



**COMMUNITY ROOTS**  
— HOUSING —

# **PDA Board Meeting**

## **June 2023**

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
— HOUSING —

# **Section 1:**

## **Meeting Keys**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**June 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. **(Please note that members of the public are not required to introduce themselves and should not be asked)**<sup>i</sup> The Chair will review the agenda.

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

**Consent Agenda:** Drew will present the consent agenda. 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 2023-17 Tort Claim Registered Agent:** Passed through Finance and Asset Management Committee. Staff will present a resolution naming Sarah Shoemake as registered agent for the receipt of any tort claims. This is an updated version of a resolution passed in 2020. The registered agent named in the original resolution is no longer on staff. Under tort law in the Washington, anyone filing a tort claim against a public agency must provide the agency advance notice. Information about this and the tort claim process has been located on our [website](#) since 2020. We get very few claims filed against us, but the tort claim process adds a level of protection from frivolous claims.

**The 10-minute Lesson:** Leslie will provide an overview of Discrete Units vs Blended Component Units. These terms refer to how entities are accounted for financially, depending on CRH's level of ownership or control.

**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**

**Planning 2023 and Board Retreat:** Chris, Sarah and Kiley will update on current thinking regarding the annual joint Boards retreat which has been discussed within the Executive Committee. We are envisioning a half day in late fall with the focus on resident success and the state of the industry. Other topics may be included. We will use the monthly Leadership Team meetings to ladder up to the All Staff

Meeting in August and culminating with the retreat late fall, reporting up to the Boards along the way. We are seeking Board input on this vision for planning.

**Update on RED policies and procedures:** In April, Thea presented an outline of our real estate development underwriting process. She will present an update at tonight's meeting.

### **Finance and Asset Management**

**Financial Summary:** Hilary and Jill will present the regular report and dashboard through April 2023. The Board will be asked to adopt the finance report.

**Resolution 2023-11 Impact Capital Revolving Line of Credit Renewal and Increase:** Directs staff to renew the Impact revolving line of credit for \$2M and to increase the current line of credit by \$500k to have a total line of credit with Impact Capital in the amount of \$2,500,000 for the sole purpose of investing in the pre-development activities of Community Roots Housing real estate development projects. Approved by Finance and Asset Management Committee.

### **Board**

**Emerging Leader:** Staff is finalizing the job description for the Emerging Leader board position in order to fill the position vacated by Shaun when he joined the full Board. We will be posting in our external newsletter, on our website, on our social media, in the portfolio and sending to Board members to post on their social media. We would like to engage the Board in a conversation of skills and qualifications we should be prioritizing in our search.

### **Racial Equity Work**

**Internal racial equity committee:** Erin Arnold (HR generalist at CRH) will be kicking off a revised process and team to lead on our racial equity work and goals.

### **Real Estate Development**

**Resolution 2023-12: Devonshire Apartments Rehabilitation (Omnibus):** This resolution authorizes Community Roots Housing to enter into and execute project finance agreements and commitments needed to admit the equity investor into the ownership of the project. to convey the property from CRH to the Partnership and close on all sources of capital financing needed to complete the project.

**Resolution 2023-13 Rainier and Genesee Acquisition: (Tentative):** Staff will present a resolution authorizing acquisition of the Rainier and Genesee site.

**Resolution 2023-14: Modification of Pride Place Financing:** This is an anticipated resolution that swaps the LIBOR rate for interest rate targeting with SOFR.

**Resolution 2023-15: Devonshire Apartments Bond Resolutions:** Authorizes the issuance of bonds for the financing of the Devonshire redevelopment.

**Resolution 2023-16: Supplemental Resolution 13<sup>th</sup> and Fir Family Housing:** Authorize and directs staff to enter into CHIP loans for loans received by SCIDPDA subsequent to the original funding resolutions adding \$1.3 million into the project.

#### **Upcoming Meetings and Events**

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

- |           |                             |
|-----------|-----------------------------|
| • June 19 | Juneteenth Holiday          |
| • June 26 | Executive Committee Meeting |
| • July 4  | Independence Day Holiday    |
| • July 10 | PDA Board Meeting           |

#### **Board Packet Sections**

1. Meeting Keys, p. 5-7
2. Meeting Agenda, p. 11-12
3. June 2023 Finance Report, April Statements and Asset Management Report, p. 15-29
4. Resolution 2023-11 - Impact Capital Revolving Line of Credit Renewal and Increase, p. 33-36
5. Resolution 2023-12 - Devonshire Apartments Rehabilitation (Omnibus), p. 39-50
6. Resolution 2023-13 - Rainier and Genesee Acquisition, p. 53-58
7. Resolution 2023-14 - Modification of Pride Place Financing, p. 61-66
8. Resolution 2023-15 - Devonshire Apartments Bond Resolution, p. 69-82
9. Resolution 2023-16 - Supplemental Resolution - 13th & Fir Family Housing, p. 85-88
10. Consent Agenda and Attachments, p. 91-120
  - a. Contracts and Expenditures, p. 91
  - b. February 2023 Board Minutes Draft, p. 92-96
  - c. Fundraising & Communications Memo, p. 97-101
  - d. Resident and Property Success Committee Report and Minutes, p. 102-103
  - e. Resident Services Report, p. 104-106
  - f. Property Development Committee Report and Minutes, p. 107-109
  - g. Capitol Hill EcoDistrict Report and Minutes, p. 110-112
  - h. Executive Committee Report and Minutes, p. 113-115
  - i. Joint Board Development Committee Report and Minutes, p. 116-117
  - j. Section 10j2 - Resolution 2023-17 - Tort Claim Registered Agent, p. 118-120

**THIS PAGE INTENTIONALLY LEFT BLANK**





**COMMUNITY ROOTS**  
— HOUSING —

# **Section 2:**

## Agenda

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS HOUSING BOARD  
REGULAR MEETING**

June 12, 2023  
5:30-7:30 PM

Pike Pine Conference Room and RingCentral  
1620 12<sup>th</sup> Ave Seattle, WA 98122

RingCentral Link

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

---

**AGENDA**

- 5:30 Call to Order (Porter) – 15 mins total**
- a. Welcome, Introductions, Agenda Review
  - b. Disclosures and Recusals
  - c. Consent Agenda Sec. 10, Page 89
    - i. Resolution 2023-17: Tort Claim Registered Agent Sec. 10, Page 118
  - d. The 10-minute Lesson– 10 mins
    - i. Discrete v Blended Component Units
    - ii. Future topics
      - a. July: LIHTC Financing
      - b. August: CRH Resident Grievance Policy
- 5:45 Public Comment – 10 mins total**
- 5:55 Presentations & Discussion (Persons) – 30 mins total**
- a. Planning 2023 and Board Retreat
  - b. Update on RED policies and procedures
- 6:25 Finance and Asset Management – 25 mins total**
- a. April Financials (Cronauer, Woodworth) – 10 mins Sec. 3, Page 13
  - b. Resolution 2023-11: Impact Capital Revolving Line of Credit Renewal and Increase – 5 mins Sec. 4, Page 31
- 6:50 Board – 5 mins total**
- a. Emerging Leader (Shoemake-Gamble)
- 7:00 Racial Equity Work (Persons) – 5 mins total**
- 7:05 Real Estate Activities (McLin, Munchel) – 25 mins total**
- a. Real Estate Resolutions
    - i. Resolution 2023-12: Devonshire Apartments Rehabilitation (Omnibus) Sec. 5, Page 37
    - ii. Resolution 2023-13: Rainier and Genesee Acquisition– 5 mins Sec. 6, Page 51
    - iii. Resolution 2023-14: Modification of Pride Place Financing– 5 mins Sec. 7, Page 59
    - iv. Resolution 2023-15: Devonshire Apartments Bond Resolutions – 5 mins Sec. 8, Page 67

v. Resolution 2023-16: Supplemental Resolution 13th and Fir Family Housing Sec. 9, Page 83

**7:00 Executive Session (30 mins)**

**7:30 Adjourn (Porter)**



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 3:**  
June 2023 Finance Report,  
April Statement and Asset  
Management Report

**THIS PAGE INTENTIONALLY LEFT BLANK**

**APRIL 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, Jason McLin, and Thea Munchel**

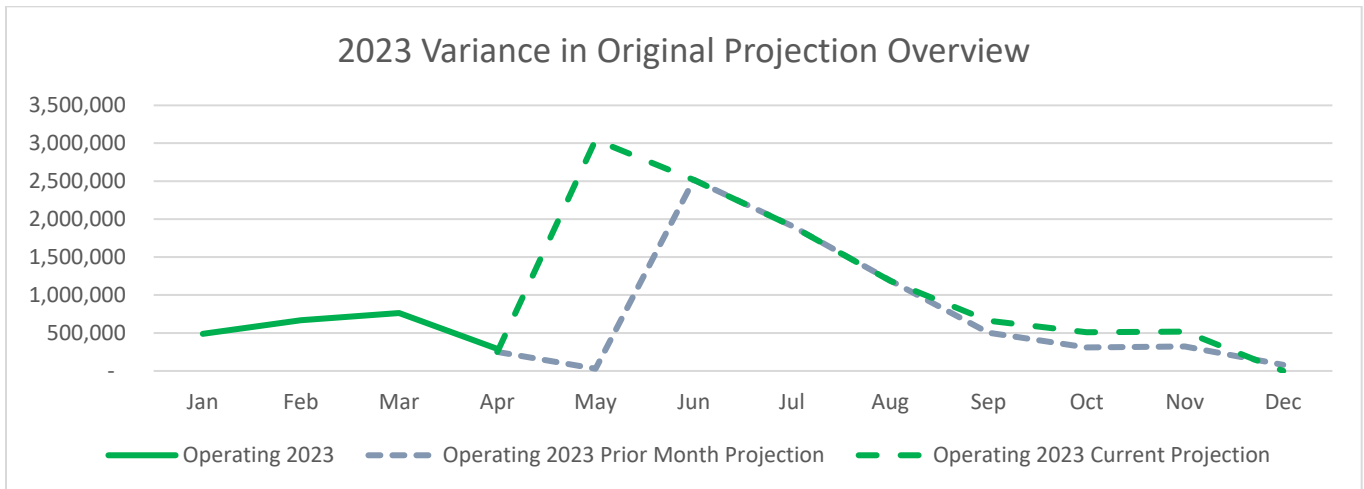
**Date, time and location of meeting:** June 6, 2023 – 4:00 PM – RingCentral meeting

**Financial Position Summary:**

**BALANCE SHEET**

During April unrestricted cash decreased \$473k.

- Significant inflows of \$232k distribution from Foundation, \$180k distribution from operating reserves
- Significant outflows of \$730k for two payrolls, \$146k for annual SEP payments
- Construction activity during the month resulted in a net decrease of \$441k to unrestricted cash, from disbursements in excess of construction draws .

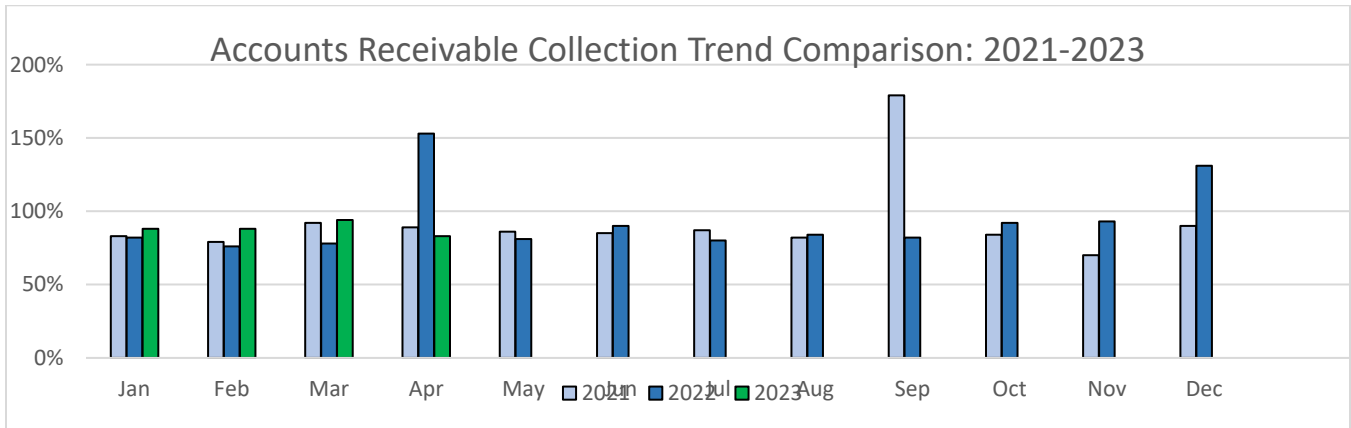


\*Cash Flow projection is based on cash inflows that cannot be guaranteed, but CRH management is anticipating receiving

Development activity contributed towards balance sheet changes as follows:

- Cash restricted for development increased \$81k related to 4 projects, due to funding draws in excess of spending .
- Building, improvements, and equipment increased \$236k related to 2 construction projects
- Accounts payable increased \$592k, related to 4 projects, due to timing difference in billing and payment.

Accounts receivable increased \$182k, broken out between commercial increasing \$18k and residential increasing \$165k. Portfolio-wide residential collections were approximately 82% in April, with total collections at 83%.



*\*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.*

*\*As of April 30, 2023, 9 buildings have begun using our new Property Management software. There are still some aspects of the migration that CRH is working through, AR might be lower than actual for the next few months as we update our processes.*

**OPERATING STATEMENT**

The year-to-date operating statement through April 30, 2023, shows an adjusted operating deficit of \$830k, as compared to a budgeted deficit of \$1.5M, resulting in a positive variance of \$712k.

Developer fee revenue was \$67k 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 due to funding.
- 12AA Housing \$240k Variance – expected \$200k in July but with audit released we were able to take \$240k in March.

In an effort to reduce expenses company wide, the overall operating expenses are \$202k lower than budgeted. This is due mainly to administrative cost, technology, consulting, payroll, and repair and maintenance.

Repair and Maintenance cost were \$90k lower than budgeted due a purposeful reduction in building supplies leading to a savings of \$107k and due to building repairs that have been budgeted, but the work has not yet been completed or needed leading to a \$56k savings



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

**The committee reviewed the Property Management dashboard report**

April figures for the portfolio were as follows:

- Monthly physical vacancy was 5.4%
- Monthly economic vacancy was 5.7%
- 12-month rolling economic vacancy rate was 6.7%

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

- Cash Flow overview
- Impact Capital Line of Credit renewal and credit increase resolution
- Appointing a tort agent resolution
- Asset Management updates
- Reminder July's FAM will be Wednesday, July 5th

## Community Roots Housing Blended Balance Sheet

	04.30.2023 Unaudited	03.31.2023 Unaudited	Change from prior month		12.31.2022 Internal Presentation	12.31.2021 Internal Presentation
<b>ASSETS</b>						
<b>Unrestricted Cash</b>						
CRH Operating Cash	290,826	763,677	(472,851)	1	670,162	852,951
Blended Partnerships Operating Cash	2,012,421	2,101,896	(89,475)		3,251,437	2,891,308
General Building Reserves	366,598	366,598	0		366,598	624,761
<b>Total Unrestricted Cash</b>	<b>2,669,845</b>	<b>3,232,171</b>	<b>(562,326)</b>		<b>4,288,197</b>	<b>4,369,020</b>
<b>Accounts Receivable</b>						
Tenant & Commercial AR	1,680,699	1,498,467	182,232	2	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	265,586	254,898	10,688		795,482	1,397,700
<b>Total Accounts Receivable</b>	<b>2,965,483</b>	<b>2,772,563</b>	<b>192,920</b>		<b>3,358,457</b>	<b>5,716,718</b>
<b>Board Designated Reserve</b>						
General Board Reserve	876,260	876,260	0		1,000,000	1,000,000
Opportunity Fund	572,595	566,751	5,844		612,510	285,909
<b>Total Board Designated Reserve</b>	<b>1,448,855</b>	<b>1,443,011</b>	<b>5,844</b>		<b>1,612,510</b>	<b>1,285,909</b>
<b>Restricted Cash</b>						
Portfolio Reserves	7,783,592	7,941,850	(158,258)	3	8,251,631	7,667,387
Development	1,949,984	1,869,051	80,933	4	2,509,106	4,082,662
Rental Assistance	44,143	44,143	0		44,143	526,489
Restricted Misc	721,904	831,381	(109,477)	5	575,195	223,355
<b>Total Restricted Cash</b>	<b>10,499,623</b>	<b>10,686,425</b>	<b>(186,802)</b>		<b>11,380,075</b>	<b>12,499,893</b>
<b>Fixed Assets</b>						
Land	24,834,923	24,834,923	0		24,834,923	22,906,927
Buildings, Improvements & Equipment	148,708,861	148,429,108	279,753	6	147,847,211	131,120,506
Accumulated Depreciation	(71,107,515)	(70,732,860)	(374,655)	7	(69,614,902)	(57,978,033)
Lease Receivable	567,455	567,455	0		567,455	602,410
<b>Total Fixed Assets</b>	<b>103,003,724</b>	<b>103,098,626</b>	<b>(94,902)</b>		<b>103,634,687</b>	<b>96,651,810</b>
<b>Other Assets</b>						
Intangible Assets	(84,100)	(78,333)	(5,767)		(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	18,034,348	17,197,469	836,879	8	16,333,561	5,820,644.00
Notes Receivable from Affiliates	17,862,655	17,862,655	0		18,089,995	522,795.00
Prepays & Other Current Assets	856,309	854,018	2,291		191,822	273,170
<b>Total Other Assets</b>	<b>38,313,293</b>	<b>37,479,890</b>	<b>833,403</b>		<b>36,130,519</b>	<b>106,088,409</b>
<b>Total Assets</b>	<b>158,900,823</b>	<b>158,712,686</b>	<b>188,137</b>		<b>160,404,445</b>	<b>226,611,759</b>
<b>LIABILITIES</b>						
Notes Payable	100,768,464.00	100,857,768.00	(89,304)	9	100,583,693.00	86,379,496
Accrued Interest Payable	5,889,056.00	5,894,987.00	(5,931)		5,894,987.00	4,828,540
Accounts Payable & Accrued Liabilities	7,980,392.00	7,305,638.00	674,754	10	7,781,783.00	8,362,991
Tenant Security Deposit Liability	524,273	529,100	(4,827)		525,066	499,581
<b>Total Liabilities</b>	<b>115,162,185</b>	<b>114,587,493</b>	<b>574,692</b>		<b>114,785,529</b>	<b>100,070,608</b>
<b>Net Position</b>	<b>43,738,638</b>	<b>44,125,193</b>	<b>(386,555)</b>		<b>45,618,916</b>	<b>126,541,151</b>
<b>Total Liabilities and Net Assets</b>	<b>158,900,823</b>	<b>158,712,686</b>	<b>188,137</b>		<b>160,404,445</b>	<b>226,611,759</b>

## Community Roots Housing Blended Balance Sheet

### ***Significant balance sheet changes from prior month***

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

- \$232k Distribution from Foundation
- \$180k Distribution from operating reserves

**The following significant cash transactions decreased cash during the period:**

- \$730k Payroll for 2 pay cycles
- \$146k Annual SEP payments
- Approx. \$441k net outflow from development transactions, disbursements in excess of construction draw

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) Tenant & Commercial AR: Incr \$182k - Commercial balances increased \$18k and residential increased \$165k.**

Collected approx 82% of billed residential rents in April, with total collections including commercial tenants at 83%.

- 3) Restricted Cash - Portfolio Reserves: Decr. \$158k - Due to operating reserve withdrawal for the following buildings to offset operating deficits: (\$55k) Fredonia, (\$70k) Melrose, (\$20k) Brewster, (\$15k) Miller Park, and (\$20k) Centennial**
- 4) Restricted Cash - Development: Incr. \$81k - Cash increased (decreased) for the following, based on timing between disbursements and draws: 126k White Center, \$15k Heartwood, (\$73k) South Annex, and Devonshire \$13k**
- 5) Restricted Cash - Restricted Misc: Decr. \$109k - Due to payments for Jefferson Commercial tenant improvements \$15k and Devonshire draw 4 payments \$88k**
- 6) Bldg, Impr & Equip: Incr \$280k - Additions to construction in process for projects, including the following: \$135k Youth Care, \$101k White Center, and \$40k for Jefferson Commercial MTI tenant improvement agreed upon in new lease**
- 7) Accumulated Depreciation: Decr. \$375k - Monthly depreciation expense**
- 8) Other Assets - Due from Affiliates: Incr. \$837k - Due to an increase of \$852k in development project cost paid by CRH, and a decrease of \$15k due to Larned paying property management fees owed to CRH, additional activity consist of normal operating businesses**
- 9) Liabilities - Notes Payable: Decr. \$89k - Increased due to Impact Line of Credit for Jazz House draw 23 \$48k and offset by monthly mortgage payments and monthly insurance payment**
- 10) Accounts Payable & Accrued Liabilities: Incr \$675k - Construction costs in accounts payable increased (decreased) for the following: \$49k White Center, \$89k Youth Care, \$578k Jazz House, and (\$124k) Rainer & Genesee. 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 4/30/2023

	Year to Date Actual	Year to Date Budget	Year to Date Budget Variance	Variance Pct	Total Budget	Budget Remaining
<b>Revenue</b>						
<b>Residential Tenant Revenue</b>						
Residential tenant revenue	4,303,205	4,350,681	(47,476)	(1.09%)	13,069,187	8,765,982
Parking, Laundry & Other	66,400	70,596	(4,196)	-5.94%	203,643	137,243
Residential Vacancy & Concessions	(367,726)	(268,394)	(99,332)	<b>1</b> 37.01%	(805,695)	(437,969)
<b>Total Residential Tenant Revenue</b>	<b>4,001,879</b>	<b>4,152,883</b>	<b>(151,004)</b>	<b>(3.64%)</b>	<b>12,467,135</b>	<b>8,465,256</b>
<b>Commercial Tenant Revenue</b>						
Commercial Rent Revenue	547,839	502,075	45,764	9.11%	1,570,805	1,022,966
Triple net revenue	113,490	174,228	(60,738)	<b>2</b> (34.86%)	485,373	371,883
Commercial vacancy & concessions	(28,668)	(11,739)	(16,929)	<b>3</b> 144.21%	(40,913)	(12,245)
<b>Total Commercial Tenant Revenue</b>	<b>632,661</b>	<b>664,564</b>	<b>(31,903)</b>	<b>-4.80%</b>	<b>2,015,265</b>	<b>1,382,604</b>
<b>Bad Debt &amp; Collection Loss</b>						
Bad debt	(91,959)	(84,407)	(7,552)	8.95%	(252,796)	(160,837)
<b>Total Bad Debt &amp; Collection Loss</b>	<b>(91,959)</b>	<b>(84,407)</b>	<b>(7,552)</b>	<b>8.95%</b>	<b>(252,796)</b>	<b>(160,837)</b>
<b>Grants &amp; Donations</b>						
Grants & Donations	522,854	417,500	105,354	<b>4</b> 25.23%	1,561,000	1,038,146
Rental Assistance Awards	0	0	0		0	0
<b>Total Grants &amp; Donations</b>	<b>522,854</b>	<b>417,500</b>	<b>105,354</b>	<b>25.23%</b>	<b>1,561,000</b>	<b>1,038,146</b>
<b>Other Operating Revenue</b>						
Accounting & Compliance fees	353,647	333,650	19,997	5.99%	1,006,083	652,436
Developer Fees	240,000	306,972	(66,972)	<b>5</b> (21.82%)	2,839,196	2,599,196
Cash Distribution from Affiliate	616,279	0	616,279	<b>6</b>	0	(616,279)
Partnership Management Fees	0	0	0		24,900	24,900
Property Management Fees	532,400	532,792	(392)	(0.07%)	1,587,743	1,055,343
Interest Income	21,730	4,000	17,730	<b>7</b> 443.25%	12,000	(9,730)
Other Income	9,054	0	9,054		11,410	2,356
<b>Total Other Operating Revenue</b>	<b>1,773,110</b>	<b>1,177,414</b>	<b>595,696</b>	<b>50.59%</b>	<b>5,481,332</b>	<b>3,708,222</b>
<b>Total Revenue</b>	<b>6,838,545</b>	<b>6,327,954</b>	<b>510,591</b>	<b>8.07%</b>	<b>21,271,936</b>	<b>14,433,391</b>
<b>Expenses</b>						
<b>Operating Expenses</b>						
Accounting, Audit & Legal	405,031	348,704	(56,327)	<b>8</b> (16.15%)	732,680	327,649
Administration	184,673	254,495	69,822	<b>9</b> 27.44%	732,413	547,740
Technology	110,706	163,441	52,735	<b>10</b> 32.27%	485,858	375,152
Board Expense	61	3,200	3,139	98.09%	10,000	9,939
CRH Occupancy Expense	0	161,712	161,712	<b>11</b> 100.00%	487,806	487,806
Cash Distribution to CRH	521,000	0	(521,000)	<b>12</b>	0	(521,000)
Compliance, Taxes & License	173,061	167,820	(5,241)	(3.12%)	341,175	168,114
Consulting	94,742	194,437	99,695	<b>13</b> 51.27%	448,771	354,029
Debt Service	784,393	821,094	36,701	4.47%	2,506,617	1,722,224
Insurance	276,531	245,790	(30,741)	<b>14</b> (12.51%)	757,134	480,603
Leasing/Compliance Expense	113,995	124,771	10,776	8.64%	361,103	247,108
Miscellaneous Financial Expense	0	2,000	2,000	100.00%	8,500	8,500
Other Operating Expense	751	1,060	309	29.15%	1,180	429
Partnership Mgmt Fee Expense	0	0	0		20,000	20,000
Payroll, Taxes and Benefits	2,976,811	3,298,331	321,520	<b>15</b> 9.75%	10,005,805	7,028,994
Property Mgmt Fee Expense	386,907	383,566	(3,341)	(0.87%)	1,120,133	733,226
Repair and Maintenance	814,654	904,719	90,065	<b>16</b> 9.96%	2,288,687	1,474,033
Resident activities	6,812	13,708	6,896	50.31%	28,453	21,641
Utilities	623,343	586,267	(37,076)	(6.32%)	1,716,502	1,093,159
<b>Total Expenses</b>	<b>7,473,471</b>	<b>7,675,115</b>	<b>201,644</b>	<b>2.63%</b>	<b>22,052,817</b>	<b>14,579,346</b>
<b>Operating Surplus (Deficit) before Reserves</b>	<b>(634,926)</b>	<b>(1,347,161)</b>	<b>712,235</b>	<b>(52.87%)</b>	<b>(780,881)</b>	<b>(145,955)</b>

Reserve Contributions						
Replacement Reserve	(155,948)	(153,633)	(2,315)	1.51%	(455,762)	(299,814)
Operating Reserve	(11,432)	(11,432)	0	0.00%	(33,047)	(21,615)
Other Reserve	(27,642)	(29,842)	2,200	(7.37%)	(112,852)	(85,210)
Total Reserve Contributions	(195,022)	(194,907)	(115)	0.06%	(601,661)	(406,639)
Operating Surplus (Deficit)	(829,948)	(1,542,068)	712,120	(46.18%)	(1,382,542)	(552,594)
Additional Unrestricted Cash Flows						
Transactional Inflows	0	0	0		1,400,000	1,400,000
Adjusted Operating Surplus (Deficit)	(829,948)	(1,542,068)	712,120	(46.18%)	17,458	847,406

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

- 1) Residential vacancy: \$99k 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: \$61k 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 May this year instead of April as budgeted, this was due to new property manager software implementation.
- 3) Commercial vacancy & concessions: \$17k higher - Due to concession for Fredonia commercial tenant to help them with timely payments for sale of Fredonia to be successful
- 4) Grants & Donations: \$105k higher - Due to foundation distributions exceeding budgeted amounts
- 5) Developer Fees: \$67k lower - Differences of Budget amounts compared with actual amounts received for 2023 are as follows: (\$89k) Jazz house and (\$218k) Africatown and \$240k 12th Ave Arts Housing 2023 distribution
- 6) Cash Distribution from Affiliate: \$616k higher - 2023 Cash waterfall distributions include: \$480k from Silvian, \$41k from Hazel and \$95k from Bonanza buildings
- 7) Interest Income: \$18k higher - LGIP interest being about \$5k monthly compared to the budgeted amount of \$1k monthly
- 8) Accounting, Audit & Legal: \$56k higher - Legal fees are \$60k higher than budgeted due consultations for a property sale, HR support and other legal support around ensuring compliance with local regulations around evictions and other operational needs.
- 9) Administration: \$70k lower - Due to purposeful reduction in company-wide spending, which led to a decrease in the following categories: (\$16k) external community events, (\$18k) advertising, (\$24k) training and education, and (\$7k) in subscriptions
- 10) Technology: \$53k lower - This budget captures our old property manager software, which is being phased out with new property manager software leading to a reduction of \$66k in property manager software cost
- 11) CRH Occupancy Expense: \$162k lower - 2023 CRH rent and NNN owed to 12AA commercial.
- 12) Cash Distribution to CRH: \$521k lower - due to the following blended buildings making cash distributions to CRH: \$480 Silvian and \$41k Hazel
- 13) Consulting: \$100k lower - Due to purposeful reduction in company-wide spending, which led to a reduction of (\$45k) in finance, (\$14k) in Development, (\$10k) in Communications, and (\$18k) in Eco District
- 14) Insurance: \$31k higher - Insurance premium was higher than expected for Bremer \$11k, Broadway Crossing \$3k, CRH \$6K and several other properties with smaller amounts.
- 15) Payroll, Taxes and Benefits: \$322k lower - Due to staff leaving and CRH not re-hiring the position due to workforce reduction.
- 16) Repair and Maintenance: \$90k lower - Due to purposeful reduction in company-wide spending, which led to a reduction in the following areas: Supplies: MSP department (\$56k), Park Hill (\$39k), UJ (\$12k) and due to work budgeted, but not yet needed or completed: Hazel (\$14k) and MRM (\$38k). Offset by some buildings that have spent over their budget for unit turns including EJ \$16k, Fleming \$11k, and Oleta \$17k



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

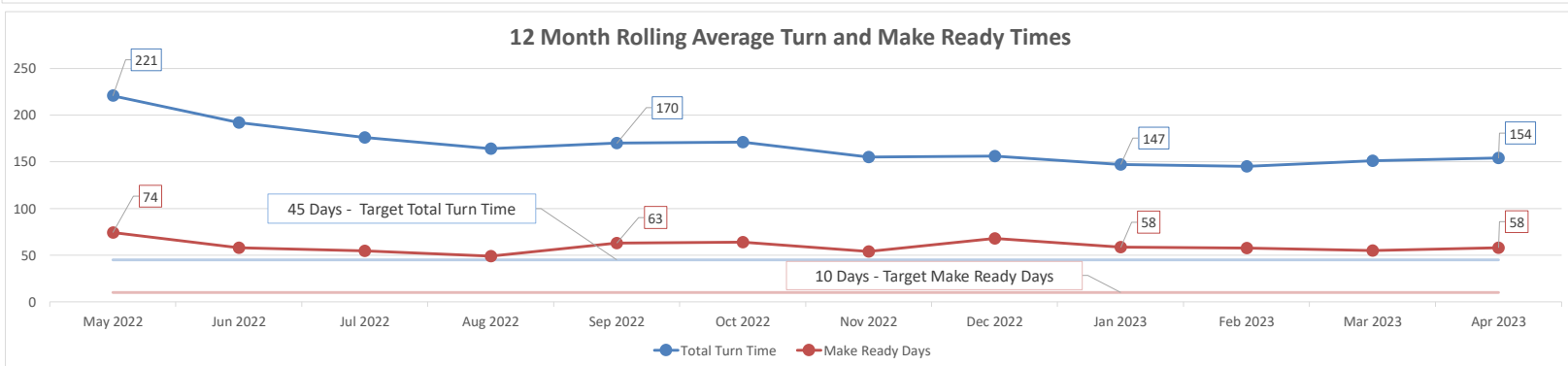
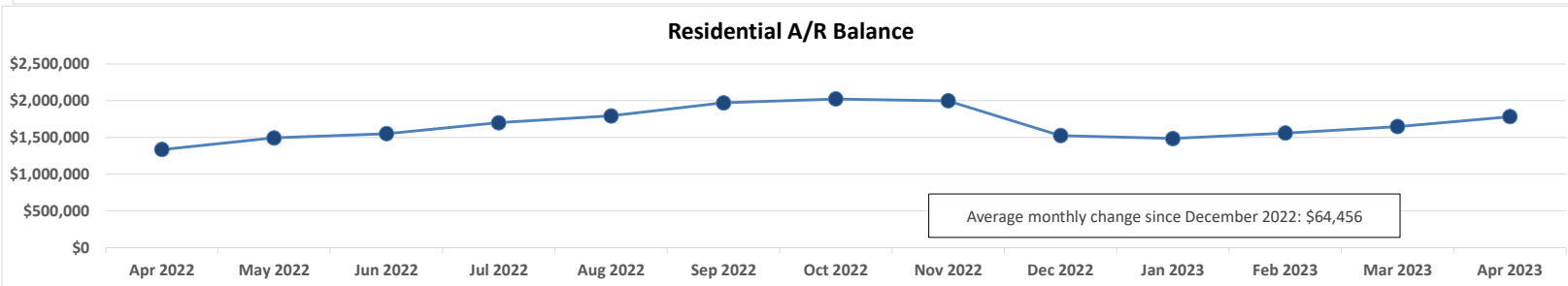
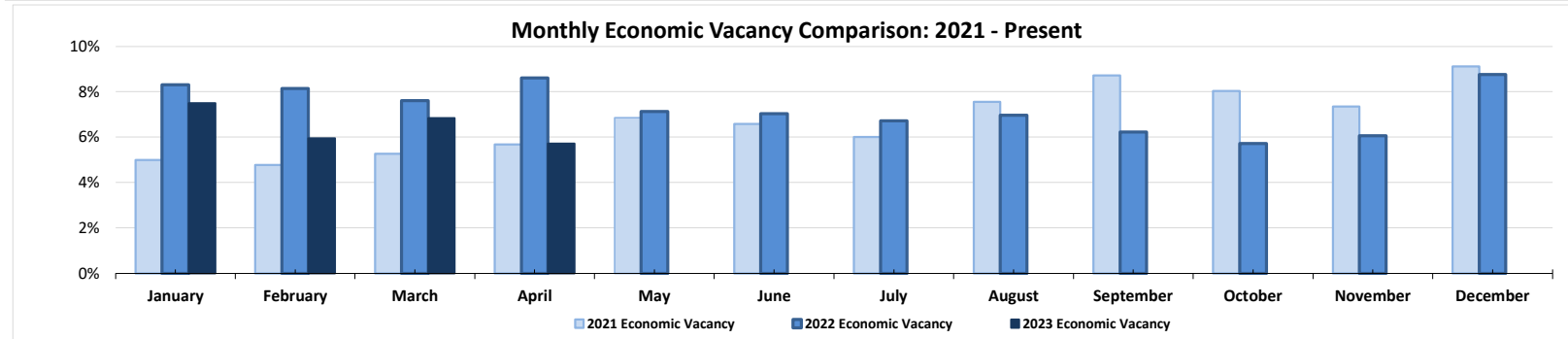
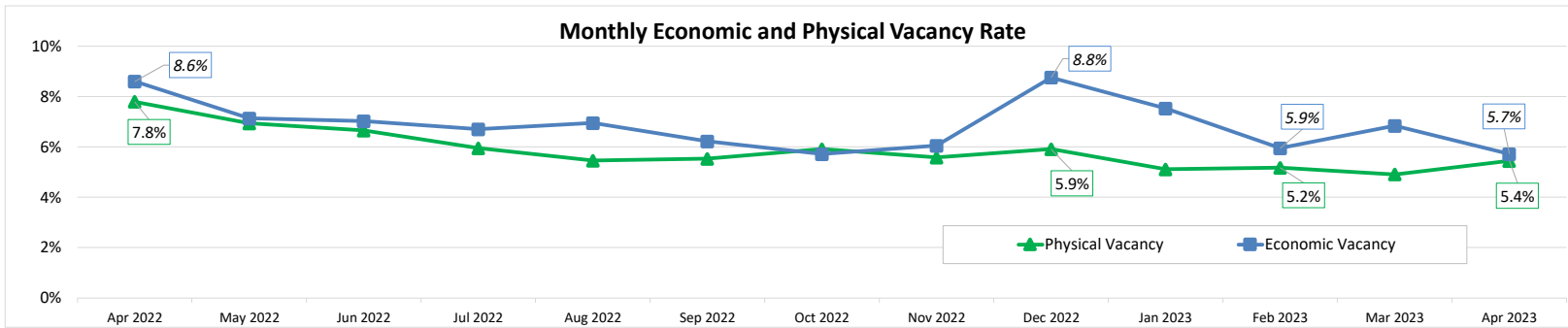
Building	Physical Vacancy (at month end)				Op Rev Per Unit YTD		Op Exp Per Unit YTD		Cash Flow Per Unit <sup>1</sup> YTD			A/R Resident Portion \$	Monthly Change	Residential AR/(Billed Rent) <sup>3</sup>	12-Month Rolling Avg. <sup>4</sup>		Economic Vacancy		
	Occupied	Vacant Units	Vacancy %	Total Units	Actual	Budget Var %	Actual	Budget Var %	Actual	Variance	Budget Var %	April 2023			Make Ready	Total Days Vacant	April 2023	12 MO Rolling	2022 Vacancy
Berneva	12	0	0.0%	12	\$3,450	0%	\$2,697	12%	\$359	\$355	8126%	\$8,212	-5%	6.8%			0.0%	3.2%	6.3%
Burke Gilman Gardens	15	0	0.0%	15	\$4,886	1%	\$3,713	32%	\$1,039	\$3,338	145%	\$14,937	+25%	7.1%	26	114	0.0%	5.1%	8.1%
Boylston Howell	28	2	6.7%	30	\$3,796	-7%	\$3,018	13%	\$105	\$196	216%	\$30,951	+16%	14.0%		78	1.4%	6.6%	16.6%
Bremer	44	5	10.2%	49	\$3,314	-9%	\$2,364	-13%	\$116	(\$482)	-81%	\$47,776	+26%	14.9%	191	352	10.3%	9.5%	20.8%
Brewster	34	1	2.9%	35	\$3,229	-1%	\$2,851	-3%	\$126	(\$101)	-44%	\$51,572	+8%	15.7%	64	137	3.3%	4.9%	9.1%
Broadway	5	0	0.0%	5	\$4,720	-4%	\$3,424	17%	\$356	\$506	338%	\$2,042	+3%	3.1%			0.0%	5.0%	10.3%
Broadway Crossing	43	1	2.3%	44	\$3,592	-10%	\$3,744	-18%	(\$707)	(\$883)	-503%	\$40,612	-25%	8.9%	20	109	0.0%	2.6%	7.3%
Byron Wetmore	11	1	8.3%	12	\$3,647	-7%	\$3,868	-4%	(\$416)	(\$25)	-6%	\$15,221	-11%	11.7%		425	10.3%	10.3%	8.6%
Centennial	28	2	6.7%	30	\$3,780	-12%	\$2,275	26%	\$118	\$261	182%	\$31,740	-9%	9.4%	28	182	6.7%	11.8%	12.8%
Devonshire	62	0	0.0%	62	\$3,345	-2%	\$3,187	-15%	\$97	(\$346)	-78%	\$38,818	+1%	6.3%	65	128	6.5%	4.2%	4.5%
Elizabeth James	56	4	6.7%	60	\$3,618	-3%	\$3,694	-54%	(\$966)	(\$1,382)	-332%	\$19,607	-2%	3.0%	165	141	7.8%	7.4%	8.0%
Fleming	34	2	5.6%	36	\$3,271	-3%	\$3,023	-7%	(\$699)	(\$304)	-77%	\$48,056	+9%	13.5%	51	145	6.6%	5.3%	4.3%
Four Twelve Apartments	10	2	16.7%	12	\$7,009	-20%	\$5,327	5%	(\$612)	(\$1,479)	-171%	\$28,640	+10%	10.6%	114	83	16.2%	16.2%	12.8%
Fremont Solstice	18	0	0.0%	18	\$4,297	0%	\$3,756	-4%	(\$383)	\$34	8%	\$11,941	+23%	5.5%	29	145	0.0%	3.6%	7.3%
Gilman Court	25	0	0.0%	25	\$3,796	5%	\$3,760	10%	(\$97)	\$613	86%	\$15,118	+22%	5.7%	20	214	0.0%	3.7%	5.0%
Harrison at 15th	18	1	5.3%	19	\$7,115	-3%	\$5,304	-2%	(\$585)	(\$371)	-173%	\$13,024	+28%	5.2%	22	90	5.5%	3.5%	5.0%
Hazel Plaza	15	1	6.3%	16	\$8,571	-17%	\$4,239	16%	\$1,670	(\$971)	-37%	\$23,540	+5%	5.5%	19	164	6.3%	10.1%	6.5%
Helen V	36	2	5.3%	38	\$5,461	-21%	\$3,422	-8%	\$854	(\$1,672)	-66%	\$46,914	+54%	7.1%	116	340	9.7%	5.7%	5.1%
Holden Vista	15	1	6.3%	16	\$5,994	-15%	\$5,002	-14%	\$847	(\$642)	-43%	\$20,556	+13%	7.0%		150	7.0%	16.7%	14.9%
John Carney	24	3	11.1%	27	\$3,470	-6%	\$2,883	-1%	(\$571)	(\$240)	-72%	\$16,340	+48%	9.4%	83	401	0.0%	13.8%	18.9%
Joe Black Apartments	22	2	8.3%	24	\$4,620	-8%	\$4,114	3%	(\$53)	(\$275)	-124%	\$72,825	+0%	21.9%	94	392	8.3%	6.9%	5.6%
Larned	33	0	0.0%	33	\$3,789	-4%	\$3,069	5%	\$480	\$2	0%	\$28,742	-7%	12.8%	28	139	0.0%	8.2%	12.0%
Lincoln Court	24	5	17.2%	29	\$2,907	-19%	\$2,785	-12%	(\$1,060)	(\$906)	-589%	\$20,275	+5%	7.9%	73	303	18.3%	18.6%	17.9%
Maxwell	4	0	0.0%	4	\$4,012	-3%	\$3,507	-2%	(\$2)	(\$194)	-101%	\$29		0.1%			0.0%	0.0%	0.0%
Meirose	26	4	13.3%	30	\$2,313	-26%	\$3,576	-18%	(\$1,666)	(\$1,345)	-419%	\$21,383	+7%	9.1%	77	109	22.3%	17.4%	22.0%
Miller Park	11	1	8.3%	12	\$3,942	-16%	\$4,686	-18%	(\$1,656)	(\$1,444)	-682%	\$4,416	-59%	2.9%	22	94	13.9%	9.0%	4.1%
Mary Ruth Manor	16	4	20.0%	20	\$6,839	-21%	\$3,367	30%	\$262	(\$417)	-61%	\$67,309	+9%	15.5%	141	140	23.1%	22.7%	12.8%
Oleta	30	4	11.8%	34	\$2,781	-21%	\$2,805	-11%	(\$1,101)	(\$1,060)	-2589%	\$38,966	-23%	11.8%	89	169	12.4%	8.5%	9.1%
Pantages	48	1	2.0%	49	\$3,780	-2%	\$3,212	-1%	(\$48)	(\$28)	-137%	\$15,931	+38%	3.0%	33	67	2.7%	2.8%	5.6%
Park Hill	28	2	6.7%	30	\$5,046	-5%	\$3,858	18%	\$479	\$606	479%	\$48,274	+14%	11.0%	136	333	8.0%	6.1%	8.6%
Seneca	29	3	9.4%	32	\$2,723	-27%	\$3,198	-8%	(\$1,185)	(\$1,245)	-2069%	\$23,813	+42%	7.4%	31	204	11.3%	15.0%	13.4%
Silvian	31	1	3.1%	32	\$6,498	20%	\$2,534	7%	\$2,901	\$1,274	78%	\$33,113	+57%	6.0%	25	54	6.1%	2.3%	2.5%
Union James	23	1	4.2%	24	\$6,517	1%	\$4,025	9%	\$946	\$488	106%	\$101,040	+4%	21.1%	103	120	4.5%	4.0%	4.0%
Villa	60	2	3.2%	62	\$4,267	1%	\$3,574	-21%	(\$613)	(\$603)	-5987%	\$64,846	+28%	11.6%	64	130	4.0%	4.8%	7.5%
<b>Blended Total</b>	<b>918</b>	<b>58</b>	<b>5.9%</b>	<b>976</b>	<b>\$4,147</b>	<b>-8%</b>	<b>\$3,378</b>	<b>-3%</b>	<b>(\$115)</b>	<b>(\$368)</b>	<b>-145%</b>	<b>\$1,066,579</b>	<b>+8%</b>	<b>9.5%</b>	<b>73</b>	<b>187</b>	<b>7.4%</b>	<b>8.1%</b>	<b>9.2%</b>
Twelfth Avenue Arts Housing	82	6	6.8%	88	\$4,268	-2%	\$2,726	-8%	(\$2,663)	(\$3,006)	-876%	\$98,502	+1%	9.0%	17	62	7.1%	3.6%	2.7%
Eighteenth Avenue	9	0	0.0%	9	\$8,127	6%	\$3,715	-1%	\$1,557	\$464	42%	\$43,771	+28%	20.3%			0.0%	4.1%	0.0%
El Nor	54	1	1.8%	55	\$7,266	21%	\$2,827	-5%	\$1,830	\$1,203	192%	\$39,667	+72%	3.8%	23	137	0.9%	3.2%	4.9%
Haines	30	0	0.0%	30	\$6,937	28%	\$2,409	-1%	\$3,573	\$1,507	73%	\$11,115	+190%	2.1%	36	154	0.0%	4.2%	6.8%
Holiday	27	3	10.0%	30	\$3,657	-8%	\$3,360	-3%	(\$1,170)	(\$439)	-60%	\$32,519	-4%	10.0%	100	186	8.9%	5.9%	8.8%
Jefferson Housing	39	1	2.5%	40	\$4,712	0%	\$3,258	-1%	(\$225)	\$131	37%	\$45,286	-2%	8.4%	40	62	2.2%	1.4%	1.3%
Liberty Bank Building	111	4	3.5%	115	\$3,937	1%	\$2,641	-14%	(\$211)	(\$307)	-321%	\$251,324	+7%	18.9%	19	102	0.0%	4.2%	4.8%
Ponderosa	21	2	8.7%	23	\$7,009	6%	\$4,241	-21%	\$133	(\$2,115)	-94%	\$26,864	+15%	5.8%		127	7.9%	4.9%	3.1%
Station House	105	5	4.5%	110	\$4,498	-6%	\$2,422	1%	\$492	(\$35)	-7%	\$118,404	+12%	8.0%	47	86	5.0%	6.6%	9.9%
Unity Village	28	2	6.7%	30	\$3,456	1%	\$4,062	-7%	(\$739)	(\$232)	-46%	\$49,524	-7%	16.1%		158	8.9%	5.5%	7.7%
<b>Discrete Total</b>	<b>506</b>	<b>24</b>	<b>4.5%</b>	<b>530</b>	<b>\$4,844</b>	<b>3%</b>	<b>\$2,871</b>	<b>-7%</b>	<b>(\$87)</b>	<b>(\$475)</b>	<b>-122%</b>	<b>\$716,975</b>	<b>+9%</b>	<b>9.7%</b>	<b>33</b>	<b>97</b>	<b>3.4%</b>	<b>4.4%</b>	<b>5.5%</b>
<b>Portfolio Total</b>	<b>1424</b>	<b>82</b>	<b>5.4%</b>	<b>1506</b>	<b>\$4,392</b>	<b>-4%</b>	<b>\$3,199</b>	<b>-4%</b>	<b>(\$105)</b>	<b>(\$406)</b>	<b>-135%</b>	<b>\$1,783,554</b>	<b>+8%</b>	<b>9.6%</b>	<b>58</b>	<b>154</b>	<b>5.7%</b>	<b>6.7%</b>	<b>7.8%</b>

<sup>1</sup> After Debt, Reserve Deposits, and Cash Based Non-Operating Expenses (Deferred Developer Fees, Partnership Management Fees, etc.)

<sup>2</sup> Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.

<sup>3</sup> Resident Portion Account Receivable % is calculated as resident A/R balance divided by billed rent, inclusive of subsidy income.

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: April 2023**

<b>Bank</b>	<b>CRH Blended Component Unit</b>	<b>Type</b>	<b>Balance</b>
KeyBank	CRH - Misc Restricted	Operating - Restricted	700,304
KeyBank	CRH - Rental Assistance	Restricted Grant	44,143
KeyBank	12th AAA - Restricted	Equipment Reserve	21,600
KeyBank	White Center Hub - Comm Constructio	Construction	1,221,478
KeyBank	Capitol Hill Housing - Sound Families	Restricted Savings	3,857
KeyBank	Capitol Hill Housing	Security Deposit	178,992
Key Bank	Bremer - Resynd	Security Deposit	18,972
KeyBank	Hazel Plaza	Security Deposit	4,011
KeyBank	Larned	Security Deposit	17,892
Key Bank	John Carney - R	Security Deposit	9,389
KeyBank	Byron Wetmore	Security Deposit	8,539
Key Bank	412	Security Deposit	2,355
KeyBank	Holden Vista	Security Deposit	3,628
KeyBank	Mary Ruth Manor	Security Deposit	4,362
KeyBank	EJSH	Security Deposit	11,171
Key Bank	Boylston Howell-R	Security Deposit	11,743
KeyBank	Gilman Court LP	Security Deposit	13,021
KeyBank	Fleming Apts LP	Security Deposit	17,280
KeyBank	Villa Apts LP	Security Deposit	31,910
KeyBank	Harrison	Security Deposit	15,572
KeyBank	Oleta	Security Deposit	16,009
KeyBank	Helen V Apts LLC	Security Deposit	7,752
KeyBank	Pantages Apts LLC	Security Deposit	25,503
KeyBank	Silvian	Security Deposit	6,093
KeyBank	Broadway & Pine	Security Deposit	20,136
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	353,167
KeyBank	Byron Wetmore	Reserves	84,539
KeyBank	Holden Vista	Reserves	25,372
KeyBank	Mary Ruth Manor	Reserves	322,967
KeyBank	Gilman Court LP	Reserves	142,808
KeyBank	Villa Apts LP	Reserves	248,078
KeyBank	Helen V Apts LLC	Reserves	1,038,315
KeyBank	Broadway & Pine	Reserves	337,449
KeyBank	Woodland Park Ave LLC	Reserves	179,413
KeyBank	12th Avenue Arts Associates LLC	Reserves	41,337
Key Bank	Union James	Reserves	130,780
		<b>Total KeyBank</b>	<b>5,399,906</b>



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

Banner	Berneva	Reserves	15,499
Banner	Seneca	Reserves	167,681
Banner	Seneca	Security Deposit	13,604
		<b>Total Banner</b>	<b>196,785</b>
LGIP	Capitol Hill Housing	Reserves	1,854,243
		<b>Total LGIP</b>	<b>1,854,243</b>
Walker Dunlo	EJSH	Escrow	(748)
Walker Dunlo	EJSH	Reserves	289,637
		<b>Total Oppenheimer</b>	<b>288,889</b>
Chase	Larned	Reserves	215,011
Chase	412	Reserves	173,660
Chase	Harrison	Reserves	204,333
Chase	Oleta	Reserves	81,594
		<b>Total Chase</b>	<b>674,599</b>
US Bank	Pantages Apts LLC	Reserves	523,083
US Bank	Silvian	Reserves	236,638
		<b>Total USBank</b>	<b>759,721</b>
KeyBank	Capitol Hill Housing	EQII	89,910
		<b>Total KeyBank</b>	<b>89,910</b>
KeyBank	Capitol Hill Housing	Lucky 7	66,579
		<b>Total Lucky 7</b>	<b>66,579</b>
KeyBank	Capitol Hill Housing	HPN	502,141
		<b>Total HPN</b>	<b>502,141</b>
KeyBank	Youth Care Predevelopment	Plymouth	32,994
		<b>Total Plymouth</b>	<b>32,994</b>
BofA	Fleming Apts LP	Reserves	117,326
		<b>Total BofA</b>	<b>117,326</b>
Heritage	Bremer - Resyndication	Construction	619
Heritage	Bremer	Reserves	223,927

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

Heritage	John Carney	Construction	32,033
Heritage	John Carney	Reserves	125,288
Heritage	Boylston Howell	Construction	4,231
Heritage	Boylston Howell	Reserves	126,345
Heritage	Union & 24th Commercial	Security Deposit	4,089
		<b>Total Heritage</b>	<b>516,532</b>
		<b>Total Restricted - CHH Blended Components</b>	<b>10,499,622</b>
LGIP	Capitol Hill Housing	Board Designated Res	1,448,855
		<b>Total Designated</b>	<b>1,448,855</b>
Heritage	Union & 24th Commercial	Operating Checking	102,538
		<b>Total Heritage</b>	<b>102,538</b>
KeyBank	Capitol Hill Housing	Gen Building Reserve	366,598
		<b>Total Gen Building Reserve</b>	<b>366,598</b>
KeyBank	Capitol Hill Housing	Operating Checking	290,826
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	41,850
KeyBank	Bremer	Operating Checking	70,225
KeyBank	Hazel Plaza	Operating Checking	94,781
KeyBank	Larned	Operating Checking	100,230
KeyBank	John Carney	Operating Checking	105,936
KeyBank	Byron Wetmore	Operating Checking	19,238
KeyBank	412	Operating Checking	79,146
KeyBank	Holden Vista	Operating Checking	148,425
KeyBank	Mary Ruth Manor	Operating Checking	45,823
KeyBank	EJSH	Operating Checking	49,004
KeyBank	Boylston Howell	Operating Checking	47,423
KeyBank	Gilman Court LP	Operating Checking	35,311
KeyBank	Fleming Apts LP	Operating Checking	42,397
KeyBank	Villa Apts LP	Operating Checking	66,271
KeyBank	Harrison	Operating Checking	142,502
KeyBank	Oleta	Operating Checking	22,931
KeyBank	Helen V Apts LLC	Operating Checking	140,373
KeyBank	Pantages Apts LLC	Operating Checking	67,907
KeyBank	Silvian	Operating Checking	90,993

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

KeyBank	Broadway & Pine	Operating Checking	62,742
KeyBank	Woodland Park Ave LLC	Operating Checking	17,058
KeyBank	12th Avenue Arts Associates LLC	Commercial Operatin	124,888
KeyBank	Union James	Operating Checking	226,034
		<b>Total KeyBank</b>	<b>2,136,008</b>
Cash	Various	Petty Cash - CHHIP	100
		<b>Total Petty Cash</b>	<b>100</b>
Banner	Berneva	Operating Checking	13,232
Banner	Seneca	Operating Checking	51,369
		<b>Total Banner</b>	<b>64,601</b>
		<b>Total Unrestricted - CHH Blended Components</b>	<b>2,669,846</b>
		<b>Total All Cash - CHH Blended Components</b>	<b>14,618,323</b>

<b>Bank</b>	<b>Discrete Component Unit</b>	<b>Type</b>	<b>Balance</b>
Chase	Pride Place	Construction	178,487
Chase	AAA	Escrow	(515)
Chase	AAA	Security Deposit	6,098
Chase	AAA	Reserves	279,948
		<b>Total Chase</b>	<b>464,017</b>
KeyBank	Africatown	Project Funds	34,373
KeyBank	Africatown	Construction-Res	5,018
KeyBank	Africatown	Construction	378
KeyBank	Africatown Commercial	Construction	1,035,305
KeyBank	Jazz House	Construction	10,233
KeyBank	El Nor LP	Security Deposit	12,260
KeyBank	18th Ave Apartments	Security Deposit	1,551
KeyBank	Ponderosa	Security Deposit	3,678
KeyBank	Holiday Apts	Security Deposit	16,267

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

KeyBank	SOPI / Unity Village	Security Deposit	11,552
KeyBank	Jefferson & 12th	Security Deposit	26,921
KeyBank	12th Avenue Arts Housing	Security Deposit	54,208
KeyBank	CH TOD Station House	Security Deposit	38,121
KeyBank	SOPI / Unity Village	Reserves	305,492
KeyBank	Jefferson & 12th	Reserves	388,838
KeyBank	12th Avenue Arts Housing	Reserves	878,945
KeyBank	CH TOD Station House	Reserves	822,013
KeyBank	CH TOD Station House	Escrow	34,173
		<b>Total KeyBank</b>	<b>3,679,326</b>
UnionBank	Holiday	Reserves	231,145
		<b>Total UnionBank</b>	<b>231,145</b>
Heritage	Union & 24th Residential	Security Deposit	36,233
Heritage	Union & 24th Residential	Reserves	370,508
Heritage	Heartwood SPE	Construction	2,057
		<b>Total Heritage</b>	<b>408,798</b>
Wells Fargo	El Nor	Reserves	660,058
Wells Fargo	18th Ave	Reserves	130,607
Wells Fargo	Ponderosa	Reserves	281,079
Wells Fargo	El Nor	Escrow	11,794
Wells Fargo	18th Ave	Escrow	2,116
Wells Fargo	Ponderosa	Escrow	5,492
		<b>Total Wells Fargo</b>	<b>1,091,146</b>
Bellwether	Union & 24th	Escrow	178,836
		<b>Total Bellwether</b>	<b>178,836</b>
		<b>Total Restricted - Discrete Components</b>	<b>6,053,267</b>
Chase	AAA	Operating Checking	568,162
Chase	Pride Place Commercial	Construction	237,131
Chase	Pride Place	Construction	45
		<b>Total Chase</b>	<b>805,338</b>
KeyBank	El Nor LP	Operating Checking	442,040
KeyBank	18th Ave Apartments	Operating Checking	122,587

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

KeyBank	Ponderosa	Operating Checking	267,646
KeyBank	Holiday Apts	Operating Checking	34,413
KeyBank	SOPI / Unity Village	Operating Checking	36,669
KeyBank	Jefferson & 12th	Operating Checking	74,148
KeyBank	Twelfth Avenue Arts Res	Operating Checking	92,383
KeyBank	CH TOD Station House	Operating Checking	763,049
		<b>Total KeyBank</b>	<b>1,832,936</b>
Heritage	Union & 24th Residential	Operating Checking	204,117
		<b>Total Heritage</b>	<b>204,117</b>
		<b>Total Unrestricted - Discrete Components</b>	<b>2,842,391</b>
		<b>Total All Cash - Discrete Components</b>	<b>8,895,659</b>
		<b>Total All Cash - CHH Blended Components</b>	<b>14,618,323</b>
		<b>Total All Cash</b>	<b>23,513,981</b>

**TOTALS BY BANK**

Key Bank	\$ 13,504,684
Chase	\$ 1,943,954
Banner	\$ 261,386
US Bank	\$ 759,721
Union Bank	\$ 231,145
Bank of America	\$ 117,326
Heritage	\$ 1,231,985
Bellwether	\$ 178,836
Wells Fargo	\$ 1,091,146
LGIP	\$ 3,303,098
Other and Petty	\$ 890,702
<b>TOTAL CASH</b>	<b>\$ 23,513,981</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 4:**  
Resolution 2023-11 –  
Impact Capital Revolving  
Line of Credit Renewal and  
Increase

**THIS PAGE INTENTIONALLY LEFT BLANK**





**COMMUNITY ROOTS**  
HOUSING

**Community Roots Housing PDA Board 2023-11**

**Overview:** Authorization to renew \$2M Impact Line of Credit and an additional \$500k added to the LOC

**Purpose:** To approve CRH to renew Impact Line of Credit, \$2M, and to add an additional \$500k to the existing line of credit

**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 (FAM)

**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:** Impact Capital Line of Credit will continue to be used to fund predevelopment activities for CRH’s housing development pipeline. These expenses include design, engineering, 3<sup>rd</sup> party studies, permit fees, consulting costs, and any preclosing expenses. Outstanding balances and interest expenses will be paid by the project at the time of construction/perm financing closing.

**Organizational requirements of resolution:** Authorization to renew the existing \$2M Line of Credit. Seeking additional approval to increase this LOC by \$500k to \$2,500,000.

**Financial cost of the resolution:** The revolving line of credit will be up to \$2,500,000 and usage of loan will be requested as draws. The loan term will be 12 months. The interest rate will be 6.5% fixed. Financing costs include legal fee, estimated at \$5,000 and a loan fee of 1% or \$25,000.

**Pros:** CRH will be able to support the expanding pipeline with rising cost of construction. This is a revolving line, which can be drawn upon or paid down without penalty.

**Cons:** There are cost associated with borrowing, but these costs will be paid by the housing projects

**Further Board Action or Reporting:**

- **Is further action required from the Board or a Board Committee?**  Yes  No  
*If yes, please describe:* The Board will adopt project predevelopment budgets from time to time for which the predevelopment funds will be used.
- **Is further reporting required to the Board or a Board Committee?**  Yes  No  
*If yes, please describe:* Staff will report regularly on use of the funds and ensure that fund use is within approved budgets.

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

**June 12, 2023**

**Resolution 2023-11**

**Impact Capital revolving line of credit renewal for \$2,000,000 and an increase of \$500,000 for Predevelopment Funding**

A RESOLUTION of the Board of Directors of Community Roots Housing authorizing and directing staff to renew the Impact revolving line of credit for \$2M and to increase the current line of credit by \$500k to have a total line of credit with Impact Capital in the amount of \$2,500,000 for the sole purpose of investing in the pre-development activities of Community Roots Housing real estate development projects.

**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.

The Program may provide these services, activities and facilities with prior authorization or concurrence of the Board by resolution for any project or activity located outside the limits of the City of Seattle, provided the governing body of the jurisdiction in which such project or activity is located must also, by agreement with the City, consent thereto.

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.

Community Roots' charter, as restated, provides that Community Roots shall have and exercise all powers necessary or convenient to affect the purposes for which it is organized including, without limitation, the power to lend and borrow money and to issue bonds and notes to provide sufficient funds for achieving its purposes; and

Community Roots Housing deems it necessary and advisable and in the best interest of Community Roots to renew and increase the revolving line of credit with Impact Capital to support the predevelopment activities for the real estate pipeline, and

Impact Capital has offered the revolving line of credit and Community Roots agrees to accept the following terms:

<b>Term:</b>	12 months
<b>Amount:</b>	Up to \$2,500,000 to be allocated to specific projects via draws
<b>Collateral:</b>	None
<b>Guarantors:</b>	None
<b>Loan Fee:</b>	1%; \$25,000
<b>Legal Fee:</b>	Approximately \$5,000
<b>Interest Rate:</b>	Fixed 6.50% per annum
<b>Payments:</b>	Monthly interest only payments throughout the term of the Loan. Principal due at loan maturity.
<b>Intended Use:</b>	To support Community Roots Housing's real estate development business, including short-term capacity building and predevelopment expenditures.

All spending will be within CRH Board approved budgets for project predevelopment expenses.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Community Roots Housing that Community Roots is authorized and directed to execute and deliver all such documents as may be required to effectuate the foregoing.

- (1) Community Roots Housing's Board hereby finds that the approving this loan will further Community Roots Housing's efforts to promote the development of quality affordable housing in the Seattle region.
- (2) Further Resolved that any and all documents hereby authorized to be executed on behalf of Community Roots in furtherance of the foregoing are authorized to be executed or taken by any one of the following individuals or their duly appointed successors (the "Authorized Representatives")

<b>Name:</b>	<b>Title:</b>
Drew Porter	Chair
Frank Alvarado, III	Vice Chair
Derrick Belgarde	Vice Chair
Jill Cronauer	Treasurer
Michelle Purnell Hepburn	Treasurer
George Staggers	Secretary
Christopher Persons	Chief Executive Officer

- (3) Further Resolved that any one 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.
- (4) Further Resolved that any and all acts authorized pursuant to these Resolutions and performed prior to the passage of these Resolutions are hereby ratified and affirmed.

**CERTIFICATION**

I, George Staggers, 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 12th day of June 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 12th day of June 2023.

By \_\_\_\_\_

Its: Secretary



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 5:**  
Resolution 2023-12 -  
Devonshire Apartments  
Rehabilitation (Omnibus)

**THIS PAGE INTENTIONALLY LEFT BLANK**



## Community Roots Housing PDA Board Resolution 2023-12

### Overview: Devonshire Apartments Rehabilitation (Omnibus)

**Purpose:** This resolution authorizes Community Roots Housing to enter into and execute project finance agreements and commitments needed to admit the equity investor into the ownership of the project. to convey the property from CRH to the Partnership and close on all sources of capital financing needed to complete the project.

#### 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?:* This resolution was presented at 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 resolution authorizes CRH, in its roles as a public corporation, manager of the project's Managing Member, project sponsor, developer, property manager and guarantor, to negotiate, enter into, execute and deliver all debt, equity and other finance related documents required to complete the project

**Organizational requirements of resolution:** Please identify here any changes to the organization structure, management, Board requirements, discussion of best practices and internal control or other changes necessary to complete this Board resolution.

**Financial cost of the resolution:** The costs of securing, executing and delivering all project financing are financed with project sources.

**Pros:** This is a necessary step in the financing of the Devonshire Apartments

**Cons:** None

#### 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:* The status of the Devonshire Apartments is included in the monthly Property Development report to the board.

**Author of Resolution Overview:** Kantor Taylor

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

**(Devonshire Apartments Rehabilitation)**

**RESOLUTION 2023-12**

**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; and

**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 shall determine; and

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

**WHEREAS**, CRH desires to participate in the rehabilitation of an existing sixty-two (62) unit affordable housing development (the “**Project**”) located on real property at 420 Wall Street, Seattle, Washington (together with the improvements thereon, the “**Property**”) currently owned by CRH; and

**WHEREAS**, CRH previously adopted Resolution 2022-12, authorizing CRH to advance funds for predevelopment costs for the Project, and Resolution No. 2022-16, authorizing CRH, in addition to other items, to participate in the formation of Devonshire Apartments LLLP, a Washington limited liability limited partnership (the “**Partnership**”) and Devonshire Apartments GP LLC, a Washington limited liability company (the “**General Partner**”), and to serve as manager of the General Partner, initial limited partner of the Partnership, and developer of the Project; and

**WHEREAS**, for tax purposes, it may be required for a nonaffiliated entity to be admitted as a twenty-one percent (21%) member of the General Partner. To the extent required by the Investor (as hereinafter defined), CRH, in its capacity as manager of the General Partner, and CHDA, in its capacity as member of the General Partner, may admit Seattle Chinatown-International District Preservation and Development Authority (“**SCIDPDA**”) as twenty-one percent (21%) member of the General Partner; and

**WHEREAS**, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the Partnership, will enter into a Purchase and Sale Agreement (or document bearing a name to similar effect) (the “**Purchase Agreement**”) pursuant to which CRH will agree to convey the Property to the Partnership and the Partnership will agree to purchase the Property from CRH for a purchase price equal to the appraised value of the Property, to be paid through cash, seller financing, new debt and/or assumption of existing debt; and

**WHEREAS**, the Partnership has applied to the Washington State Housing Finance Commission (the “**Commission**”) for an allocation of federal low-income housing tax credits (“**LIHTCs**”) to the Project; and

**WHEREAS**, as described in a letter of interest from Hudson Housing Capital LLC dated November 9, 2022 (the “**Investor LOP**”), Hudson Housing Capital LLC or its designee (collectively, the



“*Investor*”) intends to make an equity investment in the approximate amount of \$13,459,620 (the “*Equity Investment*”), to be admitted to the Partnership as a limited partner and to cause an affiliate of the Investor (the “*SLP*”) be admitted to the Partnership as a special limited partner; and

**WHEREAS**, CRH, in its individual corporate capacity, has found it to be in the best interests of the Project to issue its Revenue Bond, 2023 (Devonshire Apartments) (the “*Bond*”) in the principal amount not to exceed \$17,000,000 the proceeds of which will be used to make a loan (the “*Bond Loan*”) to the Partnership to finance a portion of the costs of acquiring, rehabilitating, and/or equipping the Project and, at the option of the Partnership, paying costs of issuance of the Bond pursuant to a Loan Agreement between CRH, as issuer, and the Partnership, as borrower (the “*Bond Loan Agreement*”). In connection with the issuance of the Bond, CRH and the Partnership intend to restrict the use of the Property pursuant to a Regulatory Agreement granted by the Partnership in favor of CRH (the “*Bond Regulatory Agreement*”). The Bond is expected to be sold (the “*Bond Sale*”) to Heritage Bank (the “*Bank*”) and, in connection therewith, CRH will assign certain of its rights, as issuer, under the Bond Loan Agreement and other loan and security documents to the Bank . In connection with the Bond Sale, CRH shall cause the Partnership to enter into a Construction Loan Agreement with CRH, which CRH shall then assign to the Bank (the “*Construction Loan Agreement*”) setting forth certain covenants and conditions relating to the Bond Loan. It is anticipated that the Bond Loan shall convert to a permanent loan in the approximate amount of \$2,575,000 and not to exceed \$4,000,000; and

**WHEREAS**, the Partnership has received a commitment from The City of Seattle, by and through its Office of Housing (the “*City*”) to make a loan to the Partnership in the approximate principal amount of \$10,275,000 and not to exceed \$12,500,000 (the “*City Loan*”); and

**WHEREAS**, the Partnership intends to finance a portion of the cost to acquire the Property through a seller take-back loan made by CRH to the Partnership in the approximate amount of \$4,193,784 and not to exceed \$6,000,000 (the “*Seller Loan*”); and

**WHEREAS**, CRH intends to make a sponsor loan to the Partnership in the approximate amount of \$650,668 and not to exceed \$2,500,000 (the “*Sponsor Loan*”); and

**WHEREAS**, CRH desires to finance a portion of the Project with deferred developer fee in the approximate amount of \$1,515,885 pursuant to the terms of the Amended and Restated Agreement of Limited Partnership (the “*Deferred Fee*” and collectively with the Equity Investment, Bond Loan, City Loan, Seller Loan and Sponsor Loan, the “*Project Financing*”); and

**WHEREAS**, CRH previously obtained (i) a loan from the State of Washington Department of Commerce, formerly known as the State of Washington Department of Community Development (the “*State*”) in the original principal amount of \$454,500 (the “*Existing State Loan*”) and (ii) a loan from the City in the original principal amount of \$616,019 (the “*Existing City Loan*”), both of which were used to acquire the Property; and

**WHEREAS**, CRH, in its individual corporate capacity, desires to pay off the Existing City Loan; and

**WHEREAS**, CRH, in its individual corporate capacity, desires to pay off the Existing State Loan and in connection therewith, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, desires to amend and/or amend and restate certain documents executed in connection with the Existing State Loan (the “*Existing State Loan Amendments*”); and

**WHEREAS**, in the event it is not feasible to payoff the Existing State Loan, CRH, in its individual corporate and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, may cause the Partnership to assume the Existing State Loan (the “*Existing State Loan Assumption*”); and

**WHEREAS**, CRH, in its individual corporate capacity transferred certain unused development rights for the Property (the “*TDRs*”) to Seattle Union Street Associates, a Washington general partnership pursuant to that certain Special Warranty Deed – Development Rights dated November 3, 2005 and recorded under King County recording number 20051104002307. In connection with the transfer of the TDRs, CRH and the City entered into that certain Amended and Restated TDR Agreement: Covenants for Transfer of Development Rights from Low-Income Housing dated October 21, 2005 and recorded under King County recording number 20051021002940 (the “*TDR Agreement*”). CRH’s obligations under the TDR Agreement are secured by that certain Deed of Trust and Security Agreement granted by CRH in favor of the City, as beneficiary, recorded under King County recording number 20010725001576 (the “*TDR Deed of Trust*”); and

**WHEREAS**, concurrently with the conveyance of the Property from CRH to the Partnership, CRH, in its individual corporate capacity, will amend and/or amend and restate the existing TDR Agreement (the “*TDR Amendment*”) and will assign to the Partnership all of CRH’s rights, interests and/or obligations under the TDR Agreement and the TDR Deed of Trust and CRH, in its capacity of manager of the General Partner on behalf of the Partnership, will cause the Partnership to assume from CRH all of CRH’s rights, interests and/or obligations under the TDR Agreement and the TDR Deed of Trust (the “*TDR Assignment*”); and

**WHEREAS**, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner, as applicable, desires to guarantee certain obligations of the Project, General Partner and/or Partnership, as applicable, as may be reasonably necessary or advisable to advance the Project and close on the Project Financing;

**WHEREAS**, CRH, in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, desires to reimburse CRH for certain predevelopment costs and expenses for the Project paid or incurred by CRH through that certain Assignment and Assumption of Work Product and Reimbursement Agreement, pursuant to which CRH will assign to the Partnership and the Partnership will assume from CRH the rights to, interest in and/or obligations under predevelopment work completed in connection with the Project and reimburse CRH for predevelopment costs and expenses of the Project paid or incurred by CRH (the “*Assignment of Work Product*”); and

**WHEREAS**, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, desires to take any and all steps as may be reasonably necessary or advisable to (i) serve as the sponsor, developer and guarantor of the Project; (ii) admit SCIDPDA as a twenty-one (21%) member of the General Partner; (iii) transfer the Property from CRH to the Partnership; (iv) issue the Bond and close on the Project Financing; (v) assign CRH’s rights, interests and obligations under the TDR Agreement and TDR Deed of Trust to the Partnership; (vi) payoff the Existing City Loan; (vii) payoff and/or assume the Existing State Loan, and complete the Existing State Loan Amendments; (viii) guarantee certain obligations of the Project, General Partner and/or Partnership; (ix) reimburse CRH for predevelopment costs and expenses; and (x) ratify and affirm any prior actions taken in connection with the acquisition of the Property and the 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 CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable to serve as the sponsor and developer of the Project and to negotiate, execute and deliver all such documents as are reasonably required or advisable in connection therewith.
3. **BE IT FURTHER RESOLVED** that CRH, in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable to cause SCIDPDA to be admitted as a twenty-one percent (21%) member of the General Partner, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable in connection therewith, including, but not limited to, the documents listed on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).
4. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to convey the Property from CRH to the Partnership, including, but not limited to, the negotiation, execution and delivery of all documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to the Purchase Agreement and the documents described as the Conveyance Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).
5. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to obtain an allocation of LIHTCs from the Commission, including, but not limited to, the negotiation, execution and delivery of all documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to, the documents described as Tax Credit Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect) and any other affidavits, certifications, agreements or documents necessary to effectuate the foregoing.
6. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to admit the Investor and the SLP into the Partnership and obtain the Equity Investment, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to, the documents described as Equity Investment Documents on Exhibit A attached hereto (whether bearing the names listed or names to similar effect).
7. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity, in its capacity as issuer of the Bond and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to issue the Bond, accomplish the Bond Sale, make the Bond Loan available to the Partnership and convert a portion of the Bond Loan to a permanent loan, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to

effectuate the foregoing, such documents including, but not limited to, the documents described as Bond Documents and the Bank Loan and Security Documents on Exhibit A attached hereto (whether bearing the names listed or names to similar effect).

8. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to close on the City Loan, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to the documents described as the City Loan Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

9. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to make and obtain the Seller Loan, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to, the documents described as Seller Loan Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

10. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any actions as may be reasonably required or advisable to make and obtain the Sponsor Loan, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to, the documents described as Sponsor Loan Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

11. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable to defer a portion of the developer fee payable to CRH from Project operations pursuant to the Partnership Agreement (as defined on Exhibit A attached hereto).

12. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity, is authorized, empowered and directed to take any such actions as may be reasonably required or necessary to pay off the Existing City Loan.

13. **BE IT FURTHER RESOLVED**, that, provided that it is feasible to pay off the Existing State Loan, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or necessary to pay off the Existing State Loan and complete the Existing State Loan Amendments including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but limited to, the documents described as Existing State Loan Assignment and Amendment Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

14. **BE IT FURTHER RESOLVED**, that, in the event it is not feasible to pay off the Existing State Loan, CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or necessary to cause the Partnership to assume the Existing

State Loan from CRH, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but limited to, the documents described as Existing State Loan Assignment and Amendment Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

15. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or necessary to complete the TDR Amendment and the TDR Assignment, including, but not limited to, the negotiation, execution and delivery of all such documents as may be reasonably required or advisable to effectuate the foregoing, such documents including, but not limited to, the documents described as TDR Documents on Exhibit A attached hereto (whether bearing the name listed or names to similar effect).

16. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner, is authorized, empowered and directed to take any such actions as may be reasonably required or necessary to guarantee certain obligations of the Project, General Partner and/or Partnership, as applicable, as may be reasonably necessary or advisable to advance the Project and close on the Project Financing.

17. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and in its capacity as manager of the General Partner on behalf of the General Partner and/or the Partnership, is authorized, empowered and directed to take any such actions as may be reasonably required or advisable to reimburse CRH for the predevelopment costs and expenses for the Project paid or incurred by CRH through that certain Assignment of Work Product.

18. **BE IT FURTHER RESOLVED** that CRH is authorized, empowered and directed, in its individual corporate capacity and in its capacity as manager of the General Partner acting on behalf of the General Partner and/or the Partnership, to take all steps and negotiate, execute and deliver all such other documents as may be necessary or advisable to complete the Project, including, but not limited to, those documents listed in the attached Exhibit A (whether bearing the name listed or names to similar effect).

19. **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 General Partner on behalf of the General Partner and/or 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**”):

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

20. **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 General Partner on behalf of the General Partner and/or the Partnership, 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.

21. **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.

22. **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; provided, however, that nothing in this resolution shall supersede Resolution No. 2022-18 or Resolution No. \_\_\_\_\_ in any respect.

23. **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-\_\_\_ (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: \_\_\_\_\_, 2023

By: \_\_\_\_\_  
George Staggers, Secretary

## **Exhibit A**

### **List of Documents**

#### **CONVEYANCE DOCUMENTS**

1. Purchase Agreement
2. Bargain and Sale Deed
3. Bill of Sale
4. Assignment of Leases and Rents
5. Assignment of Contracts and Intangibles
6. Real Estate Excise Tax Affidavit, with applicable certifications attached

#### **TAX CREDIT DOCUMENTS**

1. Regulatory Agreement (Extended Use Agreement)
2. Low Income Housing Tax Credit Application and attachments
3. Election of Applicable Percentage

#### **EQUITY INVESTMENT DOCUMENTS**

1. Letter of Interest
2. Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement")
3. Partnership Management Fee Agreement
4. Development Agreement
5. Unconditional Guaranty
6. Certification and Agreement of Partnership and General Partner
7. Development Budget
8. Certificate of General Partner and Guarantor
9. Security Plan
10. Relocation Plan
11. Certificate of General Partner – Payment of Capital Contributions
12. Certification Regarding Violations
13. Tax Opinion Representation Letter
14. Hudson Management Agreement Addendum

#### **BOND DOCUMENTS**

1. Bond Loan Agreement
2. Regulatory Agreement
3. Federal Tax Exemption Certificate and Agreement
4. Certificate of CRH
5. Certificate of Borrower
6. Closing Memorandum

#### **BANK LOAN AND SECURITY DOCUMENTS**

1. Term Sheet or Letter of Interest
2. Construction Loan Agreement
3. Credit Agreement



4. Promissory Note
5. Deed of Trust, Security Agreement and Fixtures Filing with Assignment of Leases and Rents
6. Certificate and Indemnity Agreement Regarding Hazardous Substances
7. Guaranty Agreement
8. TIN and Foreign Status Certification
9. Assignment of Architect's Agreement and Plans and Specifications, with Architect's Consent
10. Assignment of Construction Contract, with Contractor's Consent
11. Assignment of Management Contract, with Manager's Consent

#### **CITY LOAN DOCUMENTS**

1. Term Sheet
2. Reservation Letter
3. Loan Agreement
4. Promissory Note
5. Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing (Construction Loan)
6. Certificate and Indemnity Agreement Regarding Hazardous Substances and Building Laws
7. Regulatory Agreement (Covenants and Easements for Low Income Housing)
8. FIRPTA Certification
9. Subordinate Assignment of Construction Contract
10. Subordinate Assignment of Architect's Agreement and Plans and Specifications

#### **SELLER LOAN DOCUMENTS**

1. Promissory Note
2. Deed of Trust

#### **SPONSOR LOAN DOCUMENTS**

1. Promissory Note
2. Deed of Trust

#### **EXISTING STATE LOAN ASSIGNMENT AND AMENDMENT DOCUMENTS**

1. Amended and Restated Loan Agreement or Amendment No. 1 to Loan Agreement
2. Amended and Restated Deed of Trust or Amendment No. 1 to Deed of Trust
3. Amended and Restated Low Income Housing Covenant Agreement or Amendment No. 1 to Low Income Housing Covenant Agreement

#### **TDR DOCUMENTS**

1. Assignment, Assumption and Modification of TDR Agreement

#### **MISCELLANEOUS DOCUMENTS**

2. Assignment of Work Product
3. AIA B101 Architect Agreement
4. AIA A102 Construction Contract with A201 General Conditions of the Contract for Construction
5. Reliance Certificate
6. Incumbency Certificate
7. Master Lease Agreement
8. Property Management Agreement

9. Priority and Subordination Agreement
10. Payment and Performance Bond
11. Owner's Affidavit
12. Mechanic's Lien Indemnity
13. Non-Imputation Affidavit
14. Estimated Settlement Statement



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 6:**  
Resolution 2023-13 –  
Rainier and Genesee  
Acquisition

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
HOUSING

**Community Roots Housing PDA Board Resolution 2023-13-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 3 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 allow CRH to enter into a land acquisition loan with a combination of WSHFC, LISC or Impact Capital. 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 the entire amount. The loan from WSHFC has an interest rate of 1.0% and a term of 5 years. The projected interest rates for LISC and Impact are between 5.5%-7.5%.

**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 Impact / LISC 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.

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

**(Rainier and Genesee Acquisition)**

**RESOLUTION 2023-13**

**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 Washington State Housing Finance Commission (the “*Commission*”) Land Acquisition Program for an acquisition loan in the amount of up to \$5,000,000 with a five-year term and a one-percent (1%) interest rate (the “*LAP 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 together with the LUP 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 LAP 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 execute, negotiate and deliver a Priority and Subordination Agreement, if applicable.

9. **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

9. **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.



10. **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.

11. **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.

12. **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-\_\_ (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: \_\_\_\_\_, 2023

By: \_\_\_\_\_  
George Stagers, Secretary



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 7:**  
**Resolution 2023-14 –**  
**Modification of**  
**Pride Place Financing**

**THIS PAGE INTENTIONALLY LEFT BLANK**



**Community Roots Housing PDA Board Resolution 2023-14**

**Overview: Modification of Pride Place Financing**

**Purpose:** Resolution to approve the conversion from LIBOR to SOFR as the base interest rate index for the Pride Place construction loan.

**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?:* PDC

**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 Pride Place construction bond was originally based on the LIBOR index but must now convert to the SOFR index. The LIBOR index will be discontinued on July 1, 2023, therefore any loans with a maturity date beyond July 1, 2023 are required to modify the loan using an alternative index. SOFR is the industry standard alternative. This conversion was acknowledged and contemplated prior to closing and has a minimal impact on the project and loan terms.

**Organizational requirements of resolution:** n/a

**Financial cost of the resolution:** The SOFR index fluctuates like the retiring LIBOR index and the average difference between the two index rates is approximately 10 bps higher for SOFR, so the interest rate on the construction loan is expected to increase slightly but the impact is not significant.

**Pros:** n/a

**Cons:** n/a

**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

COMMUNITY ROOTS HOUSING

RESOLUTION NO. 2023-14

(MODIFICATION OF PRIDE PLACE FINANCING)

A RESOLUTION of the Board of Directors of Community Roots Housing, providing for the modification of certain terms of the Community Roots Housing Revenue Bond, 2021 (Pride Place); authorizing the execution and delivery of bond and loan documents pertaining to such modification and such other documents as are useful or necessary to the purposes of this resolution; and determining related matters.

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

Section 1. Recitals and Findings. The Board of Directors (the “Board”) of Community Roots Housing (the “Issuer”) hereby makes the following findings and determinations:

(a) Statutory and Charter Authorization. Section 35.21.730 of the Revised Code of Washington (“RCW”) provides that a city, town or county may form a public corporation in order to “improve the general living conditions in the urban areas” of the State of Washington. The City of Seattle (the “City”) acting in accordance with RCW 35.21.730 formed the Issuer pursuant to a Charter, most recently restated as of July 24, 2020 (as it may be further amended or restated from time to time, the “Charter”). RCW 35.21.745 provides that a public corporation may be empowered to “own and sell real and personal property; . . . to contract with individuals, associations, and corporations, and the state and the United States; . . . to loan and borrow funds and issue bonds and other instruments evidencing indebtedness; transfer any funds, real or personal property, property interests, or services” and the Charter provides that the Issuer shall have and exercise all powers necessary or convenient to effect the purposes for which it is organized including, without limitation, the power to contract and enter into partnerships with individuals associations and corporations, to lend and borrow money, and to issue negotiable bonds and notes.

(b) Issuance of Bond. Pursuant to Resolution 2021-17 of the Issuer (the “Bond Resolution”), on October 25, 2021, the Issuer issued its Revenue Bond, 2021 (Pride Place) in the original principal amount of not to exceed \$23,400,000 (the “Bond”), for the purpose of making a loan (the “Bond Loan”) to Broadway LGBTQ Senior LLLP (the “Borrower”), a Washington limited liability limited partnership of which Broadway LGBTQ Senior GP LLC (the “General Partner”), a Washington limited liability company of which Community Roots Housing is the manager, pursuant to a Loan Agreement dated as of October 1, 2021 (the “Bond Loan Agreement”), between the Issuer and the Borrower, to provide a portion of the funds required to pay the costs of constructing and equipping an approximately 118-unit affordable housing project to be known as Pride Place (the “Project”), in the City of Seattle, Washington. The Bond was purchased by JPMorgan Chase Bank, N.A. (the “Bank”) and, in connection therewith, the Issuer assigned to the Bank the Issuer’s rights under the Bond Loan Agreement, with certain reservations and exceptions described therein. In connection with the Bank’s purchase of the Bond, the Issuer

and the Borrower entered into a Construction and Permanent Loan Agreement dated October 25, 2021 (the “Bank Tax-Exempt Loan Agreement”), setting forth certain covenants and conditions relating to the Bond Loan, which Bank Tax-Exempt Loan Agreement was assigned by the Issuer to the Bank pursuant to an Assignment of Loan Documents dated as of October 25, 2021.

(c) **Taxable Loan.** In connection with the Project, the Bank and the Borrower further entered into a Construction Loan Agreement dated October 25, 2021 (the “Bank Taxable Loan Agreement”), pursuant to which the Bank extended to the Borrower one or more loans in the aggregate principal amount of Two Million Eight Hundred Eight Thousand Five Hundred Ninety Eight Dollars (\$2,808,598) (the “Taxable Loan” and, together with the Bond Loan, the “Loans”), evidenced by (i) that certain Promissory Note A (Taxable Construction Loan) dated October 25, 2021, from the Borrower to the Bank in the original principal amount of \$2,054,645 (the “A Note”) and (ii) that certain Promissory Note B (Taxable Construction Loan) dated October 25, 2021, from the Borrower to the Bank in the original principal amount of \$753,953 (the “B Note” and together with the A Note, the “Taxable Loan Notes”).

(d) **Modification of Bond and Loans.** During the construction period, the outstanding principal balance of the Bond and the outstanding principal balance of the Taxable Loan bear interest at an interest rate formula based upon the one-month London Interbank Offered Rate (“LIBOR”). The Intercontinental Benchmark Administrator has announced that it plans to cease publishing one-month LIBOR after June 30, 2023. In anticipation of the discontinuation of one-month LIBOR, the Bank has proposed modifications to the Bond and the promissory note evidencing the Bond Loan (the “Bond Loan Note”) and the Taxable Loan Notes, to implement replacement rate formulae utilizing the Secured Overnight Financing Rate (“SOFR”). The original Bank Tax-Exempt Loan Agreement and the Bank Taxable Loan Agreement each contemplate that the Borrower will cause the improvements constituting the Project to be substantially completed on or before June 30, 2023. The Borrower has requested, and the Bank has agreed, that the deadline for substantial completion of such improvements will be extended. It is necessary and advisable, important for the feasibility of the Project, and in the best interest of the Issuer to proceed with the modification of the Bond, the Bond Loan Note, the Bank Tax-Exempt Loan Agreement, the Taxable Loan Notes, the Bank Taxable Loan Agreement and, if necessary, other Loan Documents (as defined in the Bond Resolution) and/or other Facility Documents (as defined in the Bank Taxable Loan Agreement) to provide for implementation of replacement rate formulae during the construction period and the extension of the deadline for substantial completion.

**Section 2. Authorization of Modifications.** The Board hereby delegates to the Chair, Vice Chair, Treasurer, Secretary, or Chief Executive Officer of the Issuer (collectively, the “Authorized Officers” and each, an “Authorized Officer”), and each of them acting alone, the discretionary authority to negotiate and approve the modification of the rate formulae applicable to the Bond, the Bond Loan Note and the Taxable Loan Notes, together with any associated modifications in technical, administrative or operational terms (including, without limitation, changes in the timing and frequency of determining rates and making payments of interest, timing of notices, and other technical, administrative or operational matters), and modifications to reflect the extension of the deadline for substantial completion of the Project, that any Authorized Officer determines are necessary or appropriate in connection with the implementation of the replacement rate formulae and the extension of the completion deadline of the Project. The Authorized Officers, and each of them acting alone, are authorized and directed to negotiate, execute, deliver and perform on behalf

of the Issuer (acting on its own behalf and/or as manager of the General Partner of the Borrower, as applicable) any and all documents, instruments and agreements pertaining to the modification of the rate formulae applicable to the Bonds and the Taxable Loan Notes and the extension of the deadline for substantial completion of the Project, including, without limitation, a Modification Agreement among the Issuer, the Borrower, and the Bank with respect to the Taxable Loan and a Joinder by Issuer, in its capacity as guarantor, to such Modification Agreement, a Modification Agreement among the Issuer, the Borrower, and the Bank with respect to the Bond Loan, a Joinder by Issuer, in its capacity as guarantor to such Modification Agreement, a substitute Bond, and affidavits, certificates and closing statements. An Authorized Officer's execution of any instrument contemplated by this Section 2 will constitute conclusive evidence of such officer's approval of the terms thereof and the approval by the Issuer of such terms.

Section 3. Acting Officers Authorized. Any action authorized or directed by this resolution to be taken by the Chief Executive Officer of the Issuer may in the absence of the Chief Executive Officer be taken by a duly authorized acting Chief Executive Officer of the Issuer or any other employee of the Issuer that has been designated by the Chief Executive Officer or the Board to act in the Chief Executive Officer's absence. Any action authorized or directed by this resolution to be taken by the Chair of the Board may, in the absence of such person, be taken by the duly authorized acting Chair of the Board.

Section 4. Changes to Titles or Parties; Omission of Documents. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form. The Authorized Officers, and each of them acting alone, in their discretion, may omit any instrument described herein which is determined not to be necessary or desirable in connection with the transactions contemplated by this resolution.

Section 5. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of the Issuer to: (i) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, applications, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein; (ii) cause the Issuer or the Borrower to expend such funds as are necessary to pay for all fees and other costs relating to the actions authorized by this resolution; and (iii) notwithstanding any other Issuer resolution, rule, policy, or procedure, to create, accept, execute, send, use, and rely upon such tangible medium, manual, facsimile, or electronic documents, records and signatures under any security procedure or platform, as in such Authorized Officer's judgment may be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein.

Section 6. Ratification and Confirmation. Any actions of the Issuer or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 7. Severability. If any provision in this resolution is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provision of this resolution and shall in no way affect the validity of the other provisions of this resolution or the Bond.



Section 8. Effective Date. 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 thereof this \_\_\_\_ day of \_\_\_\_\_, 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 June 12, 2023 (the “Meeting”), and duly recorded in the minute books CRH;

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

3. 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 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.

4. Members of the Board voting in the affirmative for the adoption of the Resolution represented one-third of the total voting membership of the Board.

IN WITNESS WHEREOF, I have hereunto set my hand this 12<sup>th</sup> day of June, 2023.

---

Secretary



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 8:**  
Resolution 2023-15 –  
Devonshire Apartments  
Bond Resolution

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
HOUSING

**Community Roots Housing PDA Board Resolution 2023-15**

**Overview: Devonshire Apartments Bond Resolution**

**Purpose:** This resolution authorizes the issuance of a revenue bond in the principal amount of not to exceed \$17,000,000, the proceeds of which will be used to make a loan to Devonshire Apartments LLLP, a Washington Limited liability limited partnership, acting as a borrower for financing to finance the acquisition, rehabilitation, and equipping of the Devonshire Apartments.

**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?:* This resolution was presented at 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 financing of the Devonshire Apartments project is made possible through the use of 4% tax credits which require the use of tax-exempt bonds. CRH in its capacity as a Public Development Authority, is issuing a tax-exempt note (bond) to be purchased by Heritage to be used for the development of the project. It is anticipated that upon conversion to the permanent phase of the project, JP Morgan Chase will purchase the governmental note. This resolution authorizes a number of actions to complete the issuance of the bond or governmental note.

**Organizational requirements of resolution:** None

**Financial cost of the resolution:** The costs of securing, executing and delivering all project financing are financed with project sources.

**Pros:** This is a necessary step in the financing of the Devonshire Apartments

**Cons:** None

**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:* The status of the Devonshire Apartments is included in the monthly Property Development report to the board.

**Author of Resolution Overview: Thea Munchel**

## COMMUNITY ROOTS HOUSING

### RESOLUTION NO. 2023-15

#### (DEVONSHIRE APARTMENTS BOND FINANCING)

A RESOLUTION of the Board of Directors of Community Roots Housing, providing for the issuance of a revenue bond of Community Roots Housing in a principal amount not to exceed \$17,000,000, the proceeds of which will be used to make a loan to Devonshire Apartments LLLP, a Washington limited liability limited partnership, to provide part of the funds with which to finance the acquisition, rehabilitation, and equipping of an approximately 62-unit multifamily housing facility known as the Devonshire Apartments, to provide housing for low income persons in the City of Seattle, Washington, and to pay costs of issuing the bond; fixing or setting parameters with respect to certain terms and covenants of the bond; appointing Community Roots Housing's designated representatives to approve the final terms of the sale of the bond; authorizing the execution and delivery of a loan agreement providing for the repayment of the loan, a regulatory agreement governing the use of the project, and other bond and loan documents; providing for the sale and delivery of the bond to Heritage Bank; authorizing and directing appropriate officers of Community Roots Housing to execute such other documents as are useful or necessary to the purposes of this resolution; amending Resolution No. 2022-18 of the Board of Directors of Community Roots Housing to increase the principal amount of the bonds contemplated thereby; and determining related matters.

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

Section 1. Recitals and Findings. The Board of Directors (the "Board") of Community Roots Housing (the "Issuer") hereby makes the following findings and determinations:

(a) Statutory and Charter Authorization. Section 35.21.730 of the Revised Code of Washington ("RCW") provides that a city, town, or county may form a public corporation in order to "improve the general living conditions in the urban areas" of the State of Washington. The City of Seattle (the "City") acting in accordance with RCW 35.21.730 formed the Issuer pursuant to a Charter, most recently restated as of September, 2021 (as it may be further amended or restated from time to time, the "Charter"). RCW 35.21.745 provides that a public corporation may be empowered to "own and sell real and personal property; . . . to contract with individuals, associations, and corporations, and the state and the United States; . . . to loan and borrow funds and issue bonds and other instruments evidencing indebtedness; transfer any funds, real or personal property, property interests, or services" and the Charter provides that the Issuer shall have and exercise all powers necessary or convenient to effect the purposes for which it is organized including, without limitation, the power to contract and enter into partnerships with individuals associations and corporations, to lend and borrow money, and to issue negotiable bonds and notes.

(b) Issuance of Bond Necessary and Advisable and in the Best Interests of the Issuer. Devonshire Apartments LLLP (the “Borrower”), a Washington limited liability limited partnership of which Devonshire Apartments GP LLC (the “General Partner”), a Washington limited liability company of which Community Roots Housing is the manager has (i) applied to the Issuer for financial assistance in the principal amount of up to \$17,000,000 for the purpose of providing part of the funds with which to acquire, rehabilitate, and equip an approximately 62-unit affordable housing project known as the Devonshire Apartments (the “Project”), in the City of Seattle, Washington, and (ii) and requested that the Issuer issue a revenue bond of the Issuer in an original principal amount not to exceed \$17,000,000, for the purpose of assisting the Borrower in financing the Project. It is necessary and advisable, important for the feasibility of the Project, and in the best interest of the Issuer to issue a bond in an original principal amount of not to exceed \$17,000,000, the proceeds of which will be used to make a loan to the Borrower for the purposes described herein.

(c) Resolution No. 2022-18. The Board previously adopted Resolution No. 2022-18, declaring its intention to issue revenue bonds other obligations in a principal amount of not to exceed \$16,500,000 for the purpose of making a loan to the Borrower to finance the Project. The expected cost of the acquisition, rehabilitation, and equipping the Project has increased since the date of adoption of Resolution No. 2022-18 and, as a result, the Board has determined that it is necessary and advisable and in the best interest of the Issuer to modify Resolution No 2022-18 to increase the amount of contemplated bond financing.

Section 1. Definitions. As used in this resolution, the following words have the following meanings:

“Assignment of Architect’s Agreement” means the Assignment of Architect’s Agreement and Plans and Specifications to be executed by the Borrower, and consented to by the architect, relating to assignment to the Bank of certain of the Borrower’s interests in the architect’s agreement and plans and specifications with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Construction Contract” means the Assignment of Construction Contract to be executed by the Borrower, and consented to by the contractor, relating to assignment to the Bank of certain of the Borrower’s interests in the construction contracts with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Loan Documents” means the Assignment of Deed of Trust and Loan Documents to be executed by the Issuer and the Bank, and acknowledged by the Borrower, relating to assignment to the Bank of the Issuer’s rights under certain of the Loan Documents, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Management Contract” means the Assignment of Management Contract to be executed by the Borrower, and consented to by the property manager for the Project, relating to assignment to the Bank of certain of Borrower’s interests in the management agreement with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Assignment of Tax Credits and Partnership Interests” means the Collateral Assignment of Rights to Tax Credits and Partnership Interests to be executed by the Borrower and the General Partner, relating to assignment to the Bank of certain rights of the Issuer and the Borrower under the Borrower’s governing documents, including any supplements or amendments thereto made in conformity therewith.

“Authorized Officers” means any of the following officers of the Issuer or their duly appointed successors: Chair, Vice Chair, Treasurer, Secretary, or Chief Executive Officer.

“Bank” means Heritage Bank, as Registered Owner of the Bond, and any subsequent Registered Owner thereof.

“Bank Credit Agreement” means the Credit Agreement between the Issuer and the Borrower, and assigned by the Issuer to the Bank, setting forth certain covenants and conditions relating to the Loan, including any supplements or amendments thereto made in conformity therewith.

“Bank Loan Agreement” means the Construction Loan Agreement between the Issuer and the Borrower, and assigned by the Issuer to the Bank, setting forth certain covenants and conditions relating to the Loan, including any supplements or amendments thereto made in conformity therewith.

“Board” means the Board of Directors of the Issuer.

“Bond” means the Revenue Bond, 2023 (Devonshire Apartments), of the Issuer, issued pursuant to, under the authority of and for the purposes provided in this resolution.

“Bond Fund” means the Issuer’s Revenue Bond Fund, 2023 (Devonshire Apartments).

“Bond Loan Agreement” means the Loan Agreement between the Issuer and the Borrower providing for, evidencing, and securing the obligation of the Borrower to repay the Loan, including any supplements or amendments thereto made in conformity therewith.

“Bond Registrar” means the Chief Executive Officer of the Issuer.

“Borrower” means Devonshire Apartments LLLP, a Washington limited liability limited partnership.

“City” means The City of Seattle, Washington.

“Chief Executive Officer” means the Executive Director of the Issuer appointed by the Board to serve as the Chief Executive Officer of the Issuer.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issue of the Bond or as it may be amended to apply to obligations issued on the date of issue of the Bond, or any successor federal income tax statute or code.



“Deed of Trust” means the Deed of Trust, Security Agreement and Fixture Filing with Assignment of Leases and Rents under which the Borrower will be the grantor and the Issuer will be the beneficiary, and to be assigned by the Issuer to the Bank, encumbering the Borrower’s interest in the real property and improvements and personal property constituting the Project, including any supplements or amendments thereto made in conformity therewith.

“Designated Representative” means the officers of the Issuer appointed in Section 3 of this resolution to serve as the Issuer’s designated representative as contemplated by RCW 39.46.040(2).

“Draws” means incremental draws on the Bond.

“Environmental Indemnity Agreement” means the Certificate and Indemnity Agreement Regarding Hazardous Substances to be executed by the Borrower and Community Roots Housing in favor of the Bank relating to environmental claims and conditions with respect to the Project, including any supplements or amendments thereto made in conformity therewith.

“Final Terms” means the terms and conditions for the sale of the Bond including the amount, date, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, prepayment rights, price, financial reporting requirements and other terms or covenants.

“General Partner” means the entity designated by the Borrower as its general partner, initially Devonshire Apartments GP LLC, a Washington limited liability company of which Community Roots Housing is the manager.

“Guaranty” means the Guaranty Agreement to be executed by the Issuer guaranteeing certain of the Borrower’s obligations with respect to the Loan, including any supplements or amendments thereto made in conformity therewith.

“Issuer” means Community Roots Housing, a Washington public corporation, organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660 and .670, and 35.21.730-.755.

“Loan” means the loan from the Issuer to the Borrower of the proceeds of Draws on the Bond.

“Loan Documents” means, collectively, the Assignment of Architect’s Agreement, the Assignment of Construction Contract, the Assignment of Loan Documents, the Assignment of Management Contract, the Assignment of Tax Credits and Partnership Interests, the Bank Credit Agreement, the Bank Loan Agreement, the Bond Loan Agreement, the Deed of Trust, the Environmental Indemnity Agreement, any related UCC Financing Statements, and any other documents relating to the Loan executed by the Borrower.

“Note” means the promissory note evidencing the Loan.

“Project” means, depending on the context, (1) acquisition, rehabilitation, and equipping of the approximately 62-unit multifamily housing facility known as the Devonshire Apartments,

located at 420 Wall Street, Seattle, Washington, to provide housing for low-income persons, or (2) the Devonshire Apartments multifamily housing facility so acquired, rehabilitated, and equipped.

“Proposal Letter” means the letter dated January 25, 2023, prepared by the Bank setting forth certain of the terms under which the Bank may purchase the Bond, as it may be amended and supplemented, and any commitment letter issued pursuant or supplemental thereto.

“Registered Owner” means the Bank, as registered owner of the Bond, registered as such on the registration books maintained by the Bond Registrar.

“Regulatory Agreement” means the Regulatory Agreement to be executed by the Borrower and the Issuer, governing the use of the Project, including any supplements or amendments thereto made in conformity therewith.

“Tax Certificate and Agreement” means the Tax Certificate and Agreement to be executed by the Borrower and the Issuer in connection with the Bond, including any supplements or amendments thereto made in conformity therewith.

All other capitalized terms used but not defined herein shall have the meanings assigned to them in the Bond Loan Agreement.

Section 2. Authorization of Bond and Application of Proceeds. The Issuer shall issue and sell the Bond in a principal amount not to exceed \$17,000,000 for the purpose of making a loan to the Borrower to provide financing for a portion of the costs of the Project and, at the option of the Borrower, costs of issuing the Bond. All proceeds from Draws on the Bond shall be lent to the Borrower for those purposes.

Section 3. Appointment of Designated Representative; Description of the Bond. The Issuer’s Chief Executive Officer and the Chair of the Board, and each of them acting alone, are appointed as the Issuer’s Designated Representative and are authorized and directed to conduct the sale of the Bond in the manner and upon the terms deemed most advantageous to the Issuer, and to approve the Final Terms of the Bond, with such additional terms and covenants as the Designated Representative deems advisable, within the following parameters:

- (a) *Principal Amount.* The principal amount of the Bond shall not exceed \$17,000,000.
- (b) *Date or Dates.* The Bond shall be dated its date of initial delivery to the Bank, which shall be not later than one year after the date of adoption of this resolution.
- (c) *Denominations and Designation.* The Bond shall be designated “Community Roots Housing Revenue Bond, 2023 (Devonshire Apartments),” with such other designations as may be established by the Designated Representative; shall be numbered in the manner and with any additional designation as the Registrar deems necessary for purposes of identification; and shall be issued in a denomination equal to the not to exceed principal amount of the Bond.
- (d) *Interest Rates.* The Bond shall bear interest at such rate or rates selected by the Designated Representative as described in the Proposal Letter which may include, without

limitation, during the construction period, a variable rate based on the Secured Overnight Financing Rate, provided that the initial interest rate in effect on the date of delivery to the Bank shall not exceed 7.5% *per annum* and, during the permanent period, a fixed rate per annum, provided that such fixed interest rate shall not exceed 7.5% *per annum*. Interest on the Bond shall be computed the basis of a 360-day year of twelve 30-day months, actual days elapsed in a 360-day year, actual days elapsed in a 365/366-day year of, or such other methodology as acceptable to the Designated Representative. At the election of the Bank, the interest rate on the Bond may increase above the otherwise applicable rate during the continuance of an event of default, and/or upon a determination of taxability, as set forth in the Bond.

(e) *Payment Dates.* Interest on the Bond shall be payable on such dates as determined by the Designated Representative, commencing no later than three months following the date of initial delivery of such Bond to the Bank. Principal of the Bond, together with all accrued and unpaid interest thereon, shall be payable on the maturity date of such Bond, if not sooner paid.

(f) *Final Maturity.* The Bond shall mature not later than December 31, 2050.

(g) *Redemption.* The Bond shall be subject to prepayment and redemption on any business day without premium or penalty.

(h) *Price.* The Bond will be issued to the Bank in consideration of the Issuer's right to make Draws on the Bond in a total amount not to exceed the stated principal amount of the Bond.

(i) *Tax Status.* The Bond shall be issued as a tax-exempt obligation.

The Final Terms of the Bond shall be evidenced by a Certificate of Designated Representative executed on the date of initial delivery of the Bond to the Bank, and the Bond shall have such other provisions consistent with this resolution and the Proposal Letter as are set forth in the Bond. The Issuer finds that the fixing of the interest rate index and the index rate, each as described in the Proposal Letter is in the best interest of the Issuer and the Borrower. Notwithstanding anything herein to the contrary, the execution or authentication of a Bond by an Authorized Officer shall be conclusive evidence of approval of the terms of such Bond as set forth therein.

Section 4. Draws on the Bond. The Board authorizes the Authorized Officers, and each of them acting alone, as authorized signors for the Issuer, in its capacity as manager of the General Partner, and their respective designees, to make Draws on the Bond in such amounts and at such times as they may determine, those Draws to be made in accordance with the terms and provisions set forth herein, in the Bond, and in the Loan Documents. Draws shall be recorded in such form as the Borrower and the Bank may agree. Draws on the Bond shall be limited to an aggregate principal amount of not to exceed \$17,000,000. In the event that the Issuer determines that it is in the best interest of the Issuer or the Borrower to convert the Bond into a fully funded obligation, the Issuer is authorized to draw all or a portion of the principal amount of the Bond that has not been drawn to such date (the "Remaining Authorized Amount"), and to take any other action and to execute such other documents as may be required to be taken or executed by the Issuer, on behalf of itself or as manager of the General Partner, in connection therewith (including, without limitation,

execution of agreements relating to the deposit and investment of such Remaining Authorized Amount prior to application to pay costs of the Project).

Section 5. Bond Register; Registration and Transfer of Bond. The Bond shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained for the Bond by the Bond Registrar (the “Bond Register”). The Chief Executive Officer of the Issuer shall serve as Bond Registrar for the Bond. The Bond Register shall contain the name and mailing address of the Registered Owner of the Bond. The Bond Registrar is authorized, on behalf of the Issuer, to authenticate and deliver the Bond in accordance with the provisions of the Bond and this resolution, to serve as the Issuer’s paying agent for the Bond and to carry out all of the Bond Registrar’s powers and duties under this resolution.

The Bond may not be assigned or transferred by the Bank without the prior written consent of the Issuer (which consent shall not be unreasonably withheld), except that the Bank may assign or transfer the Bond to a successor to the business and assets of the Bank or to an affiliate of the Bank, in any such case upon completion and delivery to the Issuer of the assignment form and certificate of transferee attached to the Bond. The Bond Registrar shall not be obligated to exchange or transfer the Bond during the five days preceding any principal or interest payment date, prepayment date or the maturity date.

Section 6. Payment of Bond. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid by check mailed to arrive on or before each payment date, or in immediately available funds delivered on or before each payment date, to the Registered Owner at the address appearing on the Bond Register on the date payment is mailed or delivered. Upon the final payment of principal of and interest on the Bond, the Registered Owner shall surrender the Bond at the principal office of the Bond Registrar in Seattle, Washington, for destruction or cancellation in accordance with law.

Section 7. Bond Fund; Security for the Bond. The Bond Fund is hereby established as a special fund of the Issuer designated the Community Roots Housing Revenue Bond Fund, 2023 (Devonshire Apartments). The Bond Fund shall be drawn upon for the sole purpose of paying the principal of, and interest and premium, if any, on, the Bond. The Issuer irrevocably obligates and binds itself to set aside and pay into the Bond Fund from amounts owed or paid by the Borrower under the Loan Documents, amounts sufficient to pay principal of, and interest and premium, if any, on, the Bond when due, all of which amounts are pledged to the payment of the Bond. Payment of the Bond shall be further secured by the Loan Documents and the Guaranty.

Upon the issuance of the Bond, the Issuer shall cause the Loan Documents to be executed by the Borrower for the benefit of the Issuer and/or the Bank, as applicable, and the Issuer shall assign certain of its rights under the Loan Documents to which it is a party to the Bank, as security for the Issuer’s payment of the principal of, premium, if any, and interest on the Bond. The Issuer shall retain its rights under the Regulatory Agreement and certain rights under the Bond Loan Agreement as described therein. Upon that assignment, the Bank shall collect, on behalf of the Issuer and the Bond Fund, the principal and interest payments received under the Loan Documents, and shall apply the same to the payment of the principal of and interest on the Bond, and the Issuer shall have no obligation to make principal and interest payments on the Bond except from those payments collected by the Bank on the Issuer’s behalf.

The Registered Owner shall not charge the Issuer, in its capacity as issuer of the Bond, and, in such capacity, the Issuer shall not be obligated to pay to the Registered Owner, any fees for or costs of collection and application of principal and interest payments under the Loan Documents or the Bond, including any fees for or costs of collecting such payments or exercising the power of sale or any other power under the Deed of Trust, nor shall the Issuer be obligated to pay for the application of such payments to the payment of principal of and interest and premium, if any, on the Bond. If the Bond is assigned and transferred to a new Registered Owner, the security interest in the Loan Documents shall be assigned to such new Registered Owner, and such new Registered Owner shall have the rights to carry out all of the duties of the prior Registered Owner as set forth in this resolution, including the duty to collect principal, interest and premium, if any, payments under the Loan Documents and apply the same to the payment of principal of, and interest and premium, if any, on the Bond.

Community Roots Housing is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commissions, or authority.”

Neither the Issuer nor any of the directors, officers or employees of the Issuer shall be personally liable for the payment of the Bond.

Section 8. Form and Execution of Bond. The Bond shall be in a form consistent with the provisions of this resolution and state law, shall bear the manual or facsimile signatures of the Chair of the Board of the Issuer and shall be attested by the manual or facsimile signature of the Secretary of the Issuer and shall be impressed with the seal of the Issuer or shall bear a facsimile thereof. A Bond shall not be valid or obligatory for any purpose, or entitled to the benefits of this resolution, unless the Bond bears a Certificate of Authentication manually signed by the Bond Registrar stating: “This Bond is the fully registered Revenue Bond, 2023 (Devonshire Apartments), of the Issuer described in the Bond Resolution.” A minor deviation in the language of such certificate shall not void a Certificate of Authentication that otherwise is substantially in the form of the foregoing. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose facsimile signature appears on the Bond ceases to be an officer of the Issuer authorized to sign bonds before the Bond bearing his or her facsimile signature is authenticated or delivered by the Bond Registrar or issued by the Issuer, the Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be binding on the Issuer as though that person had continued to be an officer of the Issuer authorized to sign bonds. A Bond also may be signed on behalf of the Issuer by any person who, on the actual date of signing of the Bond, is an officer of the Issuer authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bond.

Section 9. Lost, Stolen or Destroyed Bond. In case a Bond shall be lost, stolen or destroyed after delivery to the Registered Owner, the Bond Registrar may execute and deliver a new Bond of like date and tenor to the Registered Owner upon the Registered Owner paying the expenses and charges of the Issuer and upon filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond was actually lost, stolen or destroyed and of the Registered Owner's ownership thereof, and upon furnishing to the Issuer with indemnity reasonably satisfactory to the Issuer.

Section 10. Preservation of Tax Exemption for Interest on the Bond. The Issuer covenants that it will take all actions necessary to preserve the status of interest on the Bond as excluded from gross income for federal income tax purposes, except for any period during which the Bond is held by a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. The Issuer also covenants that, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond, including the calculation and payment of any penalties that the Issuer has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bond from being included in gross income for federal income tax purposes.

The Bond Loan Agreement shall require the Borrower to reimburse the Issuer for all costs to the Issuer of its compliance with the covenants contained in this section, and the Issuer shall not be required to expend any funds, other than such amounts to be reimbursed or other money received under the terms of the Bond Loan Agreement, in so complying.

Section 11. Approval of Sale of Bond to Bank. It is anticipated that the Bank will offer to purchase the Bond under the terms and conditions contained in this resolution and the Proposal Letter. The Board finds that such offer is in the best interest of the Issuer, and therefore approves the offer to purchase the Bond under the terms and conditions in this resolution and the Proposal Letter. The Bond will be delivered to the Bank with the approving legal opinion of Foster Garvey P.C., municipal bond counsel of Seattle, Washington, regarding the Bond.

Section 12. Authorization of Documents and Execution Thereof. The Board authorizes the Authorized Officers, and each of them acting alone, to negotiate and approve the Regulatory Agreement, the Guaranty, the Environmental Indemnity Agreement, the Tax Certificate and Agreement, and the other Loan Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Issuer of its obligations contained in the Bond, the Guaranty, Environmental Indemnity Agreement, the Tax Certificate and Agreement, the other Loan Documents to which it is a party, and this resolution, and the consummation by the Issuer of all other transactions contemplated by this resolution in connection with the issuance of the Bond. The Board authorizes and directs the Authorized Officers, and each of them acting alone, to execute on behalf of the Issuer and deliver the Regulatory Agreement, the Guaranty, the Environmental Indemnity Agreement, the Tax Certificate and Agreement, and the other Loan Documents to which the Issuer is a party, and such financing statements and other documents, instruments and agreements as may be necessary or desirable in connection with the issuance of the Bond or required by the Bank as a condition to purchasing the Bond. The Board further authorizes the Authorized Officers, and each of them acting alone, to do everything necessary or

appropriate for the issuance, execution and delivery of the Bond to the purchaser thereof, and to execute and deliver any other documents that may be useful or necessary to ensure the proper use and application of the proceeds from the sale of the Bond.

Section 13. Authorization of Borrower Documents and Execution Thereof. The Board authorizes and directs the Authorized Officers, and each of them acting alone, to negotiate, execute and deliver, on behalf of the Issuer in its capacity as manager of the General Partner of the Borrower, the Loan Documents, the Regulatory Agreement, the Tax Certificate and Agreement, and such other documents, instruments and agreements as may be necessary or desirable in connection with the issuance of the Bond and the Loan to the Borrower.

Section 14. Amendment of Resolution No. 2022-18. Resolution No. 2022-18 is amended by replacing each reference to \$16,500,000 with \$17,000,000. Resolution No. 2022-18 will remain in full force and effect in all other respects.

Section 15. Acting Officers Authorized. Any action authorized or directed by this resolution to be taken by the Chief Executive Officer of the Issuer, may in the absence of the Chief Executive Officer be taken by a duly authorized acting Chief Executive Officer of the Issuer or any other employee of the Issuer that has been designated by the Chief Executive Officer or the Board to act in the Chief Executive Officer's absence. Any action authorized or directed by this resolution to be taken by the Chair of the Board may, in the absence of such person, be taken by the duly authorized acting Chair of the Board. Any action authorized or directed by this resolution to be taken by the Secretary of the Issuer may, in the absence of such person, be taken by the duly authorized acting Secretary of the Issuer.

Section 16. Use of Electronic Signatures. The Issuer (acting on its own behalf or as manager of the General Partner) may execute any and all documents authorized by this resolution, other than the Bond, by an electronic signature affixed to such document using electronic signature software, and may accept delivery of documents signed using electronic signature software.

Section 17. Changes to Titles or Parties; Omission of Documents. While the titles of and parties to the various documents described herein may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form. The Authorized Officers, and each of them acting alone, in their discretion, may omit any instrument described herein which is determined not to be necessary or desirable in connection with the transactions contemplated by this resolution.

Section 18. Ratification and Confirmation. Any actions of the Issuer or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

Section 19. Severability. If any provision in this resolution is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provision of this resolution and shall in no way affect the validity of the other provisions of this resolution or the Bond.

Section 20. Effective Date. 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 thereof this 12<sup>th</sup> day of June, 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 June 12, 2023 (the “Meeting”), and duly recorded in the minute books CRH;

2. The public was notified of access options for remote participation in the Meeting via the CRH 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.

4. Members of the Board voting in the affirmative for the adoption of the Resolution represented one-third of the total voting membership of the Board.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of June, 2023.

---

George Stagers, Secretary

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 9:**  
Resolution 2023-16 –  
Supplemental Resolution  
13th & Fir Family Housing

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
HOUSING

**Community Roots Housing PDA Board Resolution 2023-16**

**Overview: Supplemental Resolution - 13th & Fir Family Housing**

**Purpose:** Resolution to allow Yesler Family Housing project to enter into 2 additional soft loan agreements

**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 Yesler Family Housing project (Big Village LLLP) has seen cost overruns related to the concrete strike. The project was awarded additional funding through the Department of Commerce's Connecting Housing to Infrastructure Program (CHIP). This resolution allows the project to enter into loan agreements with Seattle Office of Housing and SCIDpda in order to bring this funding into the project.

**Organizational requirements of resolution:** Formal resolution

**Financial cost of the resolution:** The first loan is \$832,006 and will be an unsecured loan from Seattle Office of Housing to Big Village LLLP with 1% simple interest and a maturity date of November 15, 2078. The second loan is for \$516,423 and will be from SCIDpda to Big Village LLLP with 1% simple interest and a maturity date of November 15, 2078. Neither loan will impact CRH directly, and neither loan will cause a negative impact to the project.

**Pros:** This funding will make up for budget overruns at the Yesler Family Housing project. Soft funding like these loans is the most favorable way to address budget shortfalls on a project.

**Cons:** No cons identified.

**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:*

**Author of Resolution Overview:** Thomas Geffner

**RESOLUTION ADOPTED AT A MEETING OF  
THE BOARD OF DIRECTORS  
OF  
COMMUNITY ROOTS HOUSING,  
A WASHINGTON PUBLIC CORPORATION  
(Supplemental Resolution – 13<sup>th</sup> & Fir (Yesler Family Housing))**

**RESOLUTION NO. 2023-16**

**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**, CRH adopted Resolution No. 2021-06 on March 8, 2021 (the “*Original Resolutions*”) in connection with the development of real property located at 1215 East Fir Street, Seattle, WA with a mixed use building with the Project as defined in the Original Resolution;

**WHEREAS**, all capitalized terms not defined herein shall have the meanings set forth in the Original Resolutions;

**WHEREAS**, SCIDpda, subsequent to the date of the Original Resolutions, has received a loan from OH of Connecting Housing to Infrastructure Program (“*CHIP*”) for water, sewer, and stormwater utility improvements at the Property in the amount of \$832,006 (the “*CHIP UI Loan*”) and an award of CHIP funds for system development charges for the Property in the amount of \$516,423 (the “*CHIP SDC Award*”);

**WHEREAS**, SCIDpda intends to loan the CHIP SDC Award to the Partnership (the “*SDC Loan*”);

**WHEREAS**, CRH desires to undertake those steps as may be necessary, reasonable and/or advisable for it to (i) ratify and affirm its prior actions taken in connection with the application for and receipt of the CHIP UI Loan and the CHIP SDC Award by the Partnership and/or SCIDpda, respectively, and (ii) close on the CHIP UI Loan, CHIP SDC Award and SDC Loan.

**RESOLUTIONS**

**NOW, THEREFORE, BE IT RESOLVED** by the Board of CRH as follows:

1. The above recitals are hereby incorporated into these Resolutions.
2. That CRH, in its applicable Capacities, is authorized, empowered and directed to negotiate, enter into, execute and deliver documents in connection with the CHIP UI Loan, CHIP SDC Award and SDC Loan, including, but not limited to, Promissory Note for the CHIP UI Loan by the Partnership in favor of OH, Utility Infrastructure Agreement by the Partnership and OH, Deed of Trust in connection with the CHIP SDC Award by the Partnership in favor of SCIDpda, Promissory Note in connection with the CHIP SDC Award by the Partnership in favor of SCIDpda and Loan Agreement in connection with the CHIP SDC Award by the Partnership and SCIDpda.

3. That any and all documents hereby authorized to be executed on behalf of CRH, in its applicable Capacities, are authorized to be executed or taken by the following or his duly appointed successor (the “*Authorized Representative*”):

Christopher Persons, Chief Executive Officer

4. The Authorized Representative is authorized, empowered and directed to take such further action on behalf of the CRH, in its applicable Capacities, as such Authorized Representative may deem necessary to effectuate the foregoing.
5. That any and all acts authorized pursuant to these Resolutions and performed prior to the passage of these Resolutions are hereby ratified and affirmed.

*[Remainder of Page Intentionally Blank]*

**CERTIFICATE**

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ of Community Roots Housing (“Corporation”) and that the foregoing Resolutions were duly adopted at a meeting of the Board of the Corporation held on \_\_\_\_\_, 2023, in accordance with the Charter and Rules and Regulations of the Corporation upon proper notice and at which time a quorum was present.

Dated \_\_\_\_\_, 2023

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





**COMMUNITY ROOTS**  
— HOUSING —

**SECTION 10:**  
Consent Agenda and  
Attachments

**THIS PAGE INTENTIONALLY LEFT BLANK**



**COMMUNITY ROOTS**  
— HOUSING —

**COMMUNITY ROOTS HOUSING PDA BOARD**

Regular Meeting

June 12, 2023

5:30-7:30 PM

Pike Pine or RingCentral

---

**CONSENT ITEMS**

---

**MINUTES AND REPORTS**

1. May 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. Executive Committee Report and Minutes
8. Joint Board Development Committee Report and Minutes
9. Resolution 2023-17 - 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  
**May 8, 2023**

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

**Members absent:** Derrick Belgarde, Jill Cronauer, Eric Snow, Kristin Winkel

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

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

**Disclosures & recusals:** Chasten disclosed that he is a consultant for JazzHouse.

**A motion** to approve the **Consent Agenda** was made by Shalimar Gonzalez, seconded by Michelle Purnell-Hepburn, and passed unanimously.

Saunatina asked for an update on the resident from the Holiday apartments who had sent emails to the Board, mentioned on the Executive Committee Report. Andrew explained that staff have been engaging with this resident over a few years to address their concerns. Staff are now working with an attorney to assist with this situation. George mentioned that he also received an email regarding water penetration at the building. Saunatina also asked about the intercom and Valencia answered that it is being replaced next week. She also shared that staff are working to address the water penetration issues and the resident is relocating to another unit. Saunatina asked if there is any specific health and safety building code that the resident has noted, and Valencia noted there is not. Saunatina said that staff seem sometimes reluctant to share information regarding resident complaints and was interested in understanding the situation especially regarding the viability of old properties such as the Centennial. Valencia explained that the first time this resident brought up the concerns, staff performed all the inspections possible including inspection performed by the City of Seattle and found nothing wrong. The resident did not accept this response. We offered to them to a new unit to make them feel comfortable, but the resident declined. Chris noted, to answer Saunatina's broader question, that it is a portfolio problem that many of our older buildings were under rehabbed and over-leveraged when they were acquired, and it is difficult to maintain the physical property when there is no money to invest. But that we have and have employed a strategy of renovating many properties (Bonanza, CHP1, Hazel Plaza) as well as disposing of properties according to the plan that has been shared with the Board.

## Announcements

**10-minute lesson:** Drew introduced the May 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.

This month Chris presented on our public accountability requirements as outlined in the Rules and Regulations (Article V, Section 4) which are publicly available on our website. Staff report annually to the Board at an open public meeting on the previous year's public communications and engagement.

**Board member reappointments and board member candidate appointment:** The Executive Committee recommended for re-appointment for new three-year terms, Chasten Fulbright, seat 13, and Michelle Purnell-Hepburn, seat 4. The Executive Committee also recommended for appointment to his first three-year term, Shaun Frazier into seat 5. Shaun served as the Emerging Leader Fellow of the CRH Board for two-years.

**A motion to reappoint Michelle Purnell-Hepburn and Chasten Fulbright, and to appoint Shaun Frazier for a three-year term each** was made by George Staggers, second by Frank F Alvarado III, and passed unanimously.

**Jill Cronauer temporary leave:** Drew informed the Board that Jill Cronauer will take a leave of absence for July, August, and September, and will be unable to attend the Board and committee meetings during those months. Michelle Purnell-Hepburn has agreed to act as Board Treasurer during this period.

**A motion to approve the Michelle Purnell-Hepburn as temporary Board Treasurer** was made by Shalimar Gonzales, second by George Staggers, and passed unanimously.

## Presentation and Discussion

**Status of the organization:** Chris briefly reviewed the status of the organization and plan of action as has been presented to the Board every month since January. The plan contemplates activities through 2024. The primary goal is to reach the end of 2024 in robust financial shape and minimize disruptions, while we continue to center our residents and equity, and fostering a great place to work. Successes include reducing expenses and workforce, achieving improved operating efficiencies, converting the City loan, moving the Fredonia sale forward. Areas of continued concern include obtaining an emergency state loan and development risk especially regarding the Amazon funded projects. Chris noted that the transfer of EcoDistrict was in process and expected to close by the end of September.

**Top of the Town fundraiser debrief:** Shalimar asked how the registration was going for Top of the Town, and Chris mentioned that there are over 200 people signed up, surpassing our goal. The event is effectively sold out. Sponsorship was lower than the goal, but we anticipate doing well. Michelle Purnell-Hepburn emphasized that all board members should help reach the fundraising goal.

**Building lease-ups:** Drew asked about the buildings that are going to be leased up soon, and Chris briefly updated each one of them. 13<sup>th</sup> & Fir Family Housing has 230 complete applications, another 50 in reserve, and just received the Temporary Certificate of Occupancy so that residents may move in. For Pride Place, the team is working on the marketing materials and are in the process of hiring a site manager. The lease

up begins June 15. Africatown is scheduled to complete construction by the end of the year, and Heartwood should be complete by September, so the pre-leasing process will start in July.

**EcoDistrict draft resolution:** Chris reported on conversations we have had with another nonprofit about transferring the EcoDistrict program to them. We are in the process of drafting an MOU to outline the terms of the transfer, including due diligence and funder communications. Next month's Board meeting will include a resolution for consideration regarding this process. Michelle Purnell-Hepburn asked about the potential impacts to CRH's reputation. Chris noted that CRH has nurtured this program which is now highly successful, and we are transferring it to another organization that has a similar mission and vision and that we are viewing it as a success story although there will be an impact. Chasten said that as a Co-Chair of EcoDistrict, he believes that CRH is losing a lot including the expertise, programming, and reputation, but as a CRH Board member he supports the transfer and believes it is the best thing for CRH and the EcoDistrict as well.

**Connection to our mission:** Drew introduced a conversation to consider how we as a Board and organization feel for and respond emotionally to our residents when it is unlikely, we have the same lived experience or at least are beyond periods in our lives when we were low income. Shalimar raised this topic at Executive Committee. She noted that the number of residents attending the Board meeting has increased, and that some residents had shared concerns about safety and stability. She encouraged all staff and board members to recognize and talk about their privilege. Many board and staff members shared their reactions to the recent comments from residents and their experiences. Frank mentioned being surprised by what the residents had said in a prior meeting; he recognized several of them from the nearby park and did not know their circumstances. He lives in the neighborhood and wishes he could help more. Michelle Morlan said she was surprised, but since we work with affordable housing acknowledges that this situation is not uncommon, but still very frustrating. Valencia said she was heartbroken with the distress of the residents who attended the board meeting. Chris reported that stories about erratic tenant behavior in properties is growing, largely as the result of increases in untreated mental health issues and fentanyl use and that this is being reported as a growing crisis in our industry. He also noted and deeply sympathizes with the high strain on staff who are working in our properties. Shalimar thanked everyone for sharing and mentioned that this board and staff has so much power and passion that needs to be channeled into advocacy for our community and organization. Saunatina mentioned that when we are making these efforts, the residents could be involved and help which could be more helpful.

**Annual public accountability report:** Carolina presented the annual accountability report as described in the Rules and Regulations. She showed the Board where many pieces of the accountability report reside on the website, such as the newsletter and public disclosure requests. She shared that Board and staff have so much involvement within the community not only in Capitol Hill, but also within the whole area where CRH operates.

### **Racial Equity Work**

**Resident council update:** Chris mentioned that he and Saunatina will meet next week to go through the proposals for consultants and will pick one to move the work forward.

## Finance and Asset Management

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

**A motion** to approve the **March Finance and Asset Management Report** was made by Chasten Fulbright, second by Frank F Alvarado III, and passed unanimously.

**Property Disposition updates:** Lisa reported that we are closing the sale of the Fredonia on May 31<sup>st</sup> and the pre-closing inspection will happen next week. For the Holden Vista, we are waiting for the Notice of Intent to Sell 30-day period to end and then we will list. We are deciding between two brokers for the disposition. Staff expect to have the property listed by the end of May.

**Resolution 2023-10: New Housing Partnership Network Development Revolving Line of Credit:** Leslie introduced Resolution 2023-10 that will open a new Housing Partnership Network revolving line of credit in an amount up to \$3,000,000, to help facilitate the expanding pipeline. The primary loan will have a sub-loan feature on a project-by-project basis with a priority for projects that have a clear path to close. The primary loan term will be three years. The projected interest rate will be between 5.40%-6.40% depending on final underwriting. Financing costs will include an origination fee in the amount of 1.25% of the approved loan amount, there may be additional closing costs. The ideal project for this source are projects that have received their public financing commitments and are expected to close within the next two years. Two projects that would be a good match for this predived source are YouthCare and White Center. Board members asked questions about the timing of the sub-loans related to the term of the umbrella loan. Staff stated that if the umbrella loan was not renewed in the future, it would not impact any outstanding sub-loans. The loans are nonrecourse to CRH.

**A motion** to approve the **Resolution 2023-10: New Housing Partnership Network Development Revolving Line of Credit** was made by Michelle Purnell-Hepburn, seconded by Michelle Morlan, and passed unanimously.

## Real Estate Development

**Projects Update:** Thea and Jason updated the Board on the real estate development (RED) projects. Jazz House continues to wait for final approval from Amazon. If approved, the project transition to closing, which is expected to take 90 days. Thea reported that we are seeking acquisition sources for Rainier and Genesee and have identified several that we are working with. The project will support between 150 and 200 units. Although the adjacent site is currently contaminated, they are almost completed with the clean-up process. The site that CRH is acquiring is not contaminated. Staff anticipate a resolution at next month's board meeting. The Devonshire is expected to close by the end of June. This is a \$30 million total gut rehab including seismic retrofit. There are 62 units in the building and the residents must be temporarily relocated for a year. Board members asked about the relocation and staff reported that we are working with the same company that we have worked with on our last three occupied rehabs. Permits are expected around September. Thea noted that the 13<sup>th</sup> & Fir ribbon cutting will be on June 13<sup>th</sup>.

## Executive Committee

**Board Retreat and BBQ planning:** Drew will host a Joint Board BBQ in August re-establishing a long tradition that had been sidelined by the Pandemic. The joint board retreat will be scheduled in late October or early November. We will need to self-facilitate, since we do not have the budget to hire externally.

**The meeting was adjourned** by Drew Porter at 7:28 pm.

Attested,

---

George Staggars, Secretary  
June 12, 2023

DRAFT



## May 2023 Fundraising and Communications Memorandum

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

From: Kiley Dhatt

### Top of the Town

Our sincere thank you to everyone who contributed to, helped plan, attended, and invited people to Top of the Town.

Together, we **raised over \$240,000 at this year's Top of Town, the most we have ever raised!** This total includes sponsorships, ticket sales, pledges, donations, matching gifts, and donations made in lieu of attendance. Every gift made supports our work building and preserving safe and affordable homes for our neighbors throughout the city.

Guests started the evening off with cocktails and lively mingling on the terrace, with a beautiful view of the city. Then, with scenic backdrop of Elliot Bay, Chris moderated a conversation between our lovely panelists, Marc Dones, Jane Broom, and Doug Baldwin, followed by a fundraising ask by our spirited appeal speaker, Brady Walkinshaw. After which, Chris pulled the winning raffle ticket, and we concluded the evening with drinks on the terrace.

I want to call out the work that the Events & Sponsorship committee has done to bring Top of the Town to the Top of the Sound. This is an endeavor that we have been working on for a year, taking the opportunity to thoughtfully examine our events, analyze ROI, and prioritize our future goals. Not only did they help determine what this year's TOTT looked like, they implemented a 5-year growth plan. This year's attendee goal was to ramp up from 125 to 200 attendees, and we **sold out, bringing 204 attendees** to the Edgewater!

As part of a long-term growth plan for this event, we understood that expenses would be higher this year, due to a larger audience and the move to the new venue. Our expenses for this event in-person are usually ~\$30k-\$35k each year, while our expenses came in at \$53k this year, \$5k below our budget.

While we fell short of our overall goal of raising \$261,500, we were able to raise more than \$240k, which is **over \$35k above any other year**. We had a very ambitious sponsorship goal this year, and while we did not reach the \$155k goal, we did bring in \$15k over previous years, including six new sponsors.

We netted \$187k against a goal of netting \$203k. The only year where we netted more was in 2020, when there was huge outside momentum to support others through the pandemic and we had a \$30k major donor that is no longer connected to CRH.

### Grants & Awards

In the last month:

Grant proposals submitted include:

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

- Windermere Foundation (4 proposals) – Resident Services - \$20,000
- Puget Sound Energy Foundation – Resident Services - \$10,000

Grant proposals awarded include:

- Washington Federal Foundation – Annual Fund - \$3,000
- Windermere Foundation – Resident Services - \$4,000

Grant proposals declined include:

N/A

Grant proposals still pending include:

- 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 (notification July)
- American Family Insurance – Resident Services - \$10,000 (notification June)
- Boeing Global Impact grant – EcoDistrict - \$50,000 (notification for next steps in June)
- Federal appropriations grant – Existing portfolio capital repairs - \$1,825,000 (notification December)
- JPMorgan Chase – EcoDistrict - \$40,000

Upcoming grant proposals include:

- Moccasin Lake Foundation – EcoDistrict - \$5,000
- Umpqua Bank Community Grant – Resident Services - \$10,000

### **Rise Together Capital Campaign**

To date, the Rise Together partners have raised \$38,523,323 toward a goal of \$45,000,000 (86%).

Proposals recently won:

- \$1 million LCP member appropriation in the 2023 Washington State Capital Budget to support the White Center HUB, sponsored by Sen Joe Nguyen and Rep Nicole Macri (\$3M requested)
- \$250K grant from Joshua Green Foundation to support the White Center HUB
- \$495K grant from Boeing Employees Community Fund to support the White Center HUB elevator

Proposals recently lost:

- \$1M proposal to Murdock Charitable Trust to support the WC HUB

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
- \$40K request to Boeing ECF to support Pride Place – kitchen hood and dishwasher
- \$21K request to AARP Community Challenge to support Pride Place – commercial kitchen equipment

Upcoming strategies:

- Reach out to Ballmer and Microsoft to request support to help close out the campaign and complete the final 2 projects – Pride Place and the White Center HUB.

## **Communications**

In May, communications work included the following highlights:

- Top of the Town event promotion, registration marketing
  - Email campaign, social media paid advertising
- Top of the Town program planning, day-of event collateral production
- Work with IT and Property Operations to finalize a new property website template that will eventually be replicated across the Community Roots' portfolio as part of the RealPage system implementation, improving current resident and prospective resident experiences
- Pride Place pre-leasing marketing
- Africatown Plaza pre-leasing planning
- Rise Together capital campaign promotion
- 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
  - EcoDistrict Juneteenth REVIVAL Market St. event support
  - Resident Services event support
- Monthly Building Beyond Buildings newsletter

May media mentions of Community Roots Housing and related projects:

- [Six new community-led development projects center equity](#)

- [With the first mass-timber highrise apartment building in the United States about to open, researchers test how wood will stand up to a major Capitol Hill earthquake](#)
- [Seattle's Marjorie restaurant closed after 20 years, now plans comeback](#)
- [Not Boujie: Change in plans has Marjorie making nine-block move to the Central District](#)
- [Reclaiming Seattle's Central District](#)
- [Also coming soon on 15th Ave E: Tandoori Flame & Indian Grill and Meliora, the long-awaited new restaurant taking over the old Canterbury space](#)

**2023 Community Roots Housing Foundation Budget and Actuals - AS OF 5.31.2023**

		SFDC Actuals	Goals	% to Goal
Unrestricted	Corporate	\$ 113,063	\$ 168,375	67%
	Sponsorship & Tickets	\$ 210,405	\$ 301,500	70%
	Foundation	\$ 221	\$ 43,900	1%
	Government		\$ -	
	DAF	\$ 62,779	\$ 323,000	N/A
	Individual	\$ 56,297		N/A
	Individual Giving Total	\$ 119,076	\$ 323,000	37%
<b>Subtotal</b>		<b>\$ 442,765</b>	<b>\$ 836,775</b>	<b>53%</b>

		SFDC Actuals	Goals	% to Goal
Restricted	Corporate	\$ 70,100	\$ 159,000	44%
	Government	\$ -	\$ 97,500	0%
	Sponsorship & Tickets	\$ 20,000	\$ 213,025	9%
	Foundation	\$ 57,500	\$ 128,500	45%
	DAF	\$ 400	\$ 125,000	N/A
	Individual	\$ 260		
	Individual Giving Total	\$ 660	\$ 125,000	1%
<b>Subtotal</b>		<b>\$ 148,260</b>	<b>\$ 723,025</b>	<b>21%</b>
<b>Total</b>		<b>\$ 591,025</b>	<b>\$ 1,559,800</b>	<b>38%</b>

	Jan - Dec 23	Budget	% of Budget
Ordinary Income/Expense			
Income	585,670.84	1,559,800.00	37.5%
Gross Profit	585,670.84	1,559,800.00	37.5%
Expense			
10000 · Operating Expenses			
5000 · Contract Services	15,464.99	31,500.00	49.1%
6000 · Office Expenses			
6300 · Office Supplies	33.45	500.00	6.7%
6310 · Computers & Software	2,562.04	6,000.00	42.7%
6540 · Coffee Club	205.41	500.00	41.1%
7705 · Professional Development	387.19	1,500.00	25.8%
7710 · Donor Cultivation	3,532.58	7,000.00	50.5%
7799 · Misc	300.29	500.00	60.1%
7800 · Insurance	0.00	2,100.00	0.0%
8101 · Bank Fees	2,081.65	7,500.00	27.8%
Total 6000 · Office Expenses	9,102.61	25,600.00	35.6%
7000 · Administrative Expenses			
7163 · Food & Drink	317.19	500.00	63.4%
7170 · Travel Expense	524.66	400.00	131.2%
7210 · Licenses, Permits & Related Fee	28.44	150.00	19.0%
7220 · Membership Dues	0.00	400.00	0.0%
7300 · Publications & Subscriptions	0.00	350.00	0.0%
7360 · Promotion & Advertising			
7362 · Electronic Newsletter	747.50	1,500.00	49.8%
7360 · Promotion & Advertising - Other	197.94	800.00	24.7%
Total 7360 · Promotion & Advertising	945.44	2,300.00	41.1%
7380 · Printing (Office & Admin)	0.00	400.00	0.0%
7450 · Board, Staff, Vlntr Recognition	69.73		
7460 · Board Meetings & events	893.70	1,000.00	89.4%
Total 7000 · Administrative Expenses	2,779.16	5,500.00	50.5%
7500 · Event Expense			
7540 · Event Expense	39,757.46	136,610.00	29.1%
Total 7500 · Event Expense	39,757.46	136,610.00	29.1%
Total 10000 · Operating Expenses	67,104.22	199,210.00	33.7%

## JUNE 2023 RESIDENT AND PROPERTY SUCCESS COMMITTEE BOARD REPORT AND MINUTES

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

**Absent Committee Members:** Shalimar Gonzalez

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

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

**Date, time, and location of meeting:** June 6, 2023 – 3:00-4:00 PM – RingCentral

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

The meeting began at 3:00 p.m.

- 1) Staffing:** Andrew gave an update on current staffing. We currently have two openings right now for our site manager positions. The last time we were up to four openings, but we've been able to have some recent hires. Maintenance is really where we have most of our needs. We are missing about half the team. Maintenance has been a tough position to fill. It's very competitive, but we are in a much better position than last year. As of last week, we are fully staffed with our Occupancy Specialists with a current head count of six. We had two new folks start on Monday and so far, seem like a good fit for the team. We also made a hire for Leasing Manager. Ron Trescone was one of our Occupancy Specialist who applied for the position and as of yesterday, is now our Leasing Manager. We have added an FTE for our Compliance Specialist. We were just attempting to do two this year but made the decision to add one more to try and help the focus of the department and support all the lease up activity. We had some good leads on Resident Services Manager as well, and unfortunately those ones fell through so we went back to searching. For upcoming positions, we have some changes that are both for new buildings that are coming online and some new ideas that we are going to try. Two Site Managers, two Maintenance Supervisors, and two Occupancy Specialist will be hired to support new buildings coming online. A new idea we are exploring is the Business Revenue Specialist position. This is focused on processing checks and helping manage that process and helping with subsidy payments. We also had some rent boxes broken into, so this is another way for us to help control and centralize check processing.

Andrew shared high level data points that we've been able to get from exit interviews. Year-to-date, we have had 21 folks leave and nine that were willing to do an exit interview. All respondents said that training needs to be improved and is the biggest weakness at CRH. More than half left to go to a different industry. Most expressed that working with tenants can be exhausting. Most liked their teams. Some expressed general management issues – collaboration, limited resources,

training, communication, policies, etc.

We are working on restructuring a lot of our departments and functions so we can specialize and centralize where we can. We are working on training and focusing on the onboarding experience, as this is the most immediate need. We are embracing third-party training and certifications. We have also just completed management training for supervisors. We are actively updating policies and procedures, which is timely with the change of property management system. We have also created new specialist positions and senior positions, to provide development pathways for staff. We are also working on general HR policies and handbook updates.

Eric commented to not lose sight of management and supervisor training. One of the largest reasons why people leave an organization, or any type of company, is because they're unhappy with their manager. It has nothing to do with the company, it's their manager and so don't lose sight of supervisor and manager training.

- 2) **Leasing:** Michelle H introduced Ron Trescone, the new Leasing Manager. There are currently six Occupancy Specialist, Nathan, Soufian, Kayla, Makaylah, Jennifer, and Jeremy. There are two more positions that are posted to hire, and we are still looking to fill. In 2021, we at CRH pivoted in our leasing model and brought activities back in house. Occupancy staff began taking calls, screening applications, and setting up tours at buildings that were rolled out as part of the process. All applicants are now being processed through the Occupancy Team for all buildings.

Ron presented that we as an organization implemented systems to help manage data and track flow process. Moved leasing calls to a dedicated phone line in RingCentral – answering calls in real time. That phone line is ideally staffed Monday through Friday from 9 a.m. to 5 p.m. The OS Team alternate, so that they each get a full day which gives them a break from their files, and little change and fresh focus on answering emails, voicemail messages, and live phone calls from interested prospects and case managers. We have a new third-party compliance reviewer – RealPage Compliance to help process file reviews and speed up the file turn. We've also set up a Customer Relations Management System, it's called ZOHO. This system allows us to now track communication with prospects and measure our ratios of leads that convert into heads in beds.

Michelle presented leasing stats. We started with 88 vacant units at the beginning of 2023. We had a total of 74 units vacated this year and we have leased up 102 units. Our vacancy rate was above 8% and went down to 5.84% to start out 2023. As of our last vacancy report that came out on Monday, it's down to 4.57%. We are continuing to reduce this number. We are currently processing 37 files with a total of 66 vacant units. We have two lease ups coming up which are Pride Place and Africatown Plaza. Pride Place lease ups are going to begin next week on the 15<sup>th</sup>, which is next Thursday. We are using a RealPage call center to help funnel the calls and set up appointments. Then they will start coming in for the appointments on July 10<sup>th</sup> to meet with the team. Africatown Plaza is expected to begin it lease up around October 2023.

Eric asked what the marketing strategy is for Pride Place, and if GenPride was helping. Michelle answered that we are working hand in hand with GenPride. We've come up with flyers and items to distribute to people that we've given to hand out. They have been doing workshops and have done three workshops in areas where they are targeting the population they want.

The meeting ended at 4:00 p.m.

**Resident Services  
Program Report  
May 2023**

**Highlights**

- Current Staffing
  - RSC – Carly
  - RSC – Aja
  - Community Engagement – Sasha
  - Resident Services Manager – In the process of hiring.
- Resident Services Partnered Events
  - May 9<sup>th</sup>: Staff updated Resident Services fliers and information on all building bulletin boards.
  - May 17<sup>th</sup>: the launch of the Solid Ground: Rent Smart online workshop series.
  - Planning for future events:
    - Additional Rent Smart workshop events in June and July.
    - Annual CRH Back to School event
    - Emergency Feeding Program - Grocery Deliveries
    - Hands On Bay Area and Amazon in Communities: Volunteer program
    - YWCA Money Mechanics workshop series
- Data and Tracking system enhancements
  - Continued update to internal forms and data tracking tools.
  - Working with IT on additional tools for events and data tracking
- Resident Support
  - May 27<sup>th</sup>: Supporting Haines with their first community dinner.
  - May 23<sup>rd</sup>: ticket opportunity through Storm – distributed 50 tickets within a day of advertising.
  - Expansion of ticket opportunities:
    - MOHAI
    - OL Reign – 20 season tickets fostered partnership.
  - Acquiring donated items for the return of the Elizabeth James community coffee hour.
  - Continuing our work in resident meetings/service referrals and building out current resources available in areas such as rental assistance, emergency cash assistance, and senior services.

**In focus: Increasing Community Event Opportunities**

This month, Resident Services staff have continued to offer portfolio wide resource events while working on bringing back community events in person at two senior HUD properties: the Haines and Elizabeth James. Staff have been able to connect residents and property management staff with donated supplies from partner organizations that have allowed residents to hold a community picnic at the Haines and plan a community coffee hour at Elizabeth James.

The community meal at the Haines is a result of an established partnership with Westerly Kitchen, who has been donating packaged meals to 20 residents twice a week since March 2023. This company was able to donate a couple pounds of pre-cooked meat for the residents to incorporate into dishes, with the goal of continuing to provide this donation once a month for future community meals planned by the residents. With the goal of reducing food waste, Westerly Kitchen has worked well with our Haines



residents to help address the community’s food needs and has remained in close communication with several residents to adjust their services based on resident feedback.

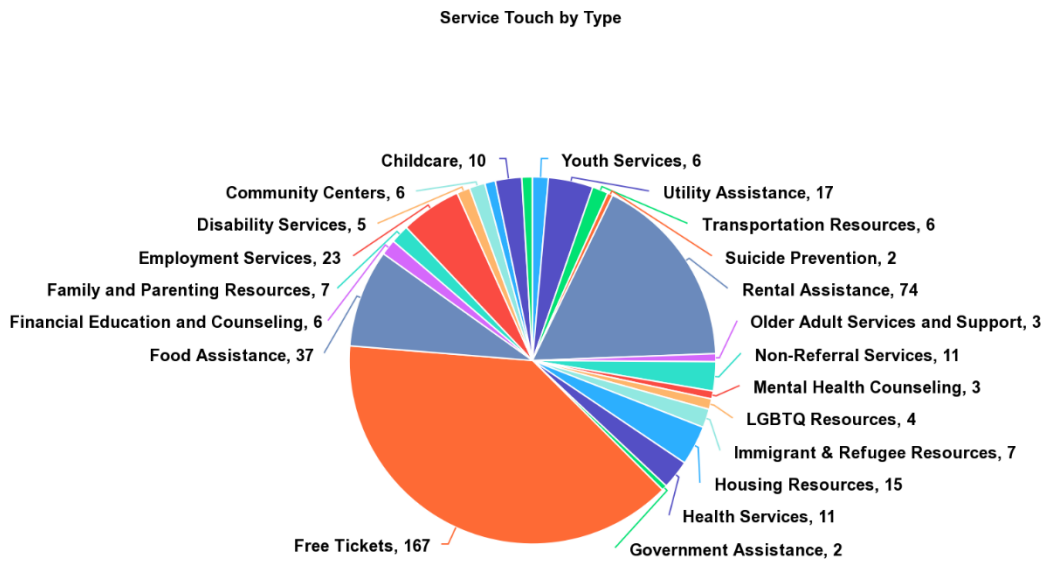
While resident services has helped foster this partnership between Westerly Kitchen and the Haines, both the meal deliveries and the community meals have been successful due to the commitment and hard work of a handful of core residents and supportive property management staff who have been able to work out the details and coordinate with all parties involved and make sure meals make it to residents’ doors. The Resident Services staff hope to continue to support these relationships that are being built out and foster similar relationships at other CRH properties in the future to help expand this food delivery service and community meal opportunity.

**Service Data**

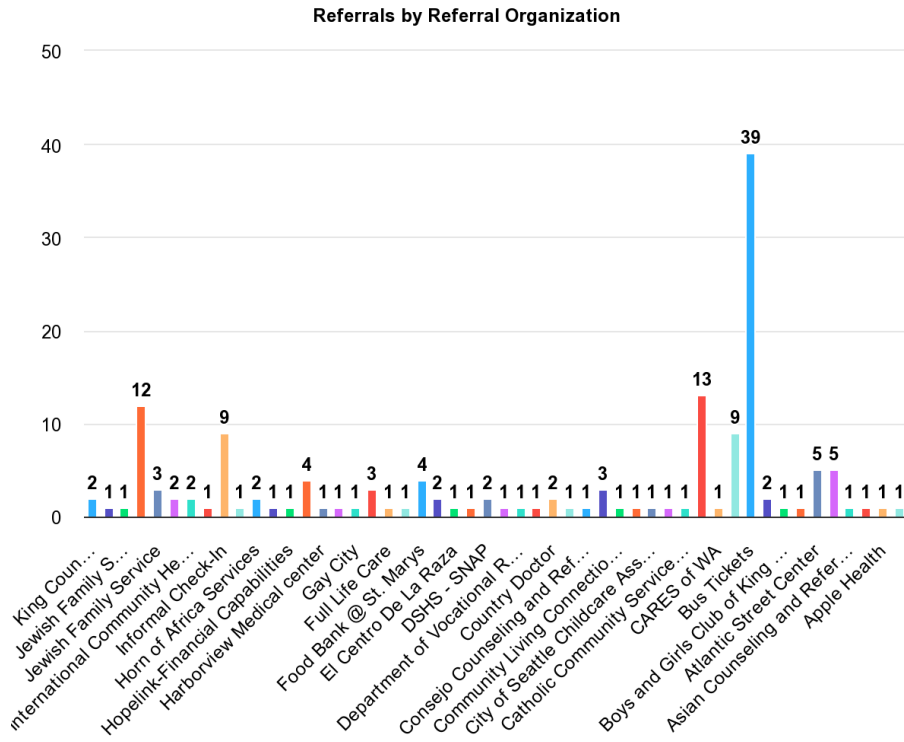
Total Meetings: 172

Total Service Touches: 430

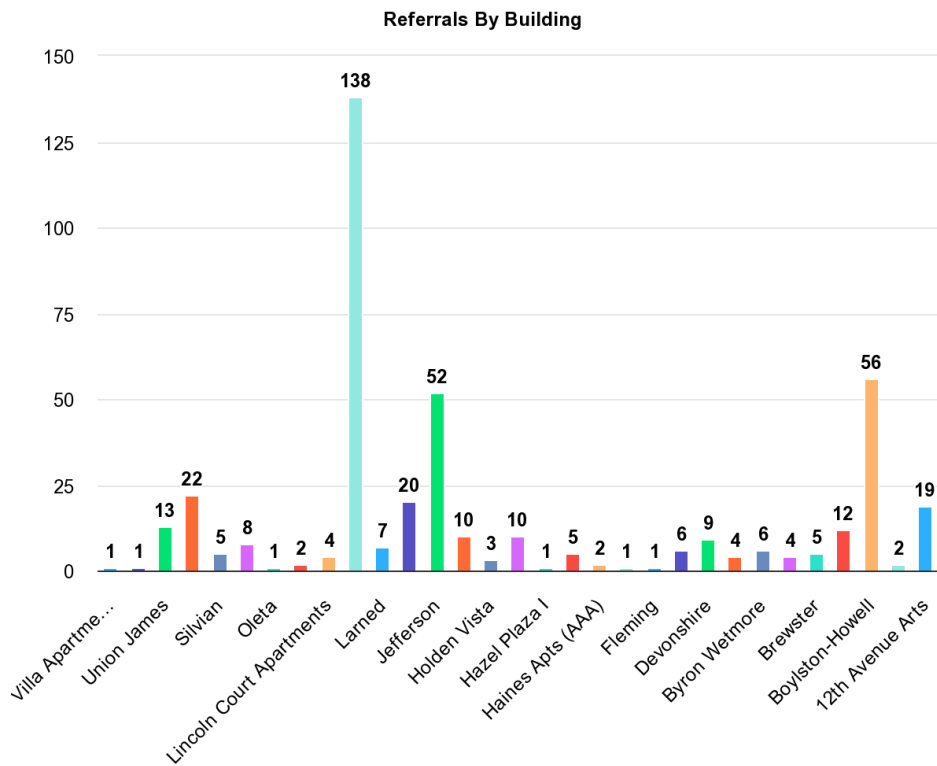
*Service by Type*



### Service by Organization



### Service by Building





## June 2023 PROPERTY DEVELOPMENT BOARD REPORT AND MINUTES

**Property Development Committee Members:** Liz Dunn, **Bob Fikso**, **Michelle Morlan**, **George Staggers**, 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:** June 5, 2023 at 4:00PM – 5:00PM via Ring Central teleconference

**Date, time and location of next meeting:** July 3, 2023 at 4:00PM – 5:00PM via Ring Central teleconference

1. Pipeline Updates and Review
  - a. Jazz House
    - i. Amazon has indicated that they will pass on the project as structured.
    - ii. JazzEd has indicated that they are considering walking away from the project. The departure of our partners significantly changes the original programming concept of the project. We are exploring reconfiguring the building to have 28 additional units and a smaller retail space limited to the ground floor.
    - iii. New project structure could include Amazon, OZ investment, and traditional debt. The additional units would allow for some of the middle-income units to be over 80% AMI.
    - iv. Michelle asked that we take time with the Board of Directors to walk through the project at a high level and ensure that the changes to project align with CRH mission and vision. She would also like more time reviewing the proposed structure, what happens at the end of the ten year OZ period, and that there is long term ownership and affordability.
  - b. Remaining project updates provided as a written report and board members had no other questions.
  - c. Predevelopment Spending was reported to the PDC as a written report. Board members requested that staff include spending authority limits along side the actual to date expenditures in future reporting.
  - d. Centennial Predevelopment Authority Review
    - i. Centennial is a project that was previously considered as part of the CHP1 portfolio rehab project. As part of that project a number of expenses occurred and we currently have ~\$250,000 in predevelopment spending.
    - ii. The CHP1 project had spending authority of ~\$1.3 million, with each of the other properties having since closed in construction financing and having repaid their predevelopment expenses.

- iii. Staff is looking to advance predevelopment work but wanted to seek guidance from the PDC on how to approach the previous resolutions and expenditures.
    - iv. Michelle recommended that we work through a new resolution that assigns the outstanding expenses for Centennial from the CHP1 authorizations to Centennial and to include with that authorization a new spending to advance schematic drawings and reports required to advance a future OH funding request.
- 2. Department Processes and Underwriting Standard
  - a. Underwriting Standards V2
    - i. Thea presented to the board in April about the work the department is undertaking to formalize policies and procedures to help systematize our development projects. At that time Thea agreed to come back to the board to report on progress.
    - ii. The Underwriting Standard draft document is in the process of being revised. Draft Version 2 will be available to review in the coming days.
- 3. Approvals
  - a. FAM resolution - renewal and increase to Impact Capital LOC
    - i. FAM is working on annual renewal of the Impact LOC utilized for predevelopment expenditures on Jazz House, South Annex, and Centennial.
    - ii. In addition to the renewal, we are seeking an increase of the LOC from \$250,000 to \$300,000.
  - b. Devonshire Closing Resolutions
    - i. Omnibus Resolution – Close on the full construction financing transaction for the 4% LIHTC project. This includes sources from the Office of Housing, construction bond, LIHTC Equity, Sellers Note, and Sponsor Loan. The \$32M in funding sources will transfer ownership to the tax credit partnership and pay for the complete gut rehab and seismic retro-fit
    - ii. Bond Resolutions – Allows CRH to issue up to \$17M in revenue bond to support the 4% LIHTC project. This increases the previous Board Authorized amount from \$16,500,000 to \$17,000,000.
    - iii. Resolution was prepared by counsel.
  - c. Pride Place Resolution
    - i. Pride Place has a loan modification to replace the now defunct LIBOR to SOFR
    - ii. Resolution has been prepared by counsel.
  - d. Rainier and Genesee Resolutions – Entity Creation and Acquisition Loan
    - i. Purchase and Sale Agreement has a closing date identified as June 30, 2023.
    - ii. We are pursuing two potential acquisition finance strategies for the \$4.8M purchase price
      - 1. Approach 1: 100% WSHFC LAP Program, low interest rate (1%), long loan term (8 years). Program has an 80% LTV and a maximum loan size. We believe the site could appraise high enough to satisfy the 80% LTV without having to come out of pocket, but WSHFC has greater comfort with a loan size of ~\$4M. Working with WSHFC to see if we can increase their loan amount to cover the full acquisition price.
      - 2. Approach 2: LAP program at ~\$4M with other secondary lender to bridge gap. The second loan terms are more expensive debt (~7.0%), possible. candidates are LISC, Impact Capital, LUP.

- iii. Resolutions in June: authority to enter into loan agreement with WSHFC and alternative investor (keeping language open ended to preserve flexibility), authority to form entities.
- iv. Resolution has been drafted by counsel.
- e. 13<sup>th</sup> and Fir Housing (Yesler)
  - i. Project has received an allocation of CHIP funds. We are currently reviewing if these new project funds will require a board resolution. If so, we would want to bring this to the June Board meeting, but we do not have the resolution prepared for you today.

Meeting adjourned 5:06PM.

## STEERING COMMITTEE REPORT APRIL 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*

The team is working closely with Chris Persons to sign an MOU with the Urban League of Metropolitan Seattle and to begin due diligence 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 EcoDistrict recently recruited a Lowell parent to join the Lowell Pantry Advisory board. This position will join bi-monthly meetings to discuss pantry design, operations, programming, and offer feedback from a family perspective. Additionally, Schemata Architects have submitted a new pantry design layout for Lowell staff to review. Once the plan is finalized, the team can move forward with sourcing furniture and making a purchase plan.

#### *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 11<sup>th</sup> avenue from Volunteer Park to Seattle University and beyond.

### *REVIVAL*

The EcoDistrict will host a Juneteenth REVIVAL market pop-up on June 18 from 12-5pm at Midtown Plaza with community partner, ARTE NOIR, and nearly 25 vendors. Nearly \$65,000 has already been raised in sponsorship, and KEXP will again join as media sponsor, broadcasting live from 12-6pm in the plaza.

### *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.

#### *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 response to REVIVAL sponsorships has been positive. The Schultz Family Foundation doubled their previous support, UWKC provided funding for the first time this year, and we received Amazon and personal funding, as well.

### **Follow us on social media!**

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





## JUNE 2023 EXECUTIVE COMMITTEE BOARD REPORT AND MINUTES

**Executive Committee Members:** Frank F. Alvarado III (Vice Chair), **Derrick Belgarde** (Vice Chair), **Jill Cronauer** (Treasurer), **Shalimar Gonzales** (Immediate Past Chair), **Drew Porter** (Chair), **George Stagers** (Secretary)

**Absent Committee Members:** none

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

**Date, time, and location of meeting:** Monday, June 5, 2023 – 5-6:30 pm – RingCentral

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

The meeting began at 5:03 p.m.

- 1) Industry Crisis and CRH Cashflow plan:** Chris attended the Housing Partnership Network Conference last week in Chicago and reported that most other organizations are facing similar issues to CRH currently. Minnesota adopted legislation to support the non-profits facing challenges. One prominent housing organization in Chicago is going out of business. He reviewed the CRH response plan and progress of activities. Shalimar and Frank asked about the timing of any State support related to State budget process. Chris said he is meeting with legislators over the next week and will get clarity. Shalimar asked about the impact of rolling off the EcoDistrict relative to Omnivorous. Chris said he thought that most restaurant relationships were with the organization or Donna and not the EcoDistrict. Chris emphasized staff focused on efforts to overcome these challenges.
- 2) Emerging Leader:** Sarah and Carolina are working on the job description and will soon publish externally and within the portfolio. The Committee asked staff to share the job description with Board members so they can post on their own networks.
- 3) CHDA Board:** Chris reported that with Paul stepping down from the PDA Board, he can no longer serve on the CHDA Board. The bylaws of CHDA require 5 members, all of whom must be selected from and appointed by the PDA Board. The Committee identified a candidate and directed Chris to ask about their interest.
- 4) Resident Engagement at Board Meetings and Resident Formal Complaint Process:** CRH started to work on a new formal complaint process and process for Board resident engagement at Board meetings and once finalized, will bring it to the Executive Committee.

- 5) **Board Retreat:** Staff are recommending that the Board retreat focus on two main areas of operation. First, centering residents and the activities and culture change we are pursuing and second, the emerging industry crisis and our response to it. We will use the monthly Leadership Team meetings to ladder up to the all staff meeting in early August and the Board retreat to be held in late fall.
- 6) **Board gathering at Drew's:** Carolina and Drew are working on dates for the BBQ at Drew's house and then will send a poll to with a few dates for the Boards to vote in August.
- 7) **EcoDistrict Draft Resolution:** A Resolution for the EcoDistrict program transfer will not be brought to the June meeting because of the many other resolutions to be considered and will likely be brought to the July meeting.
- 8) **JazzHouse and Othello:** Amazon is not moving forward with Jazz House or Othello. Chris updated the committee on the plans for each project.
- 9) **Resolutions:** Chris discussed the various resolutions to be presented at the Board meeting including two major financing resolutions for the Devonshire, a renewal of and Impact Capital predevelopment line of credit, a minor loan modification resolution for Pride Place, an entity creation resolution for Rainier and Genesee, and clean-up resolution related to the tort claim process for CRH as a public entity.
- 10) **Elizabeth James fire:** Chris updated on the status of the unit affected by the fire and mentioned that the insurance claim went through, and the unit is being fully renovated.
- 11) **Board agenda:** Chris reviewed the Board agenda with the Committee.

The meeting ended at 6:13 p.m.

### Board Email Correspondence May 2023

<b>Correspondence Number</b>	1
<b>Date Received</b>	May 1-31 (8 emails)
<b>From</b>	Resident
<b>Topic</b>	Build not up to code/Health hazard/others
<b>Building</b>	Holiday
<b>Status</b>	Staff and lawyers are dealing with this resident.

<b>Correspondence Number</b>	2
<b>Date Received</b>	May 8, 2023 (1 email)
<b>From</b>	Resident
<b>Topic</b>	Asked about how to file grievance
<b>Building</b>	Helen V Apartments
<b>Status</b>	Staff contacted and responded to the resident.

<b>Correspondence Number</b>	3
<b>Date Received</b>	May 12, 2023 (1 email)
<b>From</b>	Resident
<b>Topic</b>	Follow up on the previous email regarding the renovation plans
<b>Building</b>	Devonshire
<b>Status</b>	Staff followed up with the resident.

## **JUNE 2023 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES**

**Joint Board Development Committee Members:** Kelly Price (Foundation), Alice Quaintance (Former PDA), Eric Snow (PDA)

**Absent Committee Members:** Sara Cubillos, Max Koziol

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

**Date, time, and location of meeting:** May 24, 2023 – 3:30-4:30pm – RingCentral/Belmont Conference Room

**Date, time, and location of next meeting:** July 26, 2023 – 4:00-5:00pm – RingCentral/Belmont Conference Room

The meeting began at 4:07 p.m.

- 1. Board and staff retreat:** Carolina and Sarah shared that there will be a joint Boards and staff retreat in late October or early November. The two topics for discussion will be centering residents and the state of the industry. The upcoming Leadership Team meetings and the in-person All Staff Meeting in August will also cover these same topics and lead up to the retreat. Sarah will determine how this Committee can support the prep and work for the retreat. In past years, the committee has helped review and produce retreat agendas.
- 2. Board SharePoint Site:** Carolina showed the SharePoint Board site progress, where the board members will have access to organizational information and will be able to follow the progress of projects and related documents. She mentioned that the site is still not complete, but it will be done by the next committee meeting. Eric mentioned that he has been working with SharePoint for years, and would love to help with the process for the Board site. He emphasized that it would be great to also have access to additional information such as vacancy rates, other KPIs and the status of real estate development projects.
- 3. Board book gift:** Matteo reminded the Committee that the next Board Book Club book is “Homelessness is a Housing Problem”. Staff have received them and will mail to the Foundation and PDA Boards next week, but we will try to deliver as many in-person as possible for those attending the next PDA Board Meeting on June 12<sup>th</sup>.
- 4. PDA Board Emerging Leader Fellow search:** Carolina commented that CRH will search for a new, non-voting, Emerging Leader Fellow for the PDA board. Sarah shared the idea of recruiting a resident for this position. When the job description is drafted, we will officially post the new open position, and will share with both Boards and staff for wider distribution. Eric asked where we generally share open board positions, and Sarah noted LinkedIn, on our buildings’ murals, and board member’s network. Eric suggested the University of Washington’s various job listservs, and Sarah agreed.

**5. Board social events:**

- a. BBQ at Drew Porter's house:** Carolina mentioned that Drew will host a BBQ for the Boards, and will provide food, while CRH will provide the drinks. She is working with Drew to find a date for it in August.
- b. Building tours and other ideas:** Sarah mentioned that she will reach out to site managers to schedule tours for the board members to visit. Carolina commented that this aligns with the discussion on the last PDA board meeting when the board members discussed creating opportunities to be closer to the residents, and be able to see our building and CRH work closely. Alice mentioned that in the past people went to her house for a drink after building tours, and said that she would be happy to do it again. Sarah mentioned that the next Book Club event will be next year.

**6. Quarterly training ideas:** Sarah commented that now with the board site, board members will have access to previous training and more materials. She mentioned that CRH is incorporating a training time at the PDA Board meetings, when staff use 10 minutes of the meeting to explain or teach about a relevant subject in the organization, so board members can understand more about the organization and the work done by staff at every meeting. Eric suggested a training on 'How to Read Financial Statements' since they are included on the Board Packets and are presented at all board meetings, but not everyone knows how to read or interpretate the data. Sarah said that she will reach out to the Finance team to have them helping prepare a lesson on this topic.

**7. Next Meeting:** The next Joint Board Development Committee Meeting will be on Wednesday, July 26<sup>th</sup> from 4:00-5:00 p.m. on RingCentral.

**8. Anti-racist resources:** The Committee will continue to gather these resources to share with the Boards.

The meeting ended at 4:40 p.m.

## Community Roots Housing PDA Board Resolution 2023-17

### Overview: Tort Claim Registered Agent

**Purpose:** To appoint and designate Sarah Shoemake-Gamble (Senior Operations Manager) as the agent 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 in 2020 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:** Sarah Shoemake-Gamble



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

**June 12, 2023**

**Resolution 2023-17  
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 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. Sarah Shoemake-Gamble is hereby appointed and designated as the agent (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 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 8th day of June 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 12th day of June 2023.

By \_\_\_\_\_

Its: Secretary

**Resolution prepared by:** Andrew Oommen