howell	Reserves	128,095
Heritage	Union & 24th Commercial	Security Deposit	4,089
		Total Heritage	622,570
		Total Restricted - CHH Blended Components	9,541,959
LGIP	Capitol Hill Housing	Board Designated Res	1,644,940
		Total Designated	1,644,940
Heritage	Union & 24th Commercial	Operating Checking	102,715
		Total Heritage	102,715
KeyBank	Capitol Hill Housing	Gen Building Reserve	391,440
		Total Gen Building Reserve	391,440
KeyBank	Capitol Hill Housing	Operating Checking	2,541,425
KeyBank	Capitol Hill Dev. Assoc	Operating Checking	2,720
KeyBank	Capitol Hill Housing	Operating Sweep	-
KeyBank	Capitol Hill Real Estate Mgmt Services	Operating Checking	973
KeyBank	Liberty Bank Commercial	Designated for TI	58,700
KeyBank	Bremer	Operating Checking	98,070
KeyBank	Hazel Plaza	Operating Checking	107,055
KeyBank	Larned	Operating Checking	119,915
KeyBank	John Carney	Operating Checking	27,242
KeyBank	Byron Wetmore	Operating Checking	17,511
KeyBank	412	Operating Checking	81,236
KeyBank	Holden Vista	Operating Checking	164,875
KeyBank	Mary Ruth Manor	Operating Checking	36,253
KeyBank	EJSH	Operating Checking	66,530
KeyBank	Boylston Howell	Operating Checking	40,726
KeyBank	Gilman Court LP	Operating Checking	35,709
KeyBank	Fleming Apts LP	Operating Checking	64,007
KeyBank	Villa Apts LP	Operating Checking	87,450
KeyBank	Harrison	Operating Checking	141,321
KeyBank	Oleta	Operating Checking	20,895
KeyBank	Helen V Apts LLC	Operating Checking	273,788
KeyBank	Pantages Apts LLC	Operating Checking	80,668
KeyBank	Silvian	Operating Checking	115,923

**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

KeyBank	Broadway & Pine	Operating Checking	18,672
KeyBank	Woodland Park Ave LLC	Operating Checking	38,675
KeyBank	12th Avenue Arts Associates LLC	Commercial Operatin	192,089
KeyBank	Union James	Operating Checking	25,043
		Total KeyBank	4,457,472
Cash	Various	Petty Cash - CHHIP	100
		Total Petty Cash	100
Banner	Berneva	Operating Checking	10,952
Banner	Seneca	Operating Checking	70,496
		Total Banner	81,448
		Total Unrestricted - CHH Blended Components	5,033,175
		Total All Cash - CHH Blended Components	16,220,074

Bank	Discrete Component Unit	Type	Balance
Chase	Pride Place	Construction	125,177
Chase	AAA	Escrow	3,503
Chase	AAA	Security Deposit	6,090
Chase	AAA	Reserves	283,454
		Total Chase	418,224
KeyBank	Africatown	Project Funds	34,373
KeyBank	Africatown	Construction-Res	5,024
KeyBank	Africatown	Construction	(15,231)
KeyBank	Africatown Commercial	Construction	1,035,876
KeyBank	Jazz House	Construction	8,555
KeyBank	El Nor LP	Security Deposit	12,476
KeyBank	18th Ave Apartments	Security Deposit	1,551
KeyBank	Ponderosa	Security Deposit	3,494
KeyBank	Holiday Apts	Security Deposit	16,768

**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

KeyBank	SOPI / Unity Village	Security Deposit	11,027
KeyBank	Jefferson & 12th	Security Deposit	26,921
KeyBank	12th Avenue Arts Housing	Security Deposit	54,061
KeyBank	CH TOD Station House	Security Deposit	36,927
KeyBank	SOPI / Unity Village	Reserves	289,979
KeyBank	Jefferson & 12th	Reserves	392,585
KeyBank	12th Avenue Arts Housing	Reserves	887,704
KeyBank	CH TOD Station House	Reserves	828,821
KeyBank	CH TOD Station House	Escrow	51,446
		Total KeyBank	3,682,357
UnionBank	Holiday	Reserves	233,898
		Total UnionBank	233,898
Heritage	Union & 24th Residential	Security Deposit	35,219
Heritage	Union & 24th Residential	Reserves	378,152
Heritage	Heartwood SPE	Construction	58,677
		Total Heritage	472,049
Wells Fargo	El Nor	Reserves	665,716
Wells Fargo	18th Ave	Reserves	132,644
Wells Fargo	Ponderosa	Reserves	283,756
Wells Fargo	El Nor	Escrow	17,729
Wells Fargo	18th Ave	Escrow	3,087
Wells Fargo	Ponderosa	Escrow	7,974
		Total Wells Fargo	1,110,905
Bellwether	Union & 24th	Escrow	207,007
		Total Bellwether	207,007
		Total Restricted - Discrete Components	6,124,440
Chase	AAA	Operating Checking	625,663
Chase	Pride Place Commercial	Construction	105,452
Chase	Pride Place	Construction	45
		Total Chase	731,160
KeyBank	El Nor LP	Operating Checking	401,072
KeyBank	18th Ave Apartments	Operating Checking	118,108

**CRH
CASH IN BANK
FOR THE MONTH ENDING: June 2023**

KeyBank	Ponderosa	Operating Checking	282,815
KeyBank	Holiday Apts	Operating Checking	53,196
KeyBank	SOPI / Unity Village	Operating Checking	24,722
KeyBank	Jefferson & 12th	Operating Checking	96,023
KeyBank	Twelfth Avenue Arts Res	Operating Checking	163,828
KeyBank	CH TOD Station House	Operating Checking	809,360
KeyBank	Pride Place	Operating Checking	75
		Total KeyBank	1,949,124
Heritage	Union & 24th Residential	Operating Checking	284,006
		Total Heritage	284,006
		Total Unrestricted - Discrete Components	2,964,290
		Total All Cash - Discrete Components	9,088,730
		Total All Cash - CHH Blended Components	16,220,074
		Total All Cash	25,308,804

TOTALS BY BANK

Key Bank	\$ 15,067,883
Chase	\$ 1,836,871
Banner	\$ 280,504
US Bank	\$ 767,230
Union Bank	\$ 233,898
Bank of America	\$ 102,328
Heritage	\$ 1,481,339
Bellwether	\$ 207,007
Wells Fargo	\$ 1,110,905
LGIP	\$ 3,471,445
Other and Petty	\$ 749,394
TOTAL CASH	\$ 25,308,804

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COMMUNITY ROOTS
— HOUSING —

SECTION 4:
Resolution 2023-19 -
Broadway Sale

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Community Roots Housing PDA Board Resolution 2023-19

Overview: Broadway Disposition

Purpose: Seeking board approval to proceed with sale process for Broadway

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Finance and Asset Management

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: Consistent with the presented to the board at the July 2023 meeting and the CRH Policy Framework for Use of Physical Assets, CRH staff is seeking authorization to proceed with the disposition of Broadway to support, ongoing operations, including supporting real estate development activities, and Community Roots Housing mission

Organizational requirements of resolution: Formal resolution

Financial cost of the resolution: Cost of this resolution includes legal fees, loan repayment including a prepayment penalty, broker commissions, and recording fees. Costs will be funded from sale proceeds.

Pros: Disposition will eliminate need to CRH funding to support capital needs at the property, generate funding for the General Building Reserve to fund capital needs at properties that cannot bear costs, and support ongoing operations that help CRH deliver on organization’s mission.

Cons: Please identify any risks here.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee requires reporting, and anticipated dates for reporting.

Author of Resolution Overview: Lariah Thompson



**ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF
COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION**

August 14, 2023

**Resolution No. 2023-19
Broadway Disposition**

A RESOLUTION of the Board of Directors of Community Roots Housing authorizing and directing staff to further the sale of The Broadway located at 946 Broadway East, Seattle, WA 98102.

Community Roots Housing, formerly known as Capitol Hill Housing Improvement Program, a Washington public corporation (“CRH”), is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755 and Seattle Municipal Code Ch. 3.110; and

The purpose of CRH shall be to preserve, develop, own and operate affordable multifamily housing, as well as cultural, social and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board shall determine; and

CRH’s charter grants CRH numerous powers, including without limitation, the power to own and sell real and personal property; and

In 1991 in furtherance of its purpose, CRH acquired and rehabilitated a 5-unit tudor-style building located at 946 Broadway East, Seattle, WA 98102 known as Broadway; and

CRH has managed the building with two unrestricted and three self-restricted units set aside at 50% AMI for property tax exemption purposes; and

The property has a permanent loan, a mortgage from the Chase Bank with a current balance as of 5/31/2023 of \$46,922; and

There are no Regulatory Agreements in place requiring the units remain affordable; and

A capital needs assessment has identified a series of current and future capital needs, the cost of which will exceed the amount of funds available in the building’s reserve accounts and require use of CRH resources, as described in CRH’s 2020 Portfolio Assessment – a detailed review of each property’s financial and physical sustainability along with their mission fit; and

the property performed below average on both financial and physical sustainability alignment metrics in the 2020 portfolio assessment, and underperformed on mission fit; and

CRH has considered its available options related to the building, including continued operation of the building as is, and disposition of the building on the private market; and

CRH's Policy Framework for Use of Physical Assets identifies disposition as a strategy in cases where "properties may need significant capital investments in order to properly operate" and for which this strategy was utilized previously in the sale of the Four Ten Apartments, Tiltsonian Apartments, Elizabeth Dean Wells Apartments, and The Fredonia; and

In July 2023 CRH Staff introduced to the Finance and Asset Management Committee and the full Board the concept of a potential disposition of the Broadway; and

CRH has considered the impact on the existing residents and has established protocols and supports that exceed required support for resident relocation;

The FAM and full Board did not express opposition to notifying residents of the CRH's intention to sell the property, beginning the City of Seattle's Notice of Intent to sell process, and staff has held initial meetings with residents to make them aware of such, and

NOW, THEREFORE, BE IT RESOLVED by the Board of Community Roots Housing as follows:

- (1) The CRH Board of Directors hereby finds and determines that it wants to maximize CRH flexibility in determining the future use of the asset known as Park Hill.
- (2) The CRH Board of Directors determines that the sale will support its mission and is consistent with organizational policies.
- (3) The CRH Board of Directors, therefore, finds and determines that sale of the building to support ongoing operations, and the CRH mission will increase the financial stability of the organization and is therefore within the power and authority granted to CRH by its Charter.
- (4) Any and all documents authorized to be executed on behalf of Community Roots in furtherance of the foregoing are authorized to be executed or taken by the CEO of Community Roots Housing (the "Authorized Representative") or as he may delegate.
- (5) CRH's Executive Director is authorized and directed to:
 - (a) Follow all applicable local, state and federal laws governing the sale of affordable multifamily apartment buildings;
 - (b) Enter into a Listing Agreement with an appropriate agent for the sale of the building;
 - (c) Review any offers for the purchase of the building in consultation with the CRH Leadership Team and Executive Committee of the Board of Directors, negotiate appropriate conditions, and enter into a Purchase and Sale Agreement under the most advantageous terms for CRH and the current residents;

- (d) Prepare and execute any additional documents for CRH related to the closing of the sale of the property;
 - (e) Utilize the proceeds from the sale of the property to (1) pay the balance of any remaining debt, and (2) pay any other related costs of the sale; and
 - (f) Utilize net proceeds to support ongoing operations, including supporting real estate development activities, and the Community Roots Housing mission.
 - (g) The Authorized Representative, acting alone, is authorized, empowered and directed to take such further action on behalf of CRH, as the Authorized Representative may deem necessary to effectuate the foregoing;
 - (h) Any and all acts authorized pursuant to these Resolutions and performed prior to the passage of these Resolutions are hereby ratified and affirmed.
- (6) If this process is not complete by June 30th, 2024, the Executive Director will consult with the board for direction.

CERTIFICATION

I _____, certify that I am the _____ of Community Roots Housing ("CRH") and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of CRH held on the 5thth day of July 2023, in accordance with the Charter and Rules and Regulations of CRH upon proper notice and at which time a quorum was present.

DATED the 14thth day of August 2023.

By _____

Its _____

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COMMUNITY ROOTS
— HOUSING —

SECTION 5:
Resolution 2023-20 –
Park Hill Sale

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COMMUNITY ROOTS
HOUSING

Community Roots Housing PDA Board Resolution 2023-20

Overview: Park Hill Disposition

Purpose: Seeking board approval to proceed with sale process for Park Hill

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Finance and Asset Management

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: Consistent with the disposition assessment presented to the board at the July 2023 meeting and the CRH Policy Framework for Use of Physical Assets, CRH staff is seeking authorization to proceed with the disposition of Park Hill to support ongoing operations, including supporting real estate development activities, and Community Roots Housing mission.

Organizational requirements of resolution: Formal resolution

Financial cost of the resolution: Cost of this resolution includes legal fees, loan repayment including a prepayment penalty, broker commissions, and recording fees. Costs will be funded from sale proceeds.

Pros: Disposition will eliminate need to CRH funding to support capital needs at the property, generate funding for the General Building Reserve to fund capital needs at properties that cannot bear costs, and support ongoing operations that help CRH deliver on organization’s mission.

Cons: Potential buyer would likely redevelop property into market rate units, causing 16 affordable units to be taken off the market.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee requires reporting, and anticipated dates for reporting.

Author of Resolution Overview: Lariah Thompson



**ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF
COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION**

August 14, 2023

**Resolution No. 2023-20
Park Hill Disposition**

A RESOLUTION of the Board of Directors of Community Roots Housing authorizing and directing staff to further the sale of Park Hill located at 1300 East Union Street, Seattle, WA 98122.

Community Roots Housing, formerly known as Capitol Hill Housing Improvement Program, a Washington public corporation (“CRH”), is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755 and Seattle Municipal Code Ch. 3.110; and

The purpose of CRH shall be to preserve, develop, own and operate affordable multifamily housing, as well as cultural, social and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board shall determine; and

CRH’s charter grants CRH numerous powers, including, without limitation, the power to own and sell real and personal property; and

In 1986 in furtherance of its purpose, CRH acquired and rehabilitated a 30-unit building located at 1300 East Union Street, Seattle, Washington 98122 known as Park Hill; and

CRH has managed the building as both market rate and affordable housing in accordance with the terms of City Loan Contract executed in 1987 and the City Regulatory Agreement executed in 1988; and

The property has a permanent loan, a mortgage from the Chase Bank with a current balance as of 5/31/2023 of \$311,767 and a soft loan with City of Seattle with a current balance of \$404,391 including \$162,000 of accrued interest; and

The restrictions from the City of Seattle Office of Housing loan and covenant on the land requiring the units to remain affordable are eliminated upon the repayment of the City loan; and

A capital needs assessment has identified a series of current and future capital needs, the cost of which will exceed the amount of funds available in the building’s reserve accounts and require use of CRH resources, as described in CRH’s 2020 Portfolio Assessment – a detailed review of each property’s financial and physical sustainability along with their mission fit; and

The property scored below average on both financial and physical sustainability metrics in the 2020 portfolio assessment; and

CRH has considered its available options related to the building, including continued operation of the building as is, and disposition of the building on the private market; and

CRH's Policy Framework for Use of Physical Assets identifies disposition as a strategy in cases where "properties may need significant capital investments in order to properly operate" and for which this strategy was utilized previously in the sale of the Four Ten Apartments, Tiltsonian Apartments, Elizabeth Dean Wells Apartments, and The Fredonia; and

In July 2023 CRH Staff introduced to the Finance and Asset Management Committee and the full Board the concept of a potential disposition of the Park Hill; and

CRH has considered the impact on the existing residents and has established protocols and supports that exceed required support for resident relocation;

The FAM and full Board did not express opposition to notifying residents of the CRH's intention to sell the property, beginning with the City of Seattle's Notice of Intent to sell process, initial meetings with residents to make them aware of such; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Community Roots Housing as follows:

- (1) The CRH Board of Directors hereby finds and determines that it wants to maximize CRH flexibility in determining the future use of the asset known as Park Hill.
- (2) The CRH Board of Directors determines that the sale will support its mission and is consistent with organizational policies.
- (3) The CRH Board of Directors, therefore, finds and determines that sale of the building to support ongoing operations, and the CRH mission will increase the financial stability of the organization and is therefore within the power and authority granted to CRH by its Charter.
- (4) Any and all documents authorized to be executed on behalf of Community Roots in furtherance of the foregoing are authorized to be executed or taken by the CEO of Community Roots Housing (the "Authorized Representative") or as he may delegate.
- (5) CRH's Executive Director is authorized and directed to:
 - (a) Follow all applicable local, state and federal laws governing the sale of affordable multifamily apartment buildings;
 - (b) Enter into a Listing Agreement with an appropriate agent for the sale of the building;
 - (c) Review any offers for the purchase of the building in consultation with the CRH Leadership Team and Executive Committee of the Board of Directors, negotiate appropriate conditions, and enter into a Purchase and Sale Agreement under the most advantageous terms for CRH and the current residents;

- (d) Prepare and execute any additional documents for CRH related to the closing of the sale of the property;
 - (e) Utilize the proceeds from the sale of the property to (1) pay the balance of any remaining debt, and (2) pay any other related costs of the sale; and
 - (f) Utilize net proceeds to support ongoing operations, including supporting real estate development activities, and the Community Roots Housing mission.
 - (g) The Authorized Representative, acting alone, is authorized, empowered and directed to take such further action on behalf of CRH, as the Authorized Representative may deem necessary to effectuate the foregoing;
 - (h) Any and all acts authorized pursuant to these Resolutions and performed prior to the passage of these Resolutions are hereby ratified and affirmed.
- (6) If this process is not complete by June 30, 2024, the Executive Director will consult with the board for direction.

CERTIFICATION

I _____, certify that I am the _____ of Community Roots Housing ("CRH") and that the foregoing Resolutions were duly adopted at a meeting of the Board of Directors of CRH held on the 10th day of April 2023, in accordance with the Charter and Rules and Regulations of CRH upon proper notice and at which time a quorum was present.

DATED the 14th day of August 2023.

By _____

Its _____

Resolution prepared by: Lariah Thompson



COMMUNITY ROOTS
— HOUSING —

SECTION 6:
Resolution 2023-21 –
Pride Place

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COMMUNITY ROOTS
HOUSING

Community Roots Housing PDA Board Resolution 2023-21

Overview: Pride Place Retail Condo Acquisition and OH Supplementary Loan

Purpose: Requesting board approval for creating new LLC entity to hold the Pride Place retail condominium unit; reaffirming CRH’s assumption of the retail construction loan associated with the retail condo unit; and approving an additional Seattle Office of Housing loan to Broadway LGBTQ Senior LLLP for project cost increases due to the concrete strike.

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Property Development Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: Requesting board approval for creating new LLC entity to hold the Pride Place retail condominium unit; reaffirming CRH’s assumption of the retail construction loan associated with the retail condo unit; and approving an additional Seattle Office of Housing loan to Broadway LGBTQ Senior LLLP for project cost increases due to the concrete strike.

Organizational requirements of resolution: n/a

Financial cost of the resolution: The board previously approved a resolution authorizing CRH to acquire and manage the retail condo unit at Pride Place, including the assumption of a portion of the retail construction loan balance. As part of this transaction, CRH will be required to contribute equity in the approximate amount of \$766,482, as well as approximately \$50,000 in estimated excise tax, escrow and recording costs. CRH will also be obligated to service debt on the construction loan balance until conversion to a permanent commercial loan in Q2 2024. Debt service is estimated at approximately \$7,500 per month.

Pros: Enables CRH to acquire an unencumbered commercial retail asset with opportunity for positive cash flow from operations.

Cons: High upfront equity requirement; risk of vacancy

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No

If yes, please describe: Please include here whether full Board or Committee requires reporting, and anticipated dates for reporting.

Author of Resolution Overview: Mason Cavell

**RESOLUTION ADOPTED AT A MEETING
OF THE BOARD OF DIRECTORS
OF COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION
(Pride Place)**

RESOLUTION 2023-21

WHEREAS Community Roots Housing (“**CRH**”) is a Washington public corporation, organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110;

WHEREAS the purpose of CRH shall be to preserve, develop, own and operate affordable multifamily housing, as well as cultural, social, and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board of CRH (the “**Board**”) shall determine;

WHEREAS CH Development Association, a Washington nonprofit corporation (“**CHDA**”), was organized to support and carry out the purposes of CRH;

WHEREAS the Boards of Directors of CHDA and CRH previously adopted certain Resolutions (collectively, the “**Previous Resolutions**”) in connection with the development, financing, construction, equipping and leasing of an eight-story building in Seattle, Washington consisting of (i) an affordable housing development condominium unit (the “**Housing Development**”); (ii) ground-floor commercial condominium unit (the “**Commercial Unit**”); and (iii) ground-floor community services condominium unit (the “**Community Services Unit**” and, together with the Housing Development and Commercial Unit, the “**Project**”);

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Board caused CHDA to form Broadway LGBTQ Senior GP LLC, a Washington limited liability company (the “**General Partner**”), of which CRH is the Manager and CHDA is the sole member;

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Board caused CHDA to form Broadway LGBTQ Senior LLLP, a Washington limited liability limited partnership (the “**Partnership**”), of which the General Partner is the general partner, for the purposes of acquiring and constructing the Project and owning and operating the Housing Development;

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Partnership previously caused the Project property to be subjected to a condominium regime and caused the conveyance of the Community Services Unit to an affiliate of Generations with Pride, a Washington nonprofit corporation (“**GenPride**”);

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Partnership previously obtained a loan in the original principal amount of \$9,817,164 from The City of Seattle, a Washington municipal corporation (the “**City**”), for the acquisition and development of the Project (the “**City Loan**”), which City Loan is evidenced by, among other documents, the following, each dated as of October 25, 2021: (i) that certain Promissory Note in the original principal amount of \$9,817,164 (the “**City Note**”); (ii) that

certain Loan Agreement (the “**City Loan Agreement**”); (iii) that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, recorded under Recording Number 20211029000022 in the records of King County, Washington (the “**City DOT**”); (iv) that certain Regulatory Agreement (Covenants and Easements for Low-Income Housing) recorded under Recording Number 20211028001298 in the records of King County, Washington (the “**City Regulatory Agreement**”); and (v) that certain Certificate and Indemnity Agreement Regarding Hazardous Substances and Building Laws (the “**City Environmental Indemnity**” and, together with the City Note, City Loan Agreement, City DOT and City Regulatory Agreement, collectively, as amended, the “**City Loan Documents**”);

WHEREAS in connection with increased Project costs, the Partnership has requested and the City has agreed to increase the City Loan amount by an approximate amount of \$1,750,000 (or such higher or lower amount as an Authorized Representative (defined below) deems reasonably necessary or advisable) (the “**City Loan Increase**”), and the City Loan Documents will be amended to reflect such increased City Loan amount, which amendments may include the Partnership executing an additional Promissory Note evidencing the City Loan Increase and executing an additional Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing to secure the City Loan Increase;

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Board previously authorized CRH and the Partnership to enter into that certain Condominium Unit Purchase and Sale Agreement with a reference date of October 25, 2021 (the “**Purchase Agreement**”) for the purpose, among others, of establishing the terms of the acquisition by CRH of the Commercial Unit;

WHEREAS CRH desires to participate in the formation of Pride Place Commercial LLC, a Washington limited liability company (the “**Company**”), to own and operate the Commercial Unit, of which CRH will serve as the Manager and CHDA will serve as the sole member;

WHEREAS in furtherance of the Project and pursuant to the Previous Resolutions, the Partnership previously obtained a taxable loan in the original principal amount of \$2,054,645 from JPMorgan Chase Bank, N.A., a national banking association (the “**Bank**”), for the development of the Commercial Unit (the “**Taxable A Loan**”), which Taxable A Loan is evidenced by, among other documents, the following, each dated as of October 25, 2021: (i) that certain that certain Promissory Note A (Taxable Construction Loan) in the original principal amount of \$2,054,645 (the “**Taxable A Note**”); (ii) that certain Construction Loan Agreement (Taxable Loan) (the “**Taxable A Loan Agreement**”); (iii) that certain Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, recorded under Recording Number 20211029000020 in the records of King County, Washington (the “**Taxable Loan DOT**”); and (iv) that certain Environmental Indemnity Agreement (the “**Taxable Loan Environmental Indemnity**” and, together with the Taxable A Note, Taxable A Loan Agreement and Taxable DOT, collectively, as amended, the “**Taxable A Loan Documents**”);

WHEREAS under the terms of an Assignment, Assumption and Amendment of Condominium Purchase and Sale Agreement to be entered into by and among CRH, the Partnership and the Company, the Partnership shall convey the Commercial Unit to the Company for a total purchase price in the approximate amount of \$2,054,645 (the “**Acquisition Price**”), which amount represents an estimate of the pro rata allocation to the Commercial Unit of the cost to the Partnership to acquire the real property and to construct the Project, and which Acquisition Price shall be paid as follows: (1) the Company shall assume a portion of the Taxable A Loan from the Partnership in an amount not to exceed \$1,288,163 (the “**Taxable A Loan Assumption**”); and (2) the balance of the Acquisition Price shall be payable by the Company in cash at closing, of which outstanding balance in the approximate amount of \$766,482 shall be payable by the

Company directly to Bank to pay down the remaining balance of the Taxable A Note in excess of the portion of the Taxable A Loan being assumed;

WHEREAS in connection with the Taxable A Loan Assumption, the Taxable A Loan Documents will be amended to reflect such Taxable A Loan Assumption by the Company;

WHEREAS, CRH, for itself, on behalf of the Company, and on behalf of the General Partner, on behalf of the Partnership, desires to obtain and close on the City Loan Increase and the Taxable A Loan Assumption and to close the sale of the Commercial Unit from the Partnership to the Company;

WHEREAS CRH, having determined it to be in the best interests of, and directly or indirectly beneficial to, itself, the General Partner, Partnership, Company and Project, desires to guarantee, in its individual capacity and in its capacity as manager of the Company and the General Partner, to guarantee certain obligations of the Project, Company, General Partner and/or Partnership in connection with the Project, City Loan Increase, Taxable A Loan Assumption or otherwise, all as may be reasonably required or advisable to advance the Project and close on the City Loan Increase and the Taxable A Loan Assumption;

WHEREAS CRH, in its own capacity and as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), desires to take any and all such steps as are reasonably necessary or advisable to (i) ratify the formation of the Company, General Partner and Partnership entities; (ii) cause the Company to acquire the Commercial Unit from the Partnership; (iii) close on the City Loan Increase; (iv) close on the Taxable A Loan Assumption; and (v) ratify and affirm its prior actions taken in connection with the predevelopment, development and financing of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMUNITY ROOTS HOUSING AS FOLLOWS:

RESOLUTIONS

1. **NOW, THEREFORE, BE IT RESOLVED** that the Recitals above are hereby incorporated into the Resolutions herein by reference.
2. **BE IT FURTHER RESOLVED** that all the actions of CRH, in its individual corporate capacity and as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), taken in connection with the formation of the Company, the General Partner and the Partnership, including the execution and delivery of the documents listed on the **Exhibit A** hereto ("**Organizational Documents**") are hereby ratified and affirmed.
3. **BE IT FURTHER RESOLVED** that each of the Prior Resolutions are ratified and affirmed, and that all the actions of CRH, in its individual corporate capacity and as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), taken in connection with its service as the sponsor and developer of the Project are hereby ratified and affirmed.
4. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), is authorized, empowered and directed to take all such reasonably necessary or advisable steps to accomplish the conveyance of the Commercial Unit from the Partnership to the Company and to close on the Taxable A Loan Assumption, including the negotiation, execution and delivery of documents, such documents including, but not limited to,

the documents described on the attached **Exhibit A**; and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

5. **BE IT FURTHER RESOLVED** that CRH is authorized, empowered and directed, for itself and as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), to take any and all such steps as may be reasonably necessary or advisable to accomplish the closing of the City Loan Increase, including the negotiation, execution and delivery of documents such documents including, but not limited to, the documents described on the attached **Exhibit A**; and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

6. **BE IT FURTHER RESOLVED** that CRH is authorized, empowered and directed, in its individual capacity, to contribute the outstanding balance of the Acquisition Price in the approximate amount of \$2,054,645, of which \$766,482 will be used by the Company to pay down the Taxable A Note until the Company is able to obtain such additional financing as to fully repay the balance of the Taxable A Loan.

7. **BE IT FURTHER RESOLVED** that any and all documents authorized to be executed and delivered by CRH, in its individual corporate capacity and/or in its capacity as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership) to accomplish the foregoing are hereby authorized to be executed by any one of the following individuals or their duly appointed successors (each, acting alone, an “*Authorized Representative*”).

<u>Name:</u>	<u>Title:</u>
Drew Porter	Chair
Frank F. Alvarado III	Vice Chair
Derrick Belgarde	Vice Chair
Jill Cronauer	Treasurer
George Staggers	Secretary
Chris Persons	Chief Executive Officer

8. **BE IT FURTHER RESOLVED** that any Authorized Representative is authorized, empowered and directed to take such further action on behalf of CRH, in its individual corporate capacity and in its capacity as manager of the Company and of the General Partner (in its own capacity and on behalf of the Partnership), as the Authorized Representative may deem necessary to effectuate the transactions described herein; and that any previous execution, delivery or furnishing of documents and/or materials by any Authorized Representative done in furtherance of the foregoing is hereby authorized, confirmed and ratified.

9. **BE IT FURTHER RESOLVED** that while the titles of, and parties to, the various documents described in this resolution may change, no change to such titles or parties will affect the authority conferred by this resolution to negotiate, execute, deliver and perform under the documents in their final form.

10. **BE IT FURTHER RESOLVED** that this resolution will be in full force and effect from and after its adoption and approval and that this resolution shall supersede any prior resolutions of the CRH with respect to the Project to the extent such prior resolutions are inconsistent with the terms hereof.

11. **BE IT FURTHER RESOLVED** that all actions previously undertaken by CRH with respect to the foregoing resolutions are hereby ratified and affirmed in all respects.

ADOPTED by the Board of Directors of Community Roots Housing at an open public meeting thereof this 14th day of August, 2023.

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Board of Directors of the Community Roots Housing (“**CRH**”) and keeper of the records of CRH, CERTIFY:

1. That the attached Resolution No. 2023-21 (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Directors of CRH, as adopted at a meeting of the Board of Directors of CRH held on August 14, 2023, and duly recorded in the minute books of CRH.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of CRH present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of August, 2023.

Secretary

Exhibit A

Organizational Documents

1. Amended and Restated Agreement of Limited Partnership of the Partnership
2. Amendment to Amended and Restated Agreement of Limited Partnership of the Partnership
3. Certificate of Limited Liability Limited Partnership of the Partnership
4. Operating Agreement of the General Partner
5. Certification of Formation of the General Partner
6. Operating Agreement of the Company
7. Certification of Formation of the Company

Commercial Unit Conveyance Documents

1. Assignment, Assumption and Amendment of Condominium Purchase and Sale Agreement
2. Bargain and Sale Deed
3. Assignment of Warranties
4. Real Estate Excise Tax Affidavit
5. Escrow Instructions
6. Owner's Title Policy and Settlement Statement
7. Lenders' Title Policies and Endorsements
8. Partial Release of Unit 2 - (Bond Regulatory Agreement)
9. Partial Release of Unit 2 (WSHFC Extended Use Agreement)
10. JPMC Tax-Exempt DOT - Request for Partial Reconveyance of Unit 2
11. JPMC Tax-Exempt Deed of Trust - Partial Reconveyance of Unit 2
12. City of Seattle - Request for Partial Reconveyance of Unit 2
13. City of Seattle Regulatory Agreement - Partial Release of Unit 2
14. King County - Request for Partial Reconveyance of Unit 2
15. King County Affordable Housing Covenant - Partial Release of Unit 2
16. Sound Transit Affordable Housing Covenant - Partial Release of Unit 2
17. Sound Transit DDA - Partial Release of Unit 2
18. Dept. of Commerce - Request for Partial Reconveyance of Unit 2
19. Dept. of Commerce DOT - Partial Reconveyance of Unit 2
20. Dept. of Commerce Low Income Housing Covenant Agreement - Partial Release of Unit 2
21. Such other documents, agreements, assignments, certificates and/or affidavits as applicable

Taxable Bank Loan Assumption Documents

1. Amendment to Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filings
2. Assignment and Assumption of Loan Documents
3. UCC-3 Financing Statement amendments
4. Such other documents, modifications, amendments, agreements, assignments, certificates and/or affidavits as applicable

City Loan Increase Documents

1. Promissory Note
2. Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing
3. Amendment to Priority and Subordination Agreement
4. Amendment to Loan Agreement
5. Amendment to Regulatory Agreement (Covenants and Easements for Low-Income Housing)
6. Amendment to Certificate and Indemnity Regarding Hazardous Substances and Building Laws

7. Such other documents, modifications, amendments, agreements, assignments, certificates and/or affidavits as applicable



COMMUNITY ROOTS
— HOUSING —

SECTION 7:
Resolution 2023-22 –
Rainier and Genesee
Acquisition

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Community Roots Housing PDA Board Resolution 2023-22 - Rainier and Genesee Acquisition

Overview: Rainier and Genesee Acquisition

Purpose: Resolution to create single purpose entity for the purchase of Rainier and Genesee land, and to authorize a land acquisition loan from a mix of potential funding sources, which are currently being evaluated.

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Property Development Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: CRH is under contract to purchase land for the Rainier and Genesee development project. This resolution would authorize the creation of a single purpose entity that will purchase the land. It will also authorize CRH to enter into a land acquisition loan with a combination of Seattle Office of Housing and other gap lenders. Right now, CRH development staff is evaluating which acquisition loan option would be the most advantageous.

Organizational requirements of resolution: Formal resolution

Financial cost of the resolution: The purchase price for the Rainier and Genesee land is \$4,800,000 and a loan is being sought for \$4,845,000 to cover the entire amount and any miscellaneous closing costs.

Pros: CRH will be able to acquire the land for Rainier and Genesee without a major outlay of capital. Because the acquisition loan will be collateralized with the land, it should have minimal impact on CRH's debt to equity ratio.

Cons: Exact acquisition path is not yet determined. Depending on the size of OH's contribution, CRH will face ongoing interest charges.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: CRH will report on eventual acquisition strategy once funding amounts are confirmed.

Author of Resolution Overview: Thomas Geffner

**RESOLUTION ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS
OF
COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION**

(Rainier and Genesee Acquisition)

RESOLUTION 2023-22

WHEREAS, Community Roots Housing, a Washington public corporation (“**CRH**”), is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110.

WHEREAS, the purpose of CRH is to preserve, develop, own and operate affordable multifamily housing, as well as cultural, social, and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board of CRH shall determine.

WHEREAS, CH Development Association, a Washington nonprofit corporation (“**CHDA**”), was organized to support and carry out the purposes of CRH.

WHEREAS, Kane Properties L.L.C., a Washington limited liability company (the “**Seller**”) and Lake Union Partners Holdings, LLC, a Washington limited liability company (“**LUP Holdings**”), entered into a Purchase and Sale Agreement (as amended, the “**Purchase Agreement**”) dated April 2, 2019 to purchase certain real property located at 4208 Rainier Avenue South, Seattle, Washington 98118 (the “**4208 Property**”). LUP Holdings and Rainier & Genesee Property, LLC, a Delaware limited liability company (“**R&G**”) entered into an Assignment of Purchase and Sale Agreement dated November 22, 2019, pursuant to which LUP Holdings assigned to R&G, and R&G assumed from LUP Holdings, all of LUP Holdings’ rights, title and interest in the Purchase Agreement.

WHEREAS, the 4208 Property was apportioned into two separate parcels using a lot boundary adjustment. Subsequent to the lot boundary adjustment, R&G and CHDA Lake City LLLP, a Washington limited liability limited partnership (“**CHDA Lake City**”), entered into a Partial Assignment of Purchase and Sale Agreement dated May 19, 2022 (the “**First Assignment**”) pursuant to which R&G assigned to CHDA Lake City, and CHDA Lake City assumed from R&G, all of R&G’s rights, title and interest to acquire one of the two parcels (the “**Property**”) created by the lot boundary adjustment. CHDA Lake City GP LLC, a Washington limited liability company of which CRH is the manager and CHDA is the sole member (the “**CHDA Lake City General Partner**”), is the general partner of CHDA Lake City. CRH is the initial limited partner of CHDA Lake City.

WHEREAS, CRH desires to cause the formation of a Washington limited liability company (the “**LLC**”) of which CHDA will be the sole member to purchase the Property. CRH will be the manager of the LLC.

WHEREAS, CHDA Lake City and the LLC will enter into a Partial Assignment and Assumption of Purchase and Sale Agreement (the “**Second Assignment**”) pursuant to which CHDA Lake City will assign to the LLC, and the LLC will assume from CHDA Lake City, all of CHDA Lake City’s rights, duties and obligations under the Purchase Agreement with respect to the Property.

WHEREAS, CRH has applied to the Seattle Office of Housing (“**OH**”) for an acquisition loan in the amount of \$4,845,000 with a to-be-determined interest rate and a term of up to five years (the “**OH Loan**”).

WHEREAS, the LLC may obtain a (i) loan from Rainier & Genesee, LLC or any affiliated entities controlled by Lake Union Partners (collectively, “**LUP**”) in the amount of up to \$2,000,000 and on such terms as an Authorized Representative (as such term is defined below) deems advisable, necessary and/or appropriate (the “**LUP Loan**”) and/or (ii) a loan from Impact Capital (“**Impact Capital**”) in the amount of up to \$2,000,000 and on such terms as an Authorized Representative (as such term is defined below) deems advisable, necessary and/or appropriate (the “**Impact Loan**”) and/or (iii) a loan from Local Initiatives Corporation (“**LISC**”) in the amount of up to \$2,000,000 and on such terms as an Authorized Representative (as such term is defined below) deems advisable, necessary and/or appropriate (the “**LISC Loan**”) and/or (iv) a loan from the Washington State Housing Finance Commission (“**WSHFC**”) in the amount of up to \$2,000,000 and on such terms as an Authorized Representative (as such term is defined below) deems advisable, necessary and/or appropriate (the “**WSHFC**”) and together with the LUP Loan, the LISC Loan, the Impact Loan and the LAP Loan, the “**Loans**”);

WHEREAS, CRH, in its individual corporate capacity, in its capacity as manager of the CHDA Lake City General Partner on behalf of the CHDA Lake City General Partner and/or CHDA Lake City and in its capacity as manager of the LLC, desires to take any and all steps as may be reasonably necessary or advisable to (i) execute the First Assignment and the Second Assignment and cause the LLC to acquire the Property; (ii) to cause the formation of the LLC and authorize CRH to serve as the manager of the LLC; (iii) apply for and close on the Loans, as needed; and (iv) ratify and affirm any prior actions taken in connection with the acquisition of the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMUNITY ROOTS HOUSING AS FOLLOWS:

RESOLUTIONS

1. **NOW, THEREFORE, BE IT RESOLVED**, that the Recitals above are hereby incorporated into the Resolutions herein by reference.
2. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity, in its capacity as the manager of the CHDA Lake City General Partner on behalf of the CHDA Lake City General Partner and/or CHDA Lake City and in its capacity as manager of the LLC, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable for the LLC to acquire the Property and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith, such documents including, but not limited to, the First Assignment and the Second Assignment, a real estate excise tax affidavit, title affidavits and indemnities, and a settlement statement.
3. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable to cause the formation of the LLC and to serve as manager of the LLC and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.
4. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to apply for and close on the OH

Loan, and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.

5. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to apply for and close on the LUP Loan, if needed for the LLC to acquire the Property, on such terms an Authorized Representative (as such term is defined below) deems advisable, necessary, and/or appropriate and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith

6. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to apply for and close on the Impact Loan, if needed for the LLC to acquire the Property, on such terms an Authorized Representative (as such term is defined below) deems advisable, necessary, and/or appropriate, and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.

7. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to apply for and close on the LISC Loan, if needed for the LLC to acquire the Property, on such terms an Authorized Representative (as such term is defined below) deems advisable, necessary, and/or appropriate, and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.

8. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to apply for and close on the WSHFC Loan, if needed for the LLC to acquire the Property, on such terms an Authorized Representative (as such term is defined below) deems advisable, necessary, and/or appropriate, and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.

9. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the LLC, is authorized, empowered and directed to execute, negotiate and deliver a Priority and Subordination Agreement, if applicable.

10. **BE IT FURTHER RESOLVED** that any and all documents authorized to be executed and delivered by CRH, in its individual corporate capacity, in its capacity as manager of the CHDA Lake City General Partner on behalf of the CHDA Lake City General Partner and/or CHDA Lake City and/or in its capacity as manager of LLC to accomplish the foregoing are hereby authorized to be executed by any one of the following individuals or their duly appointed successors (each, acting alone, an “**Authorized Representative**”):

Name	Title
Christopher Persons	Chief Executive Officer
Drew Porter	Chair
Frank F. Alvarado III	Vice Chair
Derrick Belgarde	Vice Chair
Jill Cronauer	Treasurer
George Staggers	Secretary

11. **BE IT FURTHER RESOLVED** that any Authorized Representative is authorized, empowered and directed to take such further action on behalf of CRH, in its individual corporate capacity, in its capacity as manager of the CHDA Lake City General Partner on behalf of the CHDA Lake City General Partner and/or CHDA Lake City and in its capacity as manager of the LLC, as such Authorized Representative may deem necessary to effectuate the transactions described herein and that any previous execution, delivery or furnishing of documents and/or materials by any Authorized Representative done in furtherance of the foregoing is hereby authorized, confirmed and ratified.

12. **BE IT FURTHER RESOLVED** that while the titles of, and parties to, the various documents described in this resolution may change, no change to such titles or parties will affect the authority conferred by this resolution to negotiate, execute, deliver and perform under the documents in their final form.

13. **BE IT FURTHER RESOLVED** that this resolution will be in full force and effect from and after its adoption and approval and that this resolution shall supersede any prior resolutions of the CRH with respect to the Project to the extent such prior resolutions are inconsistent with the terms hereof.

14. **BE IT FURTHER RESOLVED** that all actions previously undertaken by CRH with respect to the foregoing resolutions are hereby ratified and affirmed in all respects.

[CERTIFICATION ON FOLLOWING PAGE]

OFFICER CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Board of Directors of the Community Roots Housing (“**CRH**”) and keeper of the records of CRH, CERTIFY:

1. That the attached Resolution No. 2023-22 (the “**Resolution**”) is a true and correct copy of the resolution of the Board of Directors of CRH, as adopted at a meeting of the Board of Directors of CRH held on June 12, 2023, and duly recorded in the minute books of CRH.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Directors of CRH present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been

Dated: August 14th, 2023

By: _____
George Stagers, Secretary



COMMUNITY ROOTS
— HOUSING —

SECTION 8:
Resolution 2023-23 –
Seattle Mennonite NOFA

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Community Roots Housing PDA Board Resolution 2023 - 23

Overview: Seattle Mennonite Church Project: Funding Applications

Purpose: The purpose of the document is to get approval from the board to submit and prepare funding applications for the Seattle Office of Housing, State Housing Trust Fund and King County NOFA's

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Will be presented to the Property Development Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: The county, state and city require that a board resolution is signed to provide an approval to the organization to apply and prepare funding applications.

Organizational requirements of resolution: N/A

Financial cost of the resolution: By passing the resolution, it allows the project the opportunity to compete and be awarded by either the city, state, or county. If awarded, the project can continue predevelopment design and community outreach in collaboration with the Seattle Mennonite Church.

Pros: The project can resume design and development if awarded after submission

Cons: The project will reapply in 2024 if not awarded

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee requires reporting, and anticipated dates for reporting.

Author of Resolution Overview: Brenda Gonzalez



**ADOPTED AT A MEETING OF THE
BOARD OF DIRECTORS OF
COMMUNITY ROOTS HOUSING,
A WASHINGTON PUBLIC CORPORATION**

August 14, 2023

**Resolution 2023-23
Seattle Mennonite Church Project: Funding Applications**

Be it known that:

Community Roots Housing, a Washington public corporation (“the Program”), is organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110; and

The purpose of the Program shall be to preserve, develop, own, and operate affordable multifamily housing, as well as cultural, social, and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board shall determine; and

Community Roots Housing is authorized to exercise all powers necessary or convenient to affect the purposes for which the Program is organized and to perform authorized Program functions, including, without limitation, the power to contract and enter into partnership with individuals, associations and corporations; and

Community Roots Housing has identified the opportunity to develop a site (the “Site”) located at 3120 NE 125th Ave, Seattle, WA 98125 into a mixed use commercial and low-income multifamily rental project in partnership with the Seattle Mennonite Church; and

The development of the site will provide approximately two hundred (200) units of affordable housing with the average rent affordable at approximately 50% of area median income (AMI) and approximately 18,000 square feet of commercial, religious, and social services space; and

The CRH Board of Directors has previously passed Resolution 2022-02 to approve a purchase and sale contract and to expend up to \$500,000 in funding to be used for pre-development activities on The Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Community Roots Housing as follows:

1. Community Roots Housing 's Chief Executive Officer is authorized and directed to:
 - (a) Prepare and submit funding and development proposals in response to the notice of funds availability (NOFA) issued by the Seattle Office of Housing, King County and Washington State Housing Trust Fund.

CERTIFICATION

I, George Stagers, certify that I am the Secretary of Community Roots Housing and that the foregoing Resolutions were duly adopted at an open public meeting of the Board of Directors of Community Roots Housing held on the 14th day of August 2023, in accordance with the law and with the Charter and Rules and Regulations of Community Roots Housing upon proper public notice and to which options for remote participation were readily available and at which time a quorum was present.

DATED the 14th day of June 2023.

By _____

Its: Secretary

Resolution prepared by: Brenda Gonzales



COMMUNITY ROOTS
— HOUSING —

SECTION 9:
Consent Agenda and
Attachments

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COMMUNITY ROOTS HOUSING PDA BOARD

Regular Meeting

August 14, 2023

5:30-7:30 PM

Pike Pine or RingCentral

CONSENT ITEMS

MINUTES AND REPORTS

1. July Board Meeting Minutes
2. Fundraising & Communications Memo
3. Resident and Property Success Committee Report and Minutes
4. Resident Services Report
5. Property Development Committee Report and Minutes
6. Capitol Hill EcoDistrict Report and Minutes
7. June Executive Committee Report and Minutes
8. July Executive Committee Report and Minutes
9. Joint Board Development Committee Report and Minutes
10. Resolution 2023-24 – Northgate Bond Inducement
11. Resolution 2023-25 - Tort Claim Registered Agent

DONATIONS, TRANSACTIONS OVER \$10,000 OR 1-YEAR, AGREEMENTS WITH PUBLIC ENTITIES

none



REGULAR BOARD MEETING MINUTES
Pike-Pine Conference Room/ RingCentral
July 10, 2023

Members present: Frank F. Alvarado III, Sara Cubillos, Chasten Fulbright, Shaun Frazier, Shalimar Gonzales, Michelle Morlan, M. Michelle Purnell-Hepburn, Drew Porter, Saunatina Sanchez, Eric Snow, George Staggers, Kristin Winkel

Members absent: Derrick Belgarde, Jill Cronauer, Bob Fikso

Staff members and board guests present: Sarah Bramson, Valencia Chambers Manora, Kiley Dhatt, Morgan Ford, Lisa Hagen, Michelle House, Scott McEachran, Jason McLin, Thea Munchel, Andrew Oommen, Chris Persons, Amy Phian, Hilary Prinz, Carolina Rocha (taking minutes), Sarah Shoemake-Gamble, Leslie Woodworth

Public: none

The meeting was called to order by Drew Porter at 5:35 p.m.

Disclosures & recusals: none

A motion to approve the **Consent Agenda** was made by Saunatina Sanchez, seconded by Frank F. Alvarado III, and passed unanimously.

Announcements

Omnivorous: The Omnivorous event will happen on September 13th at the Capitol Hill Station Plaza. Kiley asked board members to reach out to their network and connections for sponsorship and restaurant recruitment. She mentioned that we will host the board *gather* competition again, creating an exciting showdown between the Foundation board and the PDA board, the Carrot trophy awaits its winner.

10-minute lesson: Drew introduced the June 10-minute Lesson. This is a time at every Board meeting dedicated to helping Board members understand complicated aspects of our business. Future lesson topics have been identified and board members are encouraged to suggest topics to staff. At this meeting Thea presented the ABCs of LIHTC financing.

Public Comment: Saunatina noted that there were no members of the public present but wanted to share her feelings about resident concerns. She shared with the Board that as the resident board member she finds herself often in a complicated position between Board and resident, between being representative of the Resident population but not necessarily the representative for the residents. She mentioned that she brings a radical voice to the board, challenging the system that we operate under. She accentuated the vulnerable position of the Community Roots Housing residents, including those trying to enter the system. Living on the margins, the residents face constant challenges, which may not be apparent to everyone. She emphasized that she hopes that this awareness will lead to productive discussions. Chris notes that these are all the reasons we wanted and invited Saunatina to join the Board.

Presentation and Discussion

Elizabeth James update: In response to the residents who came to the last Board meeting, Chris recently visited the EJ building and mentioned that he observed that the conditions were satisfactory, and the property has undergone significant improvements over the years. While there were some minor issues, overall, the building and its amenities were well-maintained. The community room had supplies, games, and a functioning TV. Saunatina mentioned that Residents have reported to her that the community room outside door is not locking properly, leading to theft incidents and Chris emphasized that we will address these issues promptly.

Chris added that overall management of the portfolio is facing multiple problems, such as drug issues and disruptive behavior in other buildings. There is a growing difficulty in managing affordable housing and efforts are being made to involve residents in the Resident Council to address these challenges. He mentioned that prior to the pandemic, there was more flexibility to deal with similar situations. Michelle Morlan asked Chris to explain the difference from now and pre-pandemic and he mentioned that with the pre-pandemic, the organization was able to take actions when there were an issue with a resident but during and post pandemic, several rules were added which make the process for eviction very long and difficult. Chris noted that prior to the pandemic evictions were rare but that at times necessary to protect the safety of the community.

Shalimar mentioned that she wants to see actions, highlighting the current situation's impact on residents and advocating for better rental protections.

Saunatina emphasized that residents desire more frequent meetings at their buildings to foster a sense of community and encourage neighbor interactions, avoiding any legal presence or matters that may cause discomfort.

State of industry and organization: The organization is still grappling with ongoing challenges in the industry, including issues with collections, community safety, and public safety. On a positive note, progress has been made in securing a state loan and converting the city loan to a grant. Efforts are underway to create a stabilization fund for organizations like ours in Washington. EcoDistrict is moving along to Urban League and Jazz House will move forward with Amazon. Workforce reduction and property dispositions have contributed to financial improvements, and the vacancy rate is now below 4%. Chris mentioned that he and Leslie share a spreadsheet where they can track all expenses and cash projections for CRH, and the goal remains to end 2024 in a robust financial position.

Planning 2023: CRH is focusing on strategic priorities and major initiatives to address ongoing challenges in the industry and ensure resident-centered approaches, including racial equity teams, resident advisory council, and completing the Rise Together campaign, while also resolving cash flow issues and implementing RealPage for property management. Chris mentioned that regular updates on these initiatives will be provided to keep everyone informed of progress and upcoming actions.

Real Estate Development

Projects Update: Thea updated the board on the RED projects: 13th and Fir had a ribbon cut last month and the lease up is under way. Pride Place pre-leasing is underway, and construction will be complete by August. Heartwood switch gear delivered and able to move forward with leasing in October. Devonshire will close in the next o months.

Amazon has confirmed their commitment to Jazz House and Jason emphasized that he is working tirelessly to close the deal by September 8th, and the team is fully committed to making this project a success. He will bring a more detailed overview on the next meeting as things are continuously evolving.

Finance and Asset Management

May Financials: Hilary and Leslie presented the finances from May, which are included in the board packet.

A motion to approve the **May Finance and Asset Management Report** was made by Frank F. Alvarado III, second by Eric Snow, and passed unanimously.

Resolution 2023-18: Authorization of Board Designated Opportunity Funds use for Pride Place Retail funding: Previously the board approved Resolution 2021-18, authorizing CRH to pay approximately \$550,000 as down payment to purchase of the commercial condominium of the Pride Place project. The payment amount would be determined based on the required loan to value ratio for the lender, and overall estimated purchase price of \$1,995,000. FAM reviewed and approved this resolution for consideration by the full board.

A motion to approve the **Resolution 2023-18: Use of Board Designated Opportunity Funds use for Pride Place** was made by Saunatina Sanchez, seconded by M. Michelle Purnell-Hepburn, and passed unanimously.

Property Dispositions: Holden Vista was listed on June 28th. Lisa presented Park Hill and Broadway as candidates for dispositions due to the properties' capital needs exceed its functional costs and other factors.

Executive session: Per RCW 42.30.110(c) (to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public), the board went into executive session.

The Chair announced the session to begin at 7:25pm and estimated to be in executive session for 10 minutes. The Board exited executive session at 7:40pm.

The meeting was adjourned by Drew Porter at 7:40 pm.

Attested,

George Staggers, Secretary
August 14, 2023

August 2023 Fundraising and Communications Memorandum

To: Community Roots Housing Board of Directors CC: Christopher Persons

From: Kiley Dhatt

Events

Omnivorous, our annual food & drink showcase, is returning to the plaza on **Wednesday, September 13th** and [registration is now open!](#)

This is our biggest event, surpassing 425 attendees last year, and therefore our best opportunity to introduce new folks to our work. We expanded into the festival street last year and are hoping to make this year even bigger with more restaurants, bars, and fundraising activities!

How you can help right now:

- [Register yourself](#) – You already know you are joining us, right? Make it official and [register here](#), today.
- [Start gathering guests](#) – All board members are included in the dropdown on the registration page, simply have your guests select your name when they register.

Remember, a reserved table, bubbly, and bragging rights are on the line! We will update you on your guests, so you know who still needs to register.

- [Restaurant recruitment](#) – Are you a regular anywhere? Do you know folks who work in the industry? Do restaurants operate out of your company's buildings?

If you have connections for either and are willing to make an ask or introduction, please reach out to Laura at lorella@communityrootshousing.org she will get you all set with the nitty-gritty details, sponsorship & restaurant one-pagers, and even some language you can use to make the ask.

Grants & Awards

In the last month:

Grant proposals submitted include:

- Wells Fargo – Annual Fund - \$30,000

Grant proposals awarded include:

- Federal appropriations grant – Existing portfolio capital repairs - \$1,825,000 ask, \$850,000 conditional approval, formal notification December

Grant proposals declined include:

- Puget Sound Energy Foundation – Resident Services - \$10,000
- City of Seattle Digital Technology Matching Fund – Broadband Access for Low-Income Communities; devices and technical support for residents in 5 HUD buildings - \$22,900

Grant proposals still pending include:

- Fales Foundation – Resident Services - \$5,000

- Boeing Global Impact grant – EcoDistrict - \$50,000 (notification August)

Upcoming grant proposals include:

- Boeing Employees Community Fund – Annual Fund (facilities) - \$43,000
- Umpqua Bank Community Grant – Resident Services - \$10,000 (9/1 deadline)
- US Bank – Annual Fund - \$10,000
- Swedish Medical Center – Resident Services - \$15,000

Rise Together Capital Campaign

To date, the Rise Together partners have raised \$38,544,323 toward a goal of \$45,000,000 (86%).

Proposals pending:

- \$500K proposal to Bill & Melinda Gates Foundation to support the whole campaign
- \$1M Best Starts for Kids Capital Funding to support the WC HUB

Upcoming strategies:

- Secure campaign bridge loan for \$5M to ensure WC HUB can close in Q4

Communications

In July, communications work included the following highlights:

- Omnivorous event marketing, planning, collateral/content creation
- Pride Place leasing marketing, application opening day communications
- Africatown Plaza pre-leasing planning
- Work with IT to finalize property website templates for the RealPage system implementation
- Work with RED and PM to support resident engagement around a DOE grant for upcoming energy efficient retrofit work in several CRH buildings
- Programmatic communications support for Resident Services and the Capitol Hill EcoDistrict
- Monthly Building Beyond Buildings newsletter

July media mentions of Community Roots Housing and related projects:

- [Now open at Harvard and Denny: 90+ new affordable homes for Capitol Hill residents at risk of homelessness](#)
- [LGBTQ+ senior housing nears completion on Capitol Hill](#)
- [YouthCare And Urban ArtWorks Partner For 90-Foot Capitol Hill Mural](#)
- [Groundbreakings and Grand Opening are Good News for Parents](#)
- [7 recent Seattle restaurant closures — but with good news, too](#)
- [The Employees Community Fund of Boeing Puget Sound Chapter announces more than \\$2.25 million in community support](#)
- [Central District Neighborhood Travel Guide | Port of Seattle \(portseattle.org\)](#)

2023 Community Roots Housing Foundation Budget and Actuals - AS OF 7.30.2023

		SFDC Actuals	Goals	% to Goal
Unrestricted	Corporate	\$ 116,979	\$ 168,375	69%
	Sponsorship & Tickets	\$ 243,281	\$ 301,500	81%
	Foundation	\$ 5,717	\$ 43,900	13%
	Government		\$ -	
	DAF	\$ 82,822	\$ 323,000	N/A
	Individual	\$ 111,883		N/A
	Individual Giving Total	\$ 194,705	\$ 323,000	60%
Subtotal		\$ 560,682	\$ 836,775	67%

		SFDC Actuals	Goals	% to Goal
Restricted	Corporate	\$ 70,100	\$ 159,000	44%
	Government	\$ -	\$ 97,500	0%
	Sponsorship & Tickets	\$ 75,000	\$ 213,025	35%
	Foundation	\$ 64,000	\$ 128,500	50%
	DAF	\$ 400	\$ 125,000	N/A
	Individual	\$ 752		N/A
	Individual Giving Total	\$ 1,152	\$ 125,000	1%
Subtotal		\$ 210,252	\$ 723,025	29%
Total		\$ 770,934	\$ 1,559,800	49%

**Community Roots Housing Foundation
2022 Budget vs. Actual
January through July 2023**

	Jan - Jul 23	Budget	% of Budget
Ordinary Income/Expense			
▸ Income	680,589.51	1,559,800.00	43.6%
Gross Profit	680,589.51	1,559,800.00	43.6%
Expense			
▾ 10000 · Operating Expenses			
▸ 5000 · Contract Services	20,484.99	31,500.00	65%
▸ 6000 · Office Expenses	12,782.67	25,600.00	49.9%
▸ 7000 · Administrative Expenses	5,669.57	5,500.00	103.1%
▾ 7500 · Event Expense			
▾ 7540 · Event Expense			
7542 · Top of the Town	50,946.20	58,200.00	87.5%
7544 · Omnivorous	11,600.00	76,560.00	15.2%
7570 · Groundbreakings & Grandopenings	0.00	1,500.00	0.0%
7540 · Event Expense - Other	111.81	350.00	31.9%
Total 7540 · Event Expense	62,658.01	136,610.00	45.9%
Total 7500 · Event Expense	62,658.01	136,610.00	45.9%
Total 10000 · Operating Expenses	101,595.24	199,210.00	51%
▾ 9000 · Granting			
▾ 9050 · Donations to CHH - Unrestricted			
7744 · Fiscal Umbrella Pass Through	55,800.00		
9050 · Donations to CHH - Unrestricted - Ot...	424,000.00	600,000.00	70.7%
Total 9050 · Donations to CHH - Unrestricted	479,800.00	600,000.00	80%
9055 · Donations to CHH - Restricted	349,084.38	690,000.00	50.6%
Total 9000 · Granting	828,884.38	1,290,000.00	64.3%
Total Expense	930,479.62	1,489,210.00	62.5%

AUGUST 2023 RESIDENT AND PROPERTY SUCCESS COMMITTEE BOARD REPORT AND MINUTES

Property Management Committee Members: Chasten Fulbright, **Shalimar Gonzalez**, Saunatina Sanchez, Eric Snow, Shaun Frazier

Staff Liaisons to the Board: Sarah Bramson, Valencia Chambers Manora, Lisa Hagen, Michelle House, Andrew Oommen, Chris Persons, **Catherine Agustin (Minutes)**, Lariah Thompson, Ron Trescone

(**BOLD** indicates those members in attendance)

Date, time, and location of meeting: August 1, 2023 – 3:00-4:00 PM – RingCentral

Date, time, and location of next meeting: October 3, 2023 – 3:00-4:00 PM – RingCentral

The meeting began at 3:05 p.m.

1. **Watchlist:** Andrew reintroduced the ROOTS system, an acronym for our performance management process: Results-Oriented Occupancy and Tenancy Standards. This includes several recurring activities throughout the year. The Quarterly Management Review (QMR) is a meeting with the leadership team to review the watchlist, create management plans, and consider how to improve performance. Andrew mentioned that Board members are an important part of our management and accountability system, helping us set a regular pace for reporting and keeping the team on track. Andrew shared the watchlist. Eric asked if the list will be something that will be shared with the Board or just the Committee. Andrew said that we haven't shared it with the Board but have been fairly consistent with sharing it with the Committee. Eric also asked if there was other ways to share the ratings to make it easier to read and compare. Andrew said we are working on developing a comprehensive way to view our portfolio, across more KPIs, and easier to consume formats.
2. **Big Projects Update:** Andrew shared that we have a lot of big projects we're working on and that any one of them would keep us busy. Unfortunately, all of them are happening at the same time. The first project is changing our property management system across the agency. Our transition to RealPage is about 80% done, which is just our initial implementation of the system. RealPage Compliance recently hit the milestone of being able to process all tax credit files. We are still working on the HUD side, but overall making good progress. There are four lease ups happening simultaneously. Yesler (13th and Fir) opened in May and is very far behind on leasing. Pride Place is expected to open in September, already has 60 applications in process, and a good number already in final review. We recently created occupancy standards for Heartwood, just in time to begin lease up in early September. Africatown just started marketing and staff outreach efforts. The Devonshire rehab project will be closing in September, which requires the relocation of all residents. We are also continuing to develop new performance standards for the team and

will be updating policy and procedures. We also continue to work on hiring, retention, training, and restructuring. Lastly, Andrew shared a draft of further restructuring across departments.

3. **Staff Development in Focus:** Sarah presented the staff development goals for the next two quarters. The focus is customer service, which intersects many major tasks and activities, and has the biggest impact on resident experience and retention. This includes training staff to operating standards, like response times to work orders, standard office hours, replying to resident phone calls, emails, voice mails, and creating annual beautification plans. New technology helps us monitor and hold staff accountable to standards, like RingCentral and RealPage. Other tactics include mystery shoppers. In August, we will focus on managing the resident experience and train staff on how to better communicate with residents, professionalism, and handling concerns and grievances. In September, we will focus on managing work orders and preventative maintenance.

The meeting ended at 3:50 p.m.

**Resident Services
Program Report
July 2023**

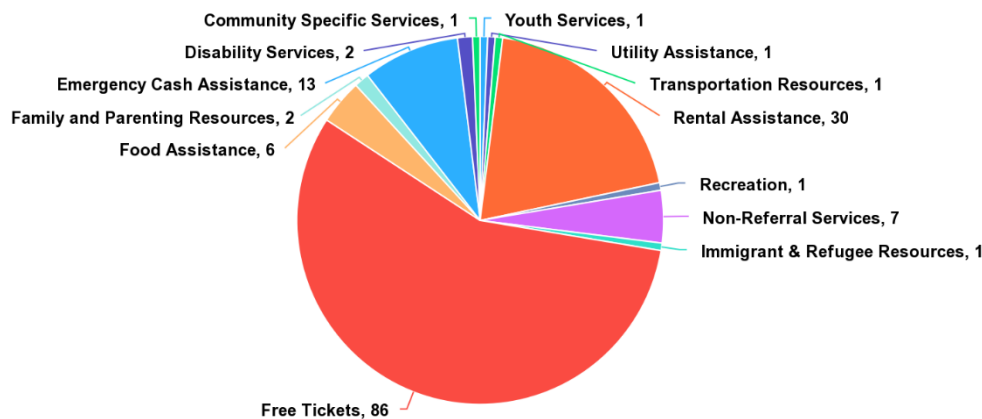
Highlights

- Current Staffing
 - RSC – Carly: Departing end of August.
 - RSC – Aja
 - Community Engagement – Sasha
 - Resident Services Manager – Toni Ball
- Programming
 - July 19th: Final Rent Smart Workshop
 - Preparation for August Back to School event
- Department systems work
- Resident Support
 - Maintenance of ticket programs and pursuit of expanding opportunities.
 - Continuing our work in resident meetings/service referrals and building out available resources in areas such as rental assistance, emergency cash, and senior services.

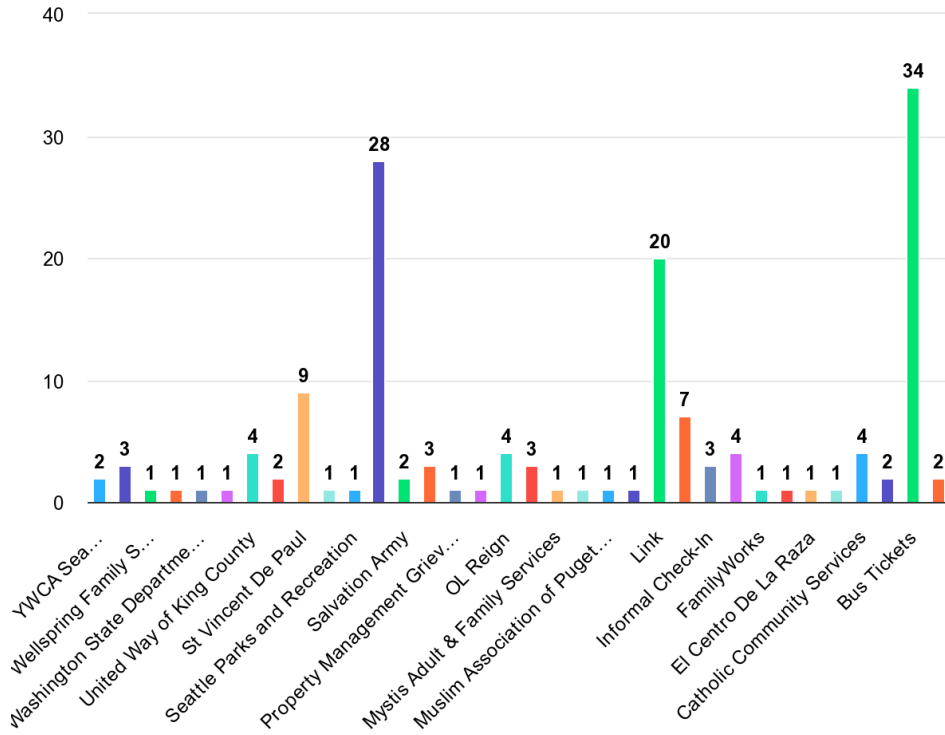
In focus: Onboarding and transitioning.

The Resident Services department has spent much of this month preparing for and onboarding our new Resident Services Manager, Toni Ball, and preparing for the departure of a Resident Services Coordinator. In the first two weeks, staff have been able to get our new manager up to date on current Resident Services programs, projects, and goals and hold short orientations for all the tools and systems used in regular programming. Staff were also able to contribute to the RSC job description update that will be posted in preparation for Carly’s departure, to account for the shuffling of responsibilities during staffing changes. Carly has been able to create and update process documents related to their current role in the free ticket program, resource referrals, and general resident communication and has contributed to discussions around future department structures based on their experience to create more stability during a time of major transition.

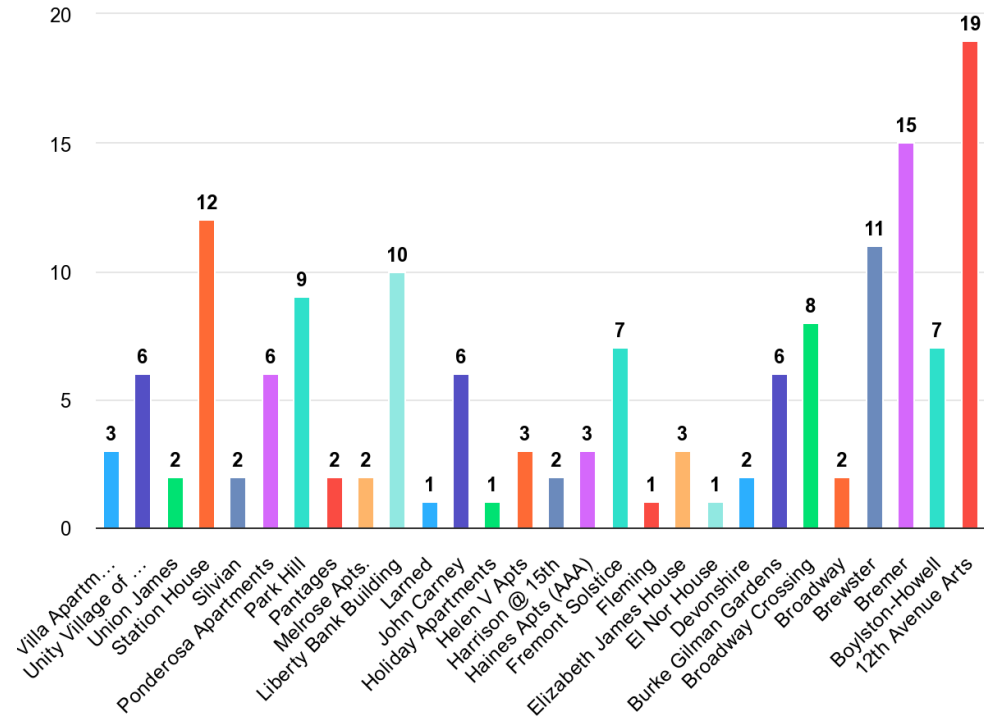
Service Touch by Type



Service by Organization



Service by Building



AUGUST 2023 PROPERTY DEVELOPMENT BOARD REPORT AND MINUTES

Property Development Committee Members: Liz Dunn, Bob Fikso, Michelle Morlan, George Stagers, Derrick Belgarde, **Robin Lien**
(**BOLD** indicates those members in attendance)

Staff Liaisons to the Board: Chris Persons, Thea Munchel, Jason McLin, Donna Moodie, **Mason Cavell, Thomas Geffner**
(**BOLD** indicates those members in attendance)

Date, time and location of meeting: August 7, 2023 at 4:00PM – 4:00PM via Ring Central teleconference

Date, time and location of next meeting: August 30, 2023 at 4:00PM – 5:00PM via Ring Central teleconference

1. Pipeline Updates and Review

- a. Project Updates and Predev Spending Updates attached as August 2023 Pipeline Update Report.

2. Approvals to Advance to the Board

- a. Rainier and Genesee
 - i. Authorizes CRH to Apply, Secure and Close on Acquisition Source Funding
 1. From the Seattle Office of Housing (\$4,845,000)
 2. From Lake Union Partners (\$2,000,000)
 3. From Impact Capital (\$2,000,000)
 4. From LISC (\$2,000,000)
 5. From WSHFC (\$2,000,000)
 - ii. Authorize CRH to form LLC and to serve as manager of LLC
- b. Pride Place
 - i. Retail Transaction
 1. Establish Ownership Entity for CRH owned Retail Condo Unit
 2. Convey the Commercial Unit from the Partnership
 3. Partially pay on the outstanding balance of the Acquisition Price
 - ii. Housing
 1. Close on City Loan Increase
- c. Northgate
 - i. Bond Inducement *Agreed to put on Consent Agenda
 1. CRH declares intention to issue and sell \$56M in revenue bonds
 2. Used to finance the Project
 3. Repaid by revenues derived by the Project

- d. Lake City Seattle Mennonite
 - i. Apply to the Housing Trust Fund NOFA
 - ii. Apply to King County NOFA

3. Jazz House Review and Update

- a. Amazon funding has been approved. Term sheet has been routed internally (Amazon) for executable version.
- b. Key Bank finalizing investor commitment for Senior Debt
- c. CRH discussing exit plan with Seattle JazzED regarding their exit from partnership
- d. CRH submitted 90-Day Extension request for Repurchase Option Period to Two Schools
 - i. CRH/Two Schools to meet on 8/9/23 to discuss
- e. Targeted Closing Date is 9/13/2023 (if 90 Day Extension Request Denied)

4. Heartwood Review and Update

- a. TCO target date is October 17, 2023
- b. Blanton Turner preleasing activities commenced on 8/1/23
- c. CRH evaluating loan extension options for construction and perm loan.

August 2023 Piepline Report

List	PM	# Units	2023				2024				2025				2026			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Heartwood	Jason	126			PIS	Conversion											
2	Pride Place	Mason	118			PIS	Conversion											
3	13th & Fir Family Housing	Josh	156		PIS	Conversion												
4	AT Plaza	Maummar	126				PIS	Conversion										
5	Jazz House	Jason	108			CLOSE	Construction						PIS	Conversion				
6	Devonshire	Thea	62		BOND CAP	CLOSE	Construction			PIS	Conversion							
7	Northgate	Thea	232		BOND CAP	CLOSE	Construction						PIS	Conversion				
8	WC Residential	Mason	76			BOND CAP	CLOSE	Construction						PIS	Conversion			
9	WC HUB	Mason					CLOSE	Construction						PIS	Conversion			
10	Othello	Jason	235				CLOSE?	Construction							PIS	Conversion		
11	Youthcare	Thomas	84				Bond Cap	CLOSE	Construction						PIS	Conversion		
12	SMC	Mason	283			Prefunded	ROUND	Predevelopment					CLOSE	Construction				
13	Centennial	Thomas	57						Prefunded	ROUND	Predevelopment					CLOSE	Construction	
14	R & G	Thomas	139		PSA?		ROUND			Prefunded	ROUND	Predevelopment					CLOSE	Construction
15	Goodwill	Thomas	200							Prefunded	ROUND	Predevelopment					CLOSE	Construction
16	W Seattle																	
17	CHP2-5																	
18	Kent																	



August 2023 Pipeline Progress Report

Project Name	PM	# Units	Funding Application	Construction Closing	Placed in Service	Perm Conversion	Proposed/Actual	Cash Dev Fee	Cash Fee in 2023	Predev Approved	Predev Spent to Date	Acquisition
Middle Income												
Heartwood	Jason	126	N/A	11/8/2021	10/2/2023	4/2/2024	Actual	\$ 1,731,164	\$ 258,000.00	Repaid		
	Current Phase: Construction		Update: Current completion date is October 17, 2023.									
	Next Milestone: Building Transition, Lease up		Pre-Leasing activity began August 1 Evaluating loan maturity extension and financial impacts									
Jazz House	Jason	108	N/A 3Q 2023	2Q 2025	4Q 2025		Proposed	\$ -	\$ 3,800,000	\$ 3,437,082	\$ 2,400,000	
	Current Phase: Predevelopment		Update: Amazon agreed to financing project with 134 residential units.									
	Next Milestone: Closing		Negotiating JazzED exit from the partnership Meeting with Two Schools to provide development update and request 90 day extension on repurchase agreement Targeted closing date is targeted for September 13									
Othello	Jason	235	N/A 1Q 2024	1Q 2026	3Q 2026		Proposed	\$ -	\$ 500,000	\$ 487,298		
	Current Phase: Feasibility		Update: May need additional spending authority to complete legal PPCD work and misc carry costs									
	Next Milestone: Approval											
4% Bond												
Bremer	Thea	49	9/15/2019	1/7/2021	8/5/2022	1/31/2024	Actual	\$ 250,000	\$ -	Repaid		
	Current Phase: Project Transition		Update: Perm conversion complete. Still waiting for reimbursement from FEMA, when funds come in they will reimburse OH. project hand off and ESDS Binder meeting is scheduled for 7/11.									
	Next Milestone: Perm Conversion											
13th & Fir Family Housing	Josh / Thomas	156	9/15/2019	5/17/2021	5/5/2023	1/30/2024	Actual	\$ 583,947		Repaid		
	Current Phase: Lease up		Update: Signed 19 leases through end of July. CRH is taking a more active role in lease up to help achieve lease up goals.									
	Next Milestone: Project Transition, perm conversion		CHIP funding documents has been approved by investor waiting for Cap One to sign off, then can route for signature and work with City to get funds into the project. Construction close out expected end of August.									
Pride Place	Mason	118	9/15/2019	10/25/2021	8/31/2023	4/30/2024	Actual	\$ 1,510,957	\$ 151,095.50	Repaid		
	Current Phase: Construction		Update: 95% completion with TCO in a month.									
	Next Milestone: Building Transition, Lease up		Retail needs to convey out of the partnership and close on loan assumption. Board resolution this month to complete this work. working to finalize OH funds coming into the project. Finalizing number with Rosey and confirming with investor and tracking any potential impacts on the bond. Working to generate new interest and applications for lease up.									
AT Plaza	Muammar	126	9/15/2019	12/23/2021	10/31/2023	7/1/2024	Actual	\$ 1,088,597	\$ 217,765.92	Repaid		
	Current Phase: Construction		Update: Looks like costs on project have increased \$6M according to Muammar's numbers which he is offsetting in part with an upsized perm loan and LIHTC equity contribution, but a \$3M gap in the project budget.									
	Next Milestone: Building Transition, Lease up		Muammar is asking the City to fill gap, though likely that would reduce the available funds in the City NOFA this year. Thomas is concerned about the 50% test, may need issue an additional \$1.5-\$2M in tax exempt bonds. Leasing and marketing kick off next week. Accept applications in Mid-September.									
Devonshire	Thea	62	9/15/2022	7/20/2023	7/1/2024	3/1/2025	Proposed	\$ 993,173	\$ 703,200.00	\$ 1,000,000	\$ 546,633	
	Current Phase: Closing		Update: Pushed out our closing date to 8/31 to align with building permit.									
	Next Milestone: Construction		Working to finalize our legal documents for closing. Permit resubmittal went in on 7/21 and we are already beginning to get comments back and could have a permit in a couple weeks.									



August 2023 Pipeline Progress Report

Project Name	PM	# Units	Funding Application	Construction Closing	Placed in Service	Perm Conversion	Proposed/Actual	Cash Dev Fee	Cash Fee in 2023	Predev Approved	Predev Spent to Date	Acquisition
Northgate	Thea	235	9/15/2021	10/18/2023	7/18/2025	3/18/2026	Proposed	\$ 2,000,000	\$ 382,500.00	\$ 200,000	\$ 159,766	
Current Phase: Funding, Building Permit Next Milestone: Closing Update: RFP responses for lender and investor are in, BOA came in with \$0.98 Beginning the bond process, going to the board in August for bond inducement. Working with WSHFC to get TDC waiver and bond/tax credit application submitted. <i>*3,000,000 authorized in Bridge Predev Sources</i>												
WC Residential	Mason	76	9/15/2022	12/1/2023	9/1/2025	5/1/2026	Proposed	\$ 920,093	\$ 336,938.00	\$ 3,600,000	\$ 2,883,903	
Current Phase: Funding, Building Permit Next Milestone: Closing Update: RFP for Debt/Equity is out and expected back later this month. BOA is not responding and Key has indicated that they have met their CRA need and their pricing is \$0.85-0.87 for equity. Expect to hear from enterprise and NEF to reply. Working through building permit and stormwater. Hired Edge Development as construction manager. <i>*Predev includes both Res and Com projects</i>												
WC Commercial	Mason		N/A	12/1/2023	9/1/2025	5/1/2026	Proposed	\$ -	\$ 400,000			
Current Phase: Funding, Building Permit Next Milestone: Closing Update: NMTC commitments were reduced and decision was made to delay closing to after the next round of NMTC allocations are announced. Closing now expected in December/January. Debt package has been circulated to funders. Talks with HealthPoint and additional philanthropic partners is ongoing. GC is coming in with pricing in the next week.												
Youthcare	Thomas	84	9/15/2021	3/1/2024	3/1/2026	11/1/2026	Proposed	\$ 1,890,249		\$ 2,500,000	\$ 1,770,113	\$ 6,500,000
Current Phase: Funding, Building Permit Next Milestone: Closing Update: Building permit submitted, land use is on hold while we work through changes to SDCI rules. Construction / design / MEP coordination ongoing. Youthcare funding gap to start construction of \$3.5M gap, with large donor likely to fill. Residential funding gap of \$2.5-\$3.5M gap; strategizing plan to approach funders now that Youthcare is close to fully committed. Youthcare engaged in legal structure discussion with CRH and Kantor Taylor												
SMC	Mason	283	9/15/2023	11/1/2024	11/1/2026	7/1/2027	Proposed	\$ -		\$ 500,000	\$ 471,954	\$ 7,750,000
Current Phase: Prefunded Next Milestone: Public Funding Update: Resolution for HTF application going to the Board. <i>At construction finance closing</i>												
Centennial	Thomas	57	9/15/2024	12/1/2025	12/1/2027	8/1/2028	Proposed	\$ -			\$ 260,233	
Current Phase: Feasibility Next Milestone: Approval Update: Communicated to the board that this project will go in the 2024 NOFA round Working to keep residents in the loop on timing and next steps to get involved as the project re-engages over the next year.												
R & G	Thomas	139	9/15/2024	12/1/2025	12/1/2027	8/1/2028	Proposed	\$ -		\$ 100,000	\$ 46,163	\$ 5,130,243
Current Phase: Feasibility Next Milestone: Approval Update: Submitted a NOFA for acquisition finance to OH. Waiting for response. LUP wants to provide supplemental information regarding retail ground floor activation. Going to the board for resolution to submit NOFA and secure acquisition funding in August.												
Goodwill	Thea		9/15/2024	12/1/2025	12/1/2027	8/1/2028	Proposed	\$ -				
Current Phase: Feasibility Next Milestone: Approval Update: No updates												



August 2023 Pipeline Progress Report

Project Name	PM	# Units	Funding Application	Construction Closing	Placed in Service	Perm Conversion	Proposed/Actual	Cash Dev Fee	Cash Fee in 2023	Predev Approved	Predev Spent to Date	Acquisition
Potential Projects												
Kent	Donna							\$	-			
	Current Phase:			Update: Met with city of Kent and NDC to talk about predevelopment source funding.								
	Next Milestone:											
SFBC	Mason							\$	-			
	Current Phase:			Update: Working with Strada and Weinstein to develop initial concept phase massing and proforma. Meeting with SFBC core team this week and presenting overall plan to congregation on June 16.								
	Next Milestone:											
Tukwila - Abu Bakr	Chris							\$	-			
	Current Phase:			Update: Toured LBB with folks from Abu Bakr. Interest in pursuing a partnership where we would be their fee based developer.								
	Next Milestone:											
W Seattle	Thea							\$	-			
	Current Phase:			Update: No updates								
	Next Milestone:											
CHP2-5	Thea							\$	-			
	Current Phase:			Update: No updates								
	Next Milestone:											
Saint Nicholas School	Chris							\$	-			
	Current Phase:			Update: No updates								
	Next Milestone:											
Tukwila - Health Point	Chris							\$	-			
	Current Phase:			Update: No updates								
	Next Milestone:											
WPUBC	Thea/Mason							\$	-			
	Current Phase:			Update:								
	Next Milestone:											



**STEERING COMMITTEE REPORT
AUGUST 2023**

Steering Committee Members: Matthew Benedict, Rebecca Calderara, Bambi Chavez, Yolanda Cieters, Alexandria Folino, Whitney Fraser, Chasten Fulbright, Michael Gilbride, Marcus Henderson, Michael Mariano, Josh Morris, Eric Parsons, Savitha Pathi, Daniel Poppe, May So, Edwin Wanji

Staff Liaison to the Committee: Donna Moodie, Erin Fried, Brooke Bradford, James Roubal

Date, time, and location of next meeting: September 8, 2022, at 9am, [RingCentral](#)

Organizational updates

Relocating the EcoDistrict

Community Roots Housing has signed an MOU with the Urban League of Metropolitan Seattle and has begun to notify funders and other stakeholders in advance of a tentative September 30, 2023 transfer date.

Restructuring Protocol and Certification

The PSE Advisory Board for Just Communities (formerly EcoDistricts.org) has reviewed and submitted draft edits to Rob Bennet for the Comprehensive Implementation Framework and Certification Standard to Support District and Neighborhood Equitable and Sustainable Development, which will replace the previous certification protocol. While it is not yet available publicly, EcoDistricts who received certification will find the protocol to have high standards, but maintain a level of inclusivity, technical assistance, and thoroughness. The final document will be available for review in the next few weeks.

Program updates

Lowell Elementary Food Security

The Urban League has agreed to serve as leaseholder for the food pantry at Lowell Elementary, permitting the project to move forward on its projected timeline.

Public Life Planning

The EcoDistrict is drafting a public life vision and implementation report and will be hosting a masterclass to Copenhagen with COurban in August 2023, funded by the Scan Design Foundation.

Nature of your neighborhood

The EcoDistrict and Birds Connect Seattle continue to pursue the implementation of a biodiversity corridor along 11th avenue from Volunteer Park to Seattle University and beyond.



Capitol Hill EcoDistrict

REVIVAL

The EcoDistrict hosted a Juneteenth REVIVAL market pop-up on June 18 from 12-5pm at Midtown Plaza with community partner, ARTE NOIR, and nearly 25 vendors. More than \$65,000 was raised in sponsorship, and KEXP served as media sponsor, broadcasting live from 12-6pm in the plaza. Several hundred attended.

Capitol Hill Arts District

The Arts District, with support of the CRH Foundation, has disbursed \$30,000 in COVID recovery funding to the Capitol Hill arts community and will disburse the remaining \$65,000 by the end of the summer. A series of workshops on collective fundraising for collaborative development concluded on June 9.

Community Development Update

Office of the Inspector General's Sentinel Event Review

The OIG proposed to the City and SPD a review program for incidents resulting in civilian death by an SPD officer. The City will work with OIG to review these incidents as they present themselves, and will work with a team of panelists with proxies available. Fortunately, there are no cases for review currently. This program has no end date. Donna will remain on the review panel.

Seattle Foundation

The Seattle Foundation continues to align mission wise with much of the work of the EcoDistrict. Donna is currently working with their recruitment for more Board members, and some of their community program efforts.

Office of Planning and Community Development

Donna continues to meet with some regularity with Rico to discuss Community issues and planning, as well as the work centering on DRB issues.

Ending Homelessness for the Black Community

This group has transitioned to working as Leaders in the Black Community with Marc Dones' resignation as the CEO of the King County Regional Homeless Authority. The group met on June 6th and has agreed to monthly meetings to advance centering Blackness as they work to resolve the issue of homelessness in Seattle / King County.

OED / Small Business Advocacy

Donna continues to work with the OED to support improvements for the Small Business Community. There has been some interest in supporting a deeper investment into creative partnerships with small business startups, developers and the City to assist small businesses getting started in areas where there are multiple vacant ground floor retail spaces, inactivated spaces and minimal engagement with community, pedestrians and workforce.

From a "dream" standpoint, there is also a growing interest in finding ways to create a facility that manufactures Cross Laminated Timber. There will be a trip to TimberLab in Portland this summer, and Susan Jones (Heartwood architect) has suggested they might want to have a "satellite" here in Seattle. This would be a phenomenal job creator.



Capitol Hill EcoDistrict

CPI Study Mission + HPN

Donna attended the Clean and Prosperous Institute Study Mission in Montreal and is pleased to report that it was possible to elevate awareness of the Capitol Hill EcoDistrict's existence. Donna connected with some local and state legislators as well as people actively involved in the Environmental Space. Donna also attended the Housing Partnership Network's biannual Membership meeting. Enterprise sponsored an Environmental Resilience Summit, which Donna attended, and was a presenter / conversation starter for the Community Engagement + Environmental Resilience session.

SURJE

Donna and Brooke submitted a proposal to present on the Lowell Elementary School Project at SURJE, a PSE sponsored conference in Memphis in October.

Fundraising

The EcoDistrict has begun notifying funders of its impending move to the Urban League.

Follow us on social media!

Follow us on [Facebook](#), [Twitter](#), or [Instagram](#). Check out our [website](#) for updates to our projects!



JULY 2023 EXECUTIVE COMMITTEE BOARD REPORT AND MINUTES

Executive Committee Members: **Frank F. Alvarado III** (Vice Chair), **Derrick Belgarde** (Vice Chair), **M. Michelle Purnell-Hepburn** (Interim Treasurer), **Shalimar Gonzales** (Immediate Past Chair), **Drew Porter** (Chair), **George Stagers** (Secretary)

Absent Committee Members: none

Staff: **Chris Persons**, **Carolina Rocha** (taking minutes), **Sarah Shoemake-Gamble** (**BOLD** indicates those members in attendance)

Date, time, and location of meeting: Monday, June 26, 2023 – 5-6:30 pm –Belmont Conference Room / RingCentral

Date, time, and location of next meeting: Monday, August 7, 2023 – 5-6:30 pm –Belmont Conference Room / RingCentral

The meeting began at 5:03 p.m.

- 1) Industry Crisis and CRH Cashflow plan:** Chris shared a document that he and Leslie have been using to track CRH finances and projections for 2023 and 2024. He walked through the State loan that we are pursuing and currently waiting for a response. Frank questioned if other organizations would receive this support, and Chris commented that they would not, and we would need to show ourselves as the exception because as a public entity we did not qualify for support programs like PPP funding and Employee Retention Credit. He explained that we are also seeking to establish a State fund similar to the one in Minnesota that all nonprofit housing providers might be eligible for.
- 2) Resident engagement at board meetings and resident formal complaint process:** Our goal is to formalize our resident complaint and grievance process. Sarah emphasized that CRH has several forms of communication where residents can reach out to CRH, and this initiative would be to create a clear channel for the residents to open requests or complaints. Chris noted that complaints and other resident concerns should and usually are resolved at the site level, but when a resident feels their concern has not been resolved, then they need an appropriate formal resolution process.
- 3) Review CEO workplan and CRH vision framework:** Chris introduced Paylocity, the organization's HR system, to the committee as the new place where CRH will enter and manage individual goals. He shared his goals, which directly align with company goals.

Chris noted that much of his workplan is focused on resolving current cash concerns and reminded the board that our goal is to reach the end of 2024 in robust financial condition. Michelle asked

about building collections. Chris stated that collections remain far lower than what is sustainable. She asked about building reserves, and Chris reminded Board members that building reserves are restricted to the individual building. Some buildings generate well because they perform better and are usually newer, while older buildings require higher maintenance but generate less reserves.

- 4) **Use of board reserves resolution for Pride Place commercial investment:** Chris reminded Board members that housing funding sources do not pay for the commercial portion of a LIHTC development and that we committed to making an equity investment in the CRH owned commercial at Pride Place. This resolution is authorizing reserves to pay our equity portion on Pride Place.
- 5) **Elizabeth James Senior Housing Building update:** In response to residents' complaints at the last Board meeting, Chris visited the building and shared pictures with the Committee. Although he saw opportunities for improvement, there were not significant issues noted in the condition of the property. Michelle asked to prioritize the cleanup of the outside so the residents can enjoy summer there and suggested adding picnic tables as well.

Drew asked if there are building tours planned to happen anytime soon. Chris stated that Portfolio Managers go through their properties regularly and that the Leadership Tours will occur this fall.

- 6) **Board agenda:** The 10-minute lesson of the Board meeting will be the ABCs of LIHTC Financing. Chris noted that only one resolution will be presented, and the board will receive an update on the RED projects, property dispositions and the May financials.
- 7) **Board and leadership retreat:** A poll was sent to the PDA and Foundation board members and staff leadership team to select a date. There are three date options in late October, and the retreat will happen at 12th Avenue Arts in the Pike Pine conference room.

The meeting ended at 6:17 p.m.

Board Email Correspondence June 2023

None.



AUGUST 2023 EXECUTIVE COMMITTEE BOARD REPORT AND MINUTES

Executive Committee Members: Frank F. Alvarado III (Vice Chair), Derrick Belgarde (Vice Chair), M. Michelle Purnell-Hepburn (Interim Treasurer), Drew Porter (Chair), George Stagers (Secretary)

Absent Committee Members: Shalimar Gonzales

Staff: Chris Persons, Carolina Rocha (taking minutes), Sarah Shoemake-Gamble (BOLD indicates those members in attendance)

Date, time, and location of meeting: Monday, August 7, 2023 – 5-6:30 pm – Belmont Conference Room / RingCentral

Date, time, and location of next meeting: Monday, September 5, 2023 – 5-6:30 pm – Belmont Conference Room / RingCentral

The meeting began at 5:09 p.m.

- 1) Industry crisis and CRH cashflow plan:** Chris reported that troubles in the industry continue. He and another CRH staff member attended a meeting recently with regional affordable housing owners and developers who all reported very similar problems with community health, collections, and development costs. We met recently with State representatives and believe a loan is forthcoming. We are also pursuing longer term State funding based on the Minnesota legislation. We have made significant cuts and are operating about as leanly as we can.
- 2) Jazz House:** The project is progressing as planned, and we are currently awaiting the final term sheet from Amazon. Jason is diligently working to bring this to a close by September. On a bittersweet note, JazzEd unfortunately has decided to discontinue its partnership on this project.
- 3) Rainier and Genesee:** Staff will present a resolution for Rainier and Genesee Acquisition to move forward with the project subject to OH acquisition financing.
- 4) All-Staff meeting and picnic review:** CRH had its All-Staff Meeting on August 3rd at the Century Ballroom. The meeting was balanced with great conversation topics about centering our residents and building a sustainable CRH. On the following day, we held an All-staff picnic at Magnuson Park where the staff brought dishes to share, and everyone had an opportunity to have a relaxing and joyful time. Chris shared pictures of the events and mentioned that both days had great energy and we received very positive feedback from staff.
- 5) Upcoming board meetings:** Chris will be out of the office for an extended period during which he will not be available to attend Executive Committee meetings or board meetings. Similarly,

Drew will also be on leave, necessitating the Vice-Chairs to provide coverage. Derrick will Chair the August Board meeting and Frank the September meeting.

- 6) **Emerging Leader Fellow:** The PDA board is seeking a new Emerging Leader Fellow. Chris interviewed one candidate and mentioned that this person has potential. We would like at least two more candidates before moving the process forward. Candidates will be interviewed by members of the Executive Committee and the Committee will recommend a final candidate to the full Board.
- 7) **Resolutions:** Seven resolutions will be presented at the PDA board meeting on August 14th: Broadway sale, Park Hill sale, Pride Place Special Financing, Rainier and Genesee Acquisition, Northgate Bond Inducement and Tort Claim Registered Agent. The Resolution 2023-24 Northgate Bond Inducement was approved by the Property Development Committee and will be included on the Consent Agenda. Chris presented the Tort Claim registered agent resolution which names new agents at CRH.

A motion to approve the **Resolution 2023-25 – Tort Claim Registered Agent to be included on the PDA board Consent Agenda** was made by Michelle Purnell-Hepburn, seconded by Frank F. Alvarado III, and passed unanimously.

- 8) **Tour of Unit Village:** Chris toured Village Unit and mentioned that the building looks great. He has scheduled a tour of Helen V for next week and will provide feedback to the Executive Committee. We will schedule a big leadership tour at some properties later in the year.
- 9) **Abu Bakr and considering fee-based development:** Abu Bakr is an Islamic Center in Tukwila. They have invited Chris and Thea to visit their site and talk about a potential partnership for development. The Committee discussed the different scenarios on this matter. Frank emphasized that this project should only move forward if the staff has capacity to do it. Staff would like to consider doing the project on a fee basis.
- 10) **Board Correspondence:** Three residents wrote to the board correspondence in the month of July. One resident expressed concerns regarding their rent payments and staff had contact the resident to schedule a meeting to discuss the issue. The second resident emailed several times throughout the month with some concerns and staff is addressing the situation. The third resident emailed requesting the footage of the garage where their car was parked. Staff is reaching out to that resident to provide them information.
- 11) **Executive session:** Per RCW 42.30.110 (g) to review the performance of a public employee, the committee went into executive session. The session began at 6:20pm and they expected it to last 20 minutes. The Executive Committee exited the executive session at 6:27pm.

The meeting ended at 6:27 p.m.

Board Email Correspondence July 2023

Correspondence Number	1
Date Received	July 17, 2023 (1 email)
From	Resident
Topic	Concerns regarding the rent payments
Building	Broadway Crossing
Status	Staff contacted and is waiting for a response from the resident.

Correspondence Number	2
Date Received	July 1-31 (30 emails)
From	Resident
Topic	Request inspections and reasonable accommodations
Building	Holiday
Status	Staff and Lawyers are dealing with the resident

Correspondence Number	3
Date Received	July 17, 2023 (1 email)
From	Resident
Topic	Request for footage of the garage due to car window broken and stolen trombone
Building	Jefferson
Status	Staff responded to the resident, and they are working together to find the best solution for the situation

AUGUST 2023 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES

Joint Board Development Committee Members Present: Alice Quaintance (Former PDA), Eric Snow (PDA)

Absent Committee Members: Sara Cubillos (PDA), Max Koziol (Foundation), Kelly Price (Foundation)

Staff Liaisons to the Board: Carolina Rocha, Sarah Shoemake-Gamble, Matteo Zanatta-Kline

Date, time, and location of meeting: July 26, 2023 – 4:00-5:00pm – RingCentral

Date, time, and location of next meeting: September 27, 2023 – 4:00-5:00pm – RingCentral

The meeting began at 4:04 pm.

- 1. Introductions & Icebreaker: PDA Board development:** The committee talked about their favorite place to go during summer.
- 2. Board SharePoint site:** The Administration Team is currently short staffed, and the team is at capacity. Due to the current situation, the board site on SharePoint has been paused. Carolina emphasized that she has all the ideas previously brought noted and will resume the work on the site soon.
- 3. Board & staff retreat:** The Joint Boards & Staff Leadership Retreat is scheduled for Thursday, October 26th at the 12AA building.
- 4. Foundation board meeting & work:** Omnivorous is getting closer and will happen on September 13th at the Capitol Hill Station Plaza. Matteo mentioned that the Foundation is still looking for sponsorships and restaurants partnerships, preferably savory foods. There is a competition between the PDA and Foundation boards to see which one can bring more attendees.
- 5. Diversity, Equity & Inclusion Steering Committee kickoff:** Sarah informed the committee that CRH is kicking off a new committee to address the racial equity issues at the organization. The Diversity, Equity & Inclusion Steering Committee have met once so far and are working on future activities.
- 6. PDA Board Emerging Leader Fellow search:** The PDA board is searching for a new Emerging Leader Fellow and have posted the information on LinkedIn. Carolina asked the members to share the information with their network.
- 7. Joint Board BBQ:** Drew will not be able to host the Joint Board BBQ due to a last-minute work trip. Carolina and Chris are still exploring options for the BBQ to happen and will share the decision with the boards as soon as possible.
- 8. Quarterly training ideas:** Sarah asked the committee for additional training ideas, to either be quarterly training topics or 10 Minutes Lessons during the monthly PDA Board meetings. She followed up with Eric to confirm if his previous idea of “how to read our financials” was addressed in the 10 Minute Lesson last month, which it was not. It will either be a future lesson or a separate training. Sarah will connect with staff to get this training going.

9. **Sarah update:** After an incredible six-year journey with our organization, Sarah has made the difficult decision to embark on a new chapter in her career. Her exceptional contributions and dedication during her time with us have left a lasting impact, and her departure is deeply felt.
10. **Next Meeting:** The next Joint Board Development Committee Meeting will be on Wednesday, September 27th from 4-5pm. on Ring Central.
11. **Anti-racist resources:** The Committee will continue to gather these resources to share with the Boards.

The meeting ended at 4:34 p.m.



COMMUNITY ROOTS
HOUSING

Community Roots Housing PDA Board Resolution 2023-24 - Northgate Bond Inducement.

Overview: Northgate Bond Inducement Resolution

Purpose: This resolution declares Community Roots Housing’s intention to sell bonds in an amount not to exceed \$56,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Property Development Committee

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: The financing of the Northgate project is made possible through the use of 4% tax credits which require the use of tax-exempt bonds. Following the allocation of Washington State Housing Bond Cap to the project by the Washington State Housing Finance Commission, CRH in its capacity as a Public Development Authority, will issue a tax-exempt note (bond) to finance the acquisition, rehabilitation, and equipping of the multifamily rental housing project.

Organizational requirements of resolution: None

Financial cost of the resolution: The costs of issuance are part of the Project budget and are financed with project sources of funds.

Pros: This is a necessary step in the financing of the project

Cons: None

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: In a next Board meeting we will present for the Board to review a detailed Bond Finance Resolution that our bond attorneys will prepare that describes in detail the final financing structure of the project. The Board will be asked to approve the Bond Finance Resolution at the that meeting so that project financing can close later this year.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: The status of the Northgate project is included in the monthly Property Development report to the Board

COMMUNITY ROOTS HOUSING

RESOLUTION NO. 2023-24 _____

(NORTHGATE)

A RESOLUTION of the Board of Directors of Community Roots Housing declaring its intention to sell bonds in an amount not to exceed \$56,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

*This document was prepared by:
FOSTER GARVEY P.C.
1111 Third Avenue, Suite 3000
Seattle, Washington 98101
(206) 447-4400*

COMMUNITY ROOTS HOUSING

RESOLUTION NO. _____

(DEVONSHIRE)

A RESOLUTION of the Board of Directors of Community Roots Housing declaring its intention to sell bonds in an amount not to exceed \$56,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

WHEREAS, RCW 35.21.730 provides that a city may form a public corporation “in order to improve...the general living conditions in the urban areas of the state...”; and

WHEREAS, The City of Seattle, acting in accordance with RCW 35.21.730, formed Community Roots Housing (“CRH”), formerly known as Capitol Hill Housing Improvement Program, as a public corporation, for such purposes; and

WHEREAS, RCW 35.21.745 provides that a public corporation may issue bonds and other instruments; and

WHEREAS, CRH has participated, or expects to participate, in the formation of a Washington limited liability limited partnership (the “Borrower”), for the purpose of acquiring, constructing, equipping, and operating an approximately 235-unit multifamily rental housing project, together with functionally related and subordinate improvements, to be located in the vicinity of 151 NE 103 Street, in Seattle, Washington, all to provide housing for low-income persons;

WHEREAS, the estimated cost of acquiring, constructing, and equipping of the residential portion of the Project is not expected to exceed \$114,018,650; and

WHEREAS, CRH anticipates that the Borrower will request that CRH issue and sell its revenue bonds for the purpose of assisting the Borrower in financing the Project; and

WHEREAS, CRH desires to provide such assistance, if certain conditions are met; and

WHEREAS, Treasury Regulations Sections 1.103-8(a)(5) and 1.142-4(b) provide that, if an expenditure for an exempt facility is made before the issue date of the bonds issued to provide financing for that facility, in order for such expenditure to qualify for tax-exempt financing, the issuer must declare an official intent under Treasury Regulations Section 1.150-2 to reimburse such expenditure from the proceeds of those bonds, and one of the purposes of this resolution is to satisfy the requirements of such regulations; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF COMMUNITY ROOTS HOUSING, as follows:

Section 1. To assist in the financing of the Project, with the public benefits resulting therefrom, CRH declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the “Bonds”) in a principal amount of not to exceed \$56,000,000, to use the proceeds of the sale of the Bonds to make a loan (the “Loan”) to the Borrower, and to reimburse itself or to permit the Borrower to reimburse itself, as applicable, from proceeds of the Bonds for expenditures for the Project made by CRH or the Borrower before the issue date of the Bonds.

Section 2. The proceeds of the Bonds will be used to assist in financing the Project, and may also be used to pay all or part of the costs incident to the authorization, sale, issuance and delivery of the Bonds.

Section 3. The Bonds will be payable from the revenues derived as a result of the Project financed by the Bonds, including, without limitation, amounts received under the terms of any financing document or by reason of any additional security furnished by or on behalf of the Borrower

in connection with the financing of the Project, as specified by resolution of the Board of Directors of CRH (the “Board”). The Bonds may be issued in one or more series, and shall bear such rate or rates of interest, payable at such times, shall mature at such time or times, in such amount or amounts, shall have such security, and shall contain such other terms, conditions and covenants as shall later be provided by resolution of the Board.

Section 4. The Bonds shall be issued subject to the conditions that (a) CRH, the Borrower, and the purchaser of the Bonds shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof, and mutually acceptable terms and conditions of the Loan or other agreement for the Project, and (b) all governmental approvals and certifications and findings required by laws applicable to the Bonds first shall have been obtained. The Chief Executive Officer of CRH or the Chief Executive Officer’s designee is authorized to seek an allocation of volume cap for the Bonds from the Washington State Department of Commerce, or a transfer of volume cap for the Bonds from the Washington State Housing Finance Commission.

Section 5. For purposes of applicable Treasury Regulations, the Borrower is authorized to commence financing of the Project and advance such funds as may be necessary therefor, subject to reimbursement for all expenditures to the extent provided herein out of proceeds, if any, of the issue of Bonds authorized herein. However, the adoption of this resolution does not constitute a guarantee that the Bonds will be issued or that the Project will be financed as described herein. The Board shall have the absolute right to rescind this resolution at any time if it determines in its sole judgment that the risks associated with the issuance of the Bonds are unacceptable.

Section 6. It is intended that this resolution shall constitute a declaration of official intent to reimburse expenditures for the Project made before the issue date of the Bonds from proceeds of the Bonds, for the purposes of Treasury Regulations Sections 1.103-8(a)(5), 1.142-4(b), and 1.150-2.

Section 7. Any actions of CRH or its officers prior to the date hereof and consistent with the terms of this resolution are satisfied and confirmed.

Section 8. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Directors of Community Roots Housing at an open public meeting this 14th day of August, 2023.

COMMUNITY ROOTS HOUSING

By: Chair, Board of Directors

ATTEST:

Secretary

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Board of Directors of Community Roots Housing (“CRH”) and keeper of the records of CRH, CERTIFY:

1. That the attached Resolution No. ____ (the “Resolution”) is a true and correct copy of the resolution of the Board of Directors of CRH (the “Board”) as adopted at a meeting of Board held on August __, 2023 (the “Meeting”), and duly recorded in the minute books CRH;

2. That the public was notified of access options for remote participation in the Meeting via the CRH’s website; and

3. That the Meeting was duly convened, held, and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting, and a majority of the members of the Board of Directors of CRH present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of August, 2023.

George Stagers, Secretary

Community Roots Housing PDA Board Resolution 2023-25

Overview: Tort Claim Registered Agent

Purpose: To appoint and designate Andrew Oommen and Leslie Woodworth as the agents to receive tort claims (damages made under RCW 4.96).

Type of Resolution/Motion:

- **Is this a formal resolution?** Yes No
- **Are we requesting a motion from the floor?** Yes No
- **Has this resolution been presented to a Board Committee?:** Yes No
If so, which committee or committees?: Executive Committee, Finance & Asset Management Committee.

Charter or Rules and Regulations Modification:

- **Does this Resolution change the Charter or Rules and Regulations?** Yes No
If yes, you need to give notice to the Board 15 days prior to the proposed change. Changes to the Charter or Rules and Regulations must use the strike out and underline format so change is clear to reader.

General description and purpose: This is a formal update our tort claim procedure – appointing and designating a new agent, which ensures that we are in compliance with state law.

Organizational requirements of resolution: The designated agent noted in the initial resolution approving our tort claim process passed by the board on June 12, 2023, noted a different staff member, who is no longer on staff. Our tort claim form and information on the website now state the current designated agent, and the board needs to approve the agent as well.

Financial cost of the resolution: None.

Pros: We will be in compliance with law by designating an agent.

Cons: None.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: If staff member were to ever leave organization, a new resolution will need to be passed updating the designated agent.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: If there are ever tort claims brought to CRH, they will be properly shared and reported to the Board.

Author of Resolution Overview: Carolina Rocha



**ADOPTED AT A MEETING OF
THE BOARD OF DIRECTORS OF
COMMUNITY ROOTS HOUSING
A WASHINGTON PUBLIC CORPORATION**

August 14, 2023

**Resolution 2023-25
Tort Claim Registered Agent**

A RESOLUTION of the Board of Directors of Community Roots Housing appointing an Agent to receive claims for damages under RCW 4.96.

Be it known that:

Community Roots Housing is a public corporation organized pursuant to RCW 35.21.660, 35.21.670, and 35.21.730-755, and Seattle Municipal Code Ch. 3.110. As such, it is a political subdivision of the State with an area of operation focused on the City of Seattle.

The purpose of the Program shall be to preserve, develop, own, and operate affordable multifamily housing, as well as cultural, social, and economic facilities and to provide programs and services to promote equity and resilience in communities and to perform other functions as the Board shall determine.

RCW 35.21.730 authorizes the creation of public development authorities (“PDAs”) to meet specified purposes, including (among other things) to “improve the general living conditions in the urban areas” of the state or any city, town, or county. PDAs may “perform any lawful public purpose or public function” to achieve these purposes. PDAs are specifically empowered to own and sell property, to contract with individuals and public entities, to loan and borrow funds and issue bonds, and to perform all manner and type of community services, among other things; and

The City of Seattle (SMC 3.110.010 A) authorizes the establishment and chartering of one or more public corporations as an independent legal entity to: improve governmental efficiency and services and general living conditions within the City; administer and execute federal grants and programs; receive and administer federal funds; perform all manner and type of community services; provide and implement such municipal services and functions as the City Council may direct; and allow a character of community participation in appropriate municipal projects and activities that are, in practical effect, restricted by the organizational structure of City government, all as authorized by RCW 35.21.730 through 35.21.755.

RCW 4.96.020 applies to claims for damages against all local governmental entities and their officers, employees, or volunteers, acting in such capacity. RCW 4.96.020(2) requires the appointment of an agent to receive any claim for damages arising out of tortious conduct. RCW 4.96.020(4) states no action subject to the claim filing requirements of the section shall be commenced against any local governmental entity, or against any local governmental entity's officers, employees, or volunteers, acting in such capacity, for damages arising out of tortious conduct until sixty calendar days have elapsed after the claim has first been presented to the agent.

The Board of Directors of Community Roots Housing adopted Resolution 2020-02 and 2023-17 appointing an agent for the same purpose.

A quorum of the Board was present at this meeting and that a majority of the Board representing one-third of the Board's voting membership voted to approve this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Community Roots Housing as follows:

1. Andrew Oommen and Leslie Woodworth are hereby appointed and designated as agents (the "Agent") of Community Roots Housing to receive any claim for damages made under RCW 4.96.
2. The Agent may be reached during normal business hours at:

1620 12th Avenue, Suite 205
Seattle, WA 98122
3. A copy of this resolution shall be recorded with the King County Auditor.

CERTIFICATION

I, George Staggars, certify that I am the Secretary of Community Roots Housing and that the foregoing Resolutions were duly adopted at an open public meeting of the Board of Directors of Community Roots Housing held on the 14th day of August 2023, in accordance with the law and with the Charter and Rules and Regulations of Community Roots Housing upon proper public notice and to which options for remote participation were readily available and at which time a quorum was present.

DATED the 14th day of August 2023.

By _____

Its: Secretary

Resolution prepared by: Andrew Oommen