



COMMUNITY ROOTS
— HOUSING —

PDA Board Meeting

November 2023

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COMMUNITY ROOTS
— HOUSING —

SECTION 1: Meeting Keys

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November 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 as time permits. 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 may remove an item from the consent agenda for full Board consideration. The Board will be asked to adopt the consent agenda. This month's consent agenda includes the approval of a Banner Bank line of credit renewal and appointment of members to the Elizabeth James Senior Housing board.

Public Comment: We will provide up to 10 minutes for public comment as needed, or members of the public can place comments in the chat.

The 10-minute Lesson: Andrew will present on Landlord-Tenant Legislation.

Presentations and Discussion

2024 Budget first pass: Last month we presented the Board with major assumptions going into the year including rent caps, vacancy and collections assumptions, assumptions on fees and transactional revenue as well as major expense assumptions, staffing and insurance being chief among those. This month staff presented the first pass of the 2024 Budget to the Finance and Assessment Management Committee and will present it to the Board in November. Although the draft budget is currently positive this is based on significant projected transactional revenue. Additionally, much of that inflow is projected in Q3 creating a cash burden in the first half of the year that we are actively working to resolve.

Introducing Future Pipeline Options: As you are aware, we have a very large and active pipeline. We are currently leasing up four properties comprising 526 units. It was never our plan to have all four projects placing in service simultaneously but several external factors including the concrete strike worked to cause a bunching of our projects. We also have started construction on Devonshire and have three new projects comprising 392 units scheduled to start construction in Q1 2024. We are working to close on Jazz House in early 2024 and pushing to move Othello forward next year as well. We applied for OH support for the Seattle Mennonite Church site (283 units) and will learn in December if it will be funded. If it is design and entitlement will lead us to a mid-2025 close. The Centennial demolition and reconstruction will be submitted for OH funding in late 2024. Beyond these current projects, our prospective pipeline is growing

with opportunities. First, in the next couple weeks we will receive a term sheet for the acquisition of the Rainier and Genesee site and close on acquisition in February. We have been invited to participate in the Seattle First Baptist redevelopment, are negotiating with Abu Bakr in Tukwila to be the development consultant of their campus, have been in conversations with Kent to build affordable housing in their downtown and have two City/Sound Transit RFPs to consider, one in the U-District and one in lower Mt. Baker. At the November Board meeting, Thea will provide a preview of these potential projects.

Real Estate Development

DRAFT - Resolution 2023-29 – Northgate (Omnibus Resolution): This is standard comprehensive financing resolution that authorizes and directs us to take all actions necessary and appropriate to build the project.

DRAFT - Resolution 2023-29 – Northgate Governmental Note (Bond Issuance): This is the bond issuance resolution that authorizes CRH to issue governmental bonds to pay for the costs of developing and constructing the Northgate project.

Resolution 2023-30 – YouthCare Bond Inducement: This is the formal bond inducement resolution for the Youthcare project, which is the first step in issuing and selling tax exempt bonds. The tax-exempt bonds are a key financing mechanism for the Youthcare project, which is planning to break ground in Q1 of 2024.

Jazz House Update: Jason will update on Jazz House.

Finance and Asset Management

Financial Summary: Jill and Leslie will present the regular report and dashboard through September 2023. Financials were reviewed by the FAM committee.

Property Dispositions: Lisa will update the board on the status of the dispositions: Holden Vista and Park Hill.

Upcoming Meetings and Events

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

- November 23 & 24 Thanksgiving (CRH office closed)
- December 4 Executive Committee Meeting
- December 11 PDA Board Meeting

Board Packet Sections

1. Meeting Keys, p. 5-7
2. Meeting Agenda, p. 11
3. November 2023 Finance Report, August Statements and Asset Management Report, p. 15-30
4. Draft - Resolution 2023-29 – Northgate Bond and Omnibus, p. 33-47
5. Draft - Resolution 2023-30 – YouthCare Bond Inducement, p. 51-65
6. Resolution 2023-31 – YouthCare Bond Inducement, p. 69-75
7. Consent Agenda and Attachments, p. 79-109
 - a. Contracts and Expenditures, p. 79
 - b. October 2023 Board Minutes Draft, p. 80-83
 - c. Fundraising & Communications Memo, p. 84-88
 - d. Resident and Property Success Committee, p. 89-90
 - e. Resident Services Report, p. 91-92
 - f. Property Development Committee Report, p. 93-98
 - g. Executive Committee Minutes, p. 99-102
 - h. Joint Board Development Committee Report and Minutes, p. 103-104
 - i. EJSH Board Member Approval, p. 105
 - j. Resolution 2023-32 – Banner Bank LOC Renewal, p. 106-109

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COMMUNITY ROOTS
— HOUSING —

SECTION 2:

Agenda

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**COMMUNITY ROOTS HOUSING BOARD
REGULAR MEETING**

November 13, 2023

5:30-7:30 PM

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

RingCentral Link

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

AGENDA

- 5:30 Call to Order (Porter) – 20 mins total**
- a. Welcome, Introductions, Agenda Review
 - b. Disclosures and Recusals
 - c. Consent Agenda Sec. 7, Page 77
 - i. EJSH Board Member Approval
 - ii. Resolution 2023-32 – Banner Bank LOC Renewal
 - d. The 10-minute Lesson – 10 mins
 - i. Landlord-Tenant Legislation (Oommen)
- 5:50 Public Comment – 10 mins total**
- 6:00 Presentations & Discussion (Persons, Oommen) – 30 mins total**
- a. 2024 Budget first pass (Oommen) – 15 mins
 - b. Introducing Future Pipeline Options (Munchel) – 15 mins
- 6:30 Real Estate Activities (McLin, Munchel) – 40 mins total**
- a. Resolutions
 - i. Resolution 2023-29 – Northgate (Omnibus Resolution) (Munchel) – 10 mins Sec. 4, Page 31
 - ii. Resolution 2023-30 – Northgate Governmental Note (Bond Issuance) (Munchel) – 10 mins Sec. 5, Page 49
 - iii. Resolution 2023-31 – YouthCare Bond Inducement (Munchel) – 10 mins Sec. 6, Page 67
 - b. Projects Update
 - i. Jazz House (McLin) – 10 mins
- 7:10 Finance and Asset Management – 20 mins total**
- a. September Financials (Cronauer, Woodworth) – 10 mins Sec. 3, Page 13
 - b. Property Dispositions update (Hagen) – 10 mins
 - i. Holden Vista
 - ii. Park Hill
- 7:30 Adjourn (Porter)**

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COMMUNITY ROOTS
— HOUSING —

SECTION 3:
November 2023
Finance Report,
September Statements and
Asset Management Report

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SEPTEMBER 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,** Lariah Thompson, **Lucas Simons**

Date, time and location of meeting: November 7, 2023 – 4:00 PM – RingCentral meeting

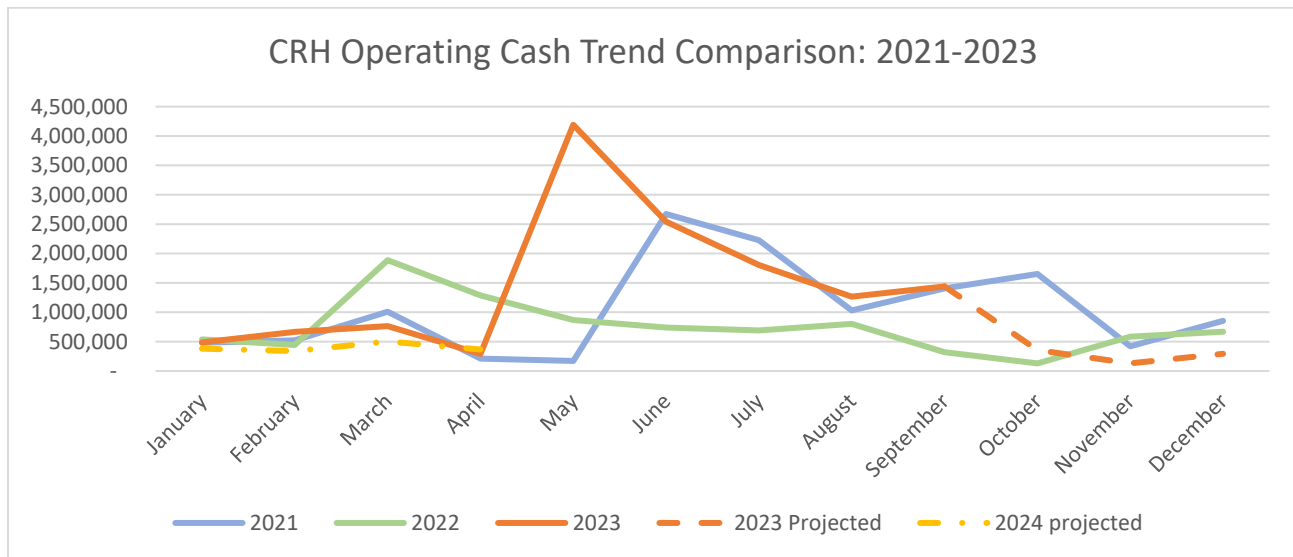
Financial Position Summary:

BALANCE SHEET

During September unrestricted operating cash increased \$230k.

- Significant inflow of \$922k, net benefit to operating cash, from Devonshire closing.
- Significant outflow of \$1.1m for three payrolls.
- Construction activity during the month resulted in a net increase of \$168k to unrestricted cash, from funding draws in excess of disbursements.

Operating cash projections continue to be lower than historical levels, with sufficient liquid reserves available if needed temporarily. Dispositions planned in 2024 will replenish reserves and cushion operating cash balances.



The Devonshire project closing brought developer fees and transferred the assets and liabilities to the new Devonshire entity, which is a discrete LIHTC construction project (no longer consolidated with CRH). Significant changes, in addition to the operating cash of \$922k already mentioned, are as follows:

- Operating cash to CRH of \$922k – from \$395k developer fee and repayment of advanced predevelopment cash, also including \$215k released from portfolio reserves
- Portfolio restricted cash decreased \$215k, released the funds to CRH operations, no longer needed as a project financing source
- Repaid predevelopment funding sources, increasing cash restricted for development by \$413k
- Land, building, net of accumulated depreciation, total decrease of \$1.97m
- Notes payable decrease of \$821k for City and State debt

Other notable transactions:

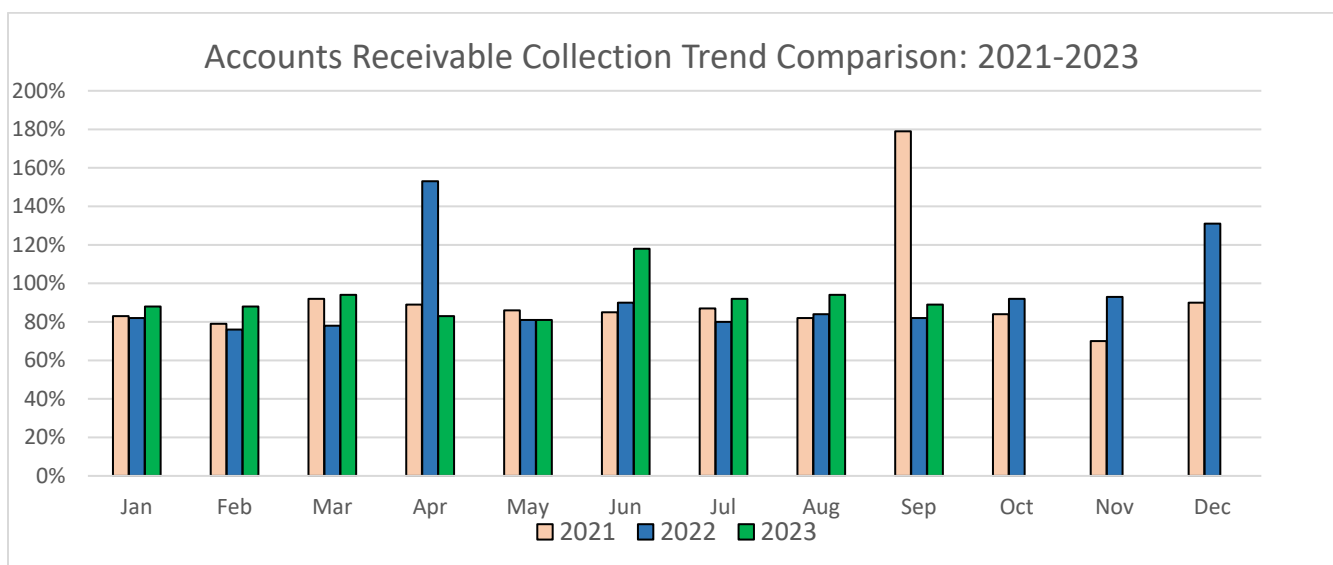
- Bremer construction FEMA grant funds of \$715k paid down Bremer City loan. This reduced the cash balance restricted for development, as well as notes payable and accrued interest.
- New \$4m receivable from Devonshire rehab project, via future cash flows.

Development activity contributed towards balance sheet changes as follows:

- Cash restricted for development decreased \$152k from 3 projects
- Building, improvements, and equipment increased \$157k related to 2 projects in predevelopment and 1 retail project in construction completion
- Accounts payable increased \$837k, related to 7 projects, including 3 in the construction completion phase

Accounts receivable was flat, from commercial (\$6k) and residential \$5k.

Portfolio-wide residential collections were approximately 88% in September, with total collections at 89%.



*Rental assistance awards impacted comparability for September 2021, April 2022, December 2022, and June 2023

*New property management software implementation impacted accuracy of monthly figures in April through September 2023

OPERATING STATEMENT

The year-to-date operating statement through September 2023, shows an adjusted operating surplus of \$114k, as compared to a budgeted surplus of \$206k, resulting in a negative variance of \$92k.

Developer fee revenue was \$1.7M lower than budget, due the following:

- Variance in amount received, timing difference resolved \$171k:
 - Devonshire \$171k (budgeted \$225k in June, **received \$396k in September**)
- Timing differences, expected later in 2023 (\$472k):
 - Jazz House (\$89k) variance
 - Northgate (\$383k) variance

- Timing differences, expected later in 2024 (\$1.2m):
 - Africatown (\$234k) variance
 - Yesler/ Big Village (\$284k) variance
 - Heartwood (\$346k) variance
 - White Center (\$292k) variance
- Cash flow waterfall disbursement higher than budget \$40k:
 - 12AA Housing \$40k Variance
- Due to cash flow not able to distribute as budgeted (\$248k):
 - Bonanza (\$208k) variance
 - Station House (\$25k)
 - Liberty Bank (\$15k)

Transactional inflows were budgeted in June 2023 to recognize the intended use of cash proceeds from the sale of Fredonia that would not otherwise show up in the operating statement. In May we received \$2.7M for the sale of Fredonia.

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

The committee reviewed the Property Management dashboard report

September figures for the portfolio were as follows:

- Monthly physical vacancy was 4.2%
- Monthly economic vacancy was 4.9%
- 12-month rolling economic vacancy was 6.4%

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

- Asset Management updates
- Operating line of credit renewal resolution
- 2024 budget draft
- Cash flow overview
- 2024 committee meeting schedule

Community Roots Housing Blended Balance Sheet

| | 09.30.2023 Unaudited | 08.31.2023 Unaudited | Change from prior month | | 12.31.2022 Internal Presentation | 12.31.2021 Internal Presentation |
|---|-------------------------|-------------------------|----------------------------|----|--|--|
| ASSETS | | | | | | |
| Unrestricted Cash | | | | | | |
| CRH Operating Cash | 1,496,873 | 1,266,421 | 230,452 | 1 | 670,162 | 852,951 |
| Blended Partnerships Operating Cash | 2,324,042 | 2,142,282 | 181,760 | 2 | 3,251,437 | 2,891,308 |
| General Building Reserves | 391,440 | 391,440 | 0 | | 366,598 | 624,761 |
| Total Unrestricted Cash | 4,212,355 | 3,800,143 | 412,212 | | 4,288,197 | 4,369,020 |
| Accounts Receivable | | | | | | |
| Tenant & Commercial AR | 1,294,622 | 1,295,006 | (384) | 3 | 1,373,910 | 1,461,615 |
| Grants Receivable | 0 | 0 | 0 | | 884,521 | 2,521,123 |
| GAAP Rent Receivable | 304,544 | 304,544 | 0 | | 304,544 | 336,280 |
| Other Receivable | 3,663,522 | 3,178,352 | 485,170 | 4 | 795,482 | 1,397,700 |
| Total Accounts Receivable | 5,262,688 | 4,777,902 | 484,786 | | 3,358,457 | 5,716,718 |
| Board Designated Reserve | | | | | | |
| General Board Reserve | 1,000,000 | 1,000,000 | 0 | | 1,000,000 | 1,000,000 |
| Opportunity Fund | 13,359 | 8,893 | 4,466 | | 612,510 | 285,909 |
| Total Board Designated Reserve | 1,013,359 | 1,008,893 | 4,466 | | 1,612,510 | 1,285,909 |
| Restricted Cash | | | | | | |
| Portfolio Reserves | 7,404,407 | 7,930,026 | (525,619) | 5 | 8,251,631 | 7,667,387 |
| Development | 2,181,183 | 2,708,899 | (527,716) | 6 | 2,509,106 | 4,082,662 |
| Rental Assistance | 79,757 | 79,757 | 0 | | 44,143 | 526,489 |
| Restricted Misc | 604,935 | 325,808 | 279,127 | 7 | 575,195 | 223,355 |
| Total Restricted Cash | 10,270,282 | 11,044,490 | (774,208) | | 11,380,075 | 12,499,893 |
| Fixed Assets | | | | | | |
| Land | 24,383,681 | 25,240,681 | (857,000) | 8 | 24,834,923 | 22,906,927 |
| Buildings, Improvements & Equipment | 147,140,980 | 150,453,940 | (3,312,960) | 9 | 147,847,211 | 131,120,506 |
| Accumulated Depreciation | (70,366,163) | (71,524,986) | 1,158,823 | 10 | (69,614,902) | (57,978,033) |
| Lease Receivable | 567,455 | 567,455 | 0 | | 567,455 | 602,410 |
| Total Fixed Assets | 101,725,953 | 104,737,090 | (3,011,137) | | 103,634,687 | 96,651,810 |
| Other Assets | | | | | | |
| Intangible Assets | (83,704) | (96,128) | 12,424 | | (73,393) | 94,180,245.00 |
| Investment in LPs/LLCs | 1,592,156 | 1,592,156 | 0 | | 1,588,534 | 5,291,555.00 |
| Due from Affiliates | 19,686,986 | 18,948,317 | 738,669 | 11 | 16,333,561 | 5,820,644.00 |
| Notes Receivable from Affiliates | 21,329,556 | 17,355,164 | 3,974,392 | 12 | 18,089,995 | 522,795.00 |
| Prepays & Other Current Assets | 458,165 | 548,630 | (90,465) | | 191,822 | 273,170 |
| Total Other Assets | 42,983,159 | 38,348,139 | 4,635,020 | | 36,130,519 | 106,088,409 |
| Total Assets | 165,467,796 | 163,716,657 | 1,751,139 | | 160,404,445 | 226,611,759 |
| LIABILITIES | | | | | | |
| Notes Payable | 99,794,501.00 | 101,020,843.00 | (1,226,342) | 13 | 100,583,693.00 | 86,379,496 |
| Accrued Interest Payable | 5,936,225.00 | 6,128,575.00 | (192,350) | 14 | 5,894,987.00 | 4,828,540 |
| Accounts Payable & Accrued Liabilities | 10,854,852.00 | 9,545,301.00 | 1,309,551 | 15 | 7,781,783.00 | 8,362,991 |
| Tenant Security Deposit Liability | 463,981 | 485,983 | (22,002) | | 525,066 | 499,581 |
| Total Liabilities | 117,049,559 | 117,180,702 | (131,143) | | 114,785,529 | 100,070,608 |
| Net Position | 48,418,237 | 46,535,955 | 1,882,282 | | 45,618,916 | 126,541,151 |
| Total Liabilities and Net Assets | 165,467,796 | 163,716,657 | 1,751,139 | | 160,404,445 | 226,611,759 |

Community Roots Housing Blended Balance Sheet

Significant balance sheet changes from prior month

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

- \$922k from Devonshire project closing
- Approx. \$168k net inflow from development transactions, funding draws in excess of disbursements

The following significant cash transactions decreased cash during the period:

- \$1.1m Payroll for 3 pay cycles

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

- 2)** Blended Partnerships Operating Cash: Incr \$182k - quarterly release of building reserves to fund repair and other projects, and general timing of reimbursement transfers to CRH
- 3)** Tenant & Commercial AR: Decr \$384 - Commercial balances decreased \$6k and residential increased \$5k.
- 4)** Accounts Receivable - Other Receivable: Incr \$485k - Due from GenPride towards their commercial condominium at Pride Place, to be reimbursed from GenPride's Washington State Commerce funding (received large portion in early October)
- 5)** Restricted Cash - Portfolio Reserves: Decr \$526k - Released \$215k to CRH operations after Devonshire project closing (no longer needing to use as project funding source). Also \$290k was released for authorized project use, for third quarter activities.
- 6)** Restricted Cash - Development: Decr. \$528k - Paid out 715k FEMA grant funds related to Bremer construction project to City of Seattle Office of Housing. The Devonshire closing repaid a balance of \$341k to replenish predevelopment cash. Additionally, cash increased (decreased) for the following projects, based on timing between disbursements and draws: (\$37k) White Center, (\$100k) Youth Care, (\$15k) Jazz House.
- 7)** Restricted Cash - Restricted Misc: Incr. \$279k - Due to cash released from reserves for CRH-owned properties, to segregate the funding prior to spending. Planned use includes Park Hill relocation costs.
- 8)** Land: Decr \$857k - Transfer Devonshire land to new entity
- 9)** Bldg, Impr & Equip: Incr \$3.3m - Transfer Devonshire assets to new entity, total (\$3.5m). Additions to construction in process for projects, including the following: \$99k Youth Care, \$43k White Center, and \$15k Pride Place Commercial.
- 10)** Accumulated Depreciation: Incr \$1.2m - Transfer of Devonshire asset depreciation of \$1.5m, offset by monthly depreciation expense.
- 11)** Other Assets - Due from Affiliates: Incr. \$739k - Due to an increase of \$641k in development project cost paid by CRH, and additional activity consist of normal operating businesses
- 12)** Notes Receivable from Affiliates: Incr \$4.0m - Due from the new Devonshire discrete entity via future cash flows, as part of value transferred via purchase and sale agreement.
- 13)** Notes Payable: Decr. \$1.2m - Devonshire transfer out \$821k for City and Commerce debt, Bremer debt paid down \$522k of principal from FEMA funds received and paid to City of Seattle Office of Housing, offset by \$243k draw from Impact Capital for Jazz House predevelopment costs.
- 14)** Accrued Interest: Decr \$192k - Devonshire transfer our \$58k for City debt, Bremer debt paid down \$132k of interest from FEMA funds received and paid to City of Seattle Office of Housing.
- 15)** Accounts Payable & Accrued Liabilities: Incr \$1.3m - Construction costs in accounts payable increased (decreased) for the following: \$35k White Center, \$103k Youth Care, Pride Place \$137k, Pride Place Commercial \$76k, Pride Place for GenPride \$457k, Jazz House \$178k, and Devonshire (\$149k). 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 9/30/2023

| | Year to Date Actual | Year to Date Budget | Year to Date Budget Variance | | Variance Pct | Total Budget | Budget Remaining |
|--|------------------------|------------------------|------------------------------------|-----------|-----------------|-------------------|---------------------|
| Revenue | | | | | | | |
| Residential Tenant Revenue | | | | | | | |
| Residential tenant revenue | 9,646,135 | 9,797,279 | (151,144) | | (1.54%) | 13,069,187 | 3,423,052 |
| Parking, Laundry & Other | 148,090 | 154,959 | (6,869) | | -4.43% | 203,643 | 55,553 |
| Residential Vacancy & Concessions | (747,560) | (604,089) | (143,471) | 1 | 23.75% | (805,695) | (58,135) |
| Total Residential Tenant Revenue | 9,046,665 | 9,348,149 | (301,484) | | (3.23%) | 12,467,135 | 3,420,470 |
| Commercial Tenant Revenue | | | | | | | |
| Commercial Rent Revenue | 1,192,976 | 1,160,373 | 32,603 | | 2.81% | 1,570,805 | 377,829 |
| Triple net revenue | 291,257 | 368,318 | (77,061) | 2 | (20.92%) | 485,373 | 194,116 |
| Commercial vacancy & concessions | (41,712) | (29,068) | (12,644) | | 43.50% | (40,913) | 799 |
| Total Commercial Tenant Revenue | 1,442,521 | 1,499,623 | (57,102) | | -3.81% | 2,015,265 | 572,744 |
| Bad Debt & Collection Loss | | | | | | | |
| Bad debt | (220,351) | (189,565) | (30,786) | 3 | 16.24% | (252,796) | (32,445) |
| Total Bad Debt & Collection Loss | (220,351) | (189,565) | (30,786) | | 16.24% | (252,796) | (32,445) |
| Grants & Donations | | | | | | | |
| Grants & Donations | 1,264,373 | 1,123,500 | 140,873 | | 12.54% | 1,561,000 | 296,627 |
| Rental Assistance Awards | (449,753) | 0 | (449,753) | | | 0 | 449,753 |
| Total Grants & Donations | 814,620 | 1,123,500 | (308,880) | 4 | (27.49%) | 1,561,000 | 746,380 |
| Other Operating Revenue | | | | | | | |
| Accounting & Compliance fees | 789,907 | 754,833 | 35,074 | | 4.65% | 1,006,083 | 216,176 |
| Developer Fees | 635,714 | 2,301,024 | (1,665,310) | 5 | (72.37%) | 2,839,196 | 2,203,482 |
| Cash Distribution from Affiliate | 971,279 | 0 | 971,279 | 6 | | 0 | (971,279) |
| Partnership Management Fees | 57,031 | 24,900 | 32,131 | 7 | 129.04% | 24,900 | (32,131) |
| Property Management Fees | 1,197,284 | 1,190,670 | 6,614 | | 0.56% | 1,587,743 | 390,459 |
| Interest Income | 52,642 | 9,000 | 43,642 | 8 | 484.91% | 12,000 | (40,642) |
| Other Income | 21,273 | 0 | 21,273 | | | 11,410 | (9,863) |
| Total Other Operating Revenue | 3,725,130 | 4,280,427 | (555,297) | | (12.97%) | 5,481,332 | 1,756,202 |
| Total Revenue | 14,808,585 | 16,062,134 | (1,253,549) | | (7.80%) | 21,271,936 | 6,463,351 |
| Expenses | | | | | | | |
| Operating Expenses | | | | | | | |
| Accounting, Audit & Legal | 772,654 | 606,225 | (166,429) | 9 | (27.45%) | 732,680 | (39,974) |
| Administration | 462,526 | 565,042 | 102,516 | 10 | 18.14% | 732,413 | 269,887 |
| Technology | 286,905 | 366,228 | 79,323 | 11 | 21.66% | 485,858 | 198,953 |
| Board Expense | 211 | 7,600 | 7,389 | | 97.22% | 10,000 | 9,789 |
| CRH Occupancy Expense | 362,248 | 363,852 | 1,604 | | 0.44% | 487,806 | 125,558 |
| Cash Distribution to CRH | 876,000 | 0 | (876,000) | 12 | | 0 | (876,000) |
| Compliance, Taxes & License | 216,272 | 206,810 | (9,462) | | (4.58%) | 341,175 | 124,903 |
| Consulting | 240,567 | 352,086 | 111,519 | 13 | 31.67% | 448,771 | 208,204 |
| Debt Service | 1,847,375 | 1,926,956 | 79,581 | | 4.13% | 2,506,617 | 659,242 |
| Insurance | 636,918 | 565,380 | (71,538) | 14 | (12.65%) | 757,134 | 120,216 |
| Leasing/Compliance Expense | 254,601 | 276,900 | 22,299 | | 8.05% | 361,103 | 106,502 |
| Miscellaneous Financial Expense | 0 | 4,500 | 4,500 | | 100.00% | 8,500 | 8,500 |
| Other Operating Expense | (1,095) | 1,135 | 2,230 | | 196.48% | 1,180 | 2,275 |
| Partnership Mgmt Fee Expense | 57,031 | 20,000 | (37,031) | 15 | (185.16%) | 20,000 | (37,031) |
| Payroll, Taxes and Benefits | 6,671,968 | 7,491,360 | 819,392 | 16 | 10.94% | 10,005,805 | 3,333,837 |
| Property Mgmt Fee Expense | 872,836 | 848,483 | (24,353) | | (2.87%) | 1,120,133 | 247,297 |
| Repair and Maintenance | 1,875,305 | 1,882,213 | 6,908 | | 0.37% | 2,288,687 | 413,382 |
| Resident activities | 12,473 | 22,911 | 10,438 | | 45.56% | 28,453 | 15,980 |
| Utilities | 1,390,734 | 1,297,936 | (92,798) | | (7.15%) | 1,716,502 | 325,768 |
| Total Expenses | 16,835,529 | 16,805,617 | (29,912) | | (0.18%) | 22,052,817 | 5,217,288 |
| Operating Surplus (Deficit) before Reserves | (2,026,944) | (743,483) | (1,283,461) | | 172.63% | (780,881) | 1,246,063 |

| | | | | | | | |
|--------------------------------------|------------------|------------------|------------------|----------------|------------------|------------------|-------------|
| Reserve Contributions | | | | | | | |
| Replacement Reserve | (345,171) | (341,789) | (3,382) | 0.99% | (455,762) | (110,591) | |
| Operating Reserve | (24,785) | (24,785) | 0 | 0.00% | (33,047) | (8,262) | |
| Other Reserve | (76,380) | (83,880) | 7,500 | (8.94%) | (112,852) | (36,472) | |
| Total Reserve Contributions | <u>(446,336)</u> | <u>(450,454)</u> | <u>4,118</u> | <u>(0.91%)</u> | <u>(601,661)</u> | <u>(155,325)</u> | |
| Operating Surplus (Deficit) | (2,473,280) | (1,193,937) | (1,279,343) | 107.15% | (1,382,542) | 1,090,738 | |
| Additional Unrestricted Cash Flows | | | | | | | |
| Transactional Inflows | <u>2,587,602</u> | <u>1,400,000</u> | <u>1,187,602</u> | 17 | 84.83% | 1,400,000 | (1,187,602) |
| Adjusted Operating Surplus (Deficit) | <u>114,322</u> | <u>206,063</u> | <u>(91,741)</u> | | (44.52%) | 17,458 | (96,864) |

Variance Discussion (Greater than \$30K and 10%) all changes are reference to Budget

- 1) Residential vacancy: \$143k 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: \$77k lower - Due to 800 Corp (Walgreens) tenants only being billed annually in December, but being accounted for monthly in the budget.
- 3) Bad Debt: \$31k higher - Primarily due to two tenant move outs in July that caused \$34k in bad debt write-offs. Noted that these amounts were included in the allowance for bad debt estimate in 2022, and the balances will be re-assessed at year-end 2023, possibly resulting in a recovery.
- 4) Grants & Donations: \$309k lower - Due to spin off of EcoDistrict program at the end of September 2023, no longer accepting contributions (or corresponding expenses).
- 5) Developer Fees: \$1.7M lower - Differences of Budget amounts compared with actual amounts received for 2023 are as follows: (\$89k) Jazz house, (\$234k) Africatown, \$40k 12th Ave Arts Housing 2023 distribution, (\$284k) Yesler/ Big Village, (\$346k) Heartwood, (\$383k) Northgate, (\$292k) White Center, \$171k Devonshire, (\$208k) Bonanza, (\$25k) Station House and (\$15k) Liberty Bank. Current month change was from \$395k Devonshire fee received.
- 6) Cash Distribution from Affiliate: \$971k higher - 2023 Cash waterfall distributions include: \$480k from Silvian, \$41k from Hazel and \$95k from Bonanza buildings, \$355k 12AA commercial
- 7) Partnership Management Fees: \$32k higher - Due to Helen V paying down their partnership management fee.
- 8) Interest Income: \$44k higher - LGIP interest being about \$5k monthly compared to the budgeted amount of \$1k monthly
- 9) Accounting, Audit & Legal: \$166k higher primarily due to legal expenses higher than budget
- 10) Administration: \$103k lower - Due to purposeful reduction in company-wide spending, which led to a decrease in the following categories: (\$48k) advertising and (\$50k) training and education
- 11) Technology: \$79k lower - Property management software budget savings \$35k, and \$56k for general software upgrades and maintenance
- 12) Cash Distribution to CRH: \$876k higher - due to the following blended buildings making cash distributions to CRH: \$480 Silvian, \$41k Hazel and \$355 12AA commercial
- 13) Consulting: \$112k lower - Due to purposeful reduction in company-wide spending, which led to a reduction of (\$45k) in finance, (\$15k) RETF, (\$14k) in Communications, (\$35k) in Development, (\$13k) Admin, and offset by additional spending of \$29k by Eco District
- 14) Insurance: \$71k higher - Insurance premium was higher than expected for Bremer \$21k, Broadway Crossing \$8k, Fredonia \$5k and several other properties with smaller amounts.
- 15) Partnership Mgmt Fee Expense: \$37k higher - Due to Helen V paying CRH accrued partnership fees
- 16) Payroll: \$819k lower, due to intentional staffing reductions and multiple vacancies taking time to fill
- 17) Transactional Inflows: \$1.2M higher - Due to sale of Fredonia



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

| Building | Physical Vacancy (at month end) | | | | Op Rev Per Unit YTD | | Op Exp Per Unit YTD | | Cash Flow Per Unit ¹ YTD | | | A/R Resident Portion | Monthly Change | Residential AR/(Billed Rent) ⁵ | Economic Vacancy | | |
|-----------------------------|---------------------------------|--------------|-------------|-------------|---------------------|--------------|---------------------|--------------|-------------------------------------|------------------|--------------|----------------------|----------------|---|------------------|--------------|-------------|
| | Occupied | Vacant Units | Vacancy % | Total Units | Actual | Budget Var % | Actual | Budget Var % | Actual | Variance | Budget Var % | September 2023 | September 2023 | September 2023 ⁵ | 12 MO Rolling | 2022 Vacancy | |
| Berneva | 12 | 0 | 0.0% | 12 | \$7,919 | 2% | \$6,427 | 2% | \$603 | \$278 | 85% | \$10,179 | +40% | 8.1% | 5.1% | 0.4% | 6.3% |
| Burke Gilman Gardens | 14 | 1 | 6.7% | 15 | \$10,913 | 0% | \$7,942 | 33% | \$2,672 | \$5,250 | 194% | \$22,214 | +1% | 10.4% | 6.0% | 5.4% | 8.1% |
| Boylston Howell | 30 | 0 | 0.0% | 30 | \$9,024 | -1% | \$7,273 | -1% | \$238 | (\$208) | -47% | \$36,206 | +5% | 10.5% | 2.3% | 3.8% | 16.6% |
| Bremer | 47 | 2 | 4.1% | 49 | \$8,333 | 2% | \$5,275 | -14% | \$1,181 | (\$260) | -18% | \$64,299 | +72% | 12.2% | 5.7% | 7.4% | 20.8% |
| Brewster | 33 | 2 | 5.7% | 35 | \$6,838 | -7% | \$7,054 | -11% | (\$782) | (\$416) | -114% | \$29,428 | +12% | 8.7% | 7.6% | 3.3% | 9.1% |
| Broadway | | | | | | | | | | | | | | | | | 10.3% |
| Broadway Crossing | 43 | 1 | 2.3% | 44 | \$8,398 | -6% | \$8,705 | -22% | (\$1,558) | (\$1,933) | -516% | \$23,093 | +26% | 4.9% | 2.9% | 5.2% | 7.3% |
| Byron Wetmore | 11 | 1 | 8.3% | 12 | \$8,234 | -7% | \$9,432 | -14% | (\$1,636) | (\$1,360) | -492% | \$14,662 | +7% | 11.2% | 23.7% | 12.1% | 8.6% |
| Centennial | 30 | 0 | 0.0% | 30 | \$8,832 | -9% | \$5,323 | 18% | \$388 | \$293 | 309% | \$53,312 | +24% | 14.9% | 0.0% | 7.3% | 12.8% |
| Devonshire | | | | | | | | | | | | | | | | | 4.5% |
| Elizabeth James | 58 | 2 | 3.3% | 60 | \$8,234 | -3% | \$6,167 | -19% | \$59 | (\$1,153) | -95% | \$20,961 | +0% | 3.3% | 4.0% | 6.5% | 8.0% |
| Fleming | 35 | 1 | 2.8% | 36 | \$7,163 | -5% | \$6,968 | -23% | (\$1,795) | (\$1,703) | -1842% | \$35,377 | +5% | 10.0% | 3.6% | 6.0% | 4.3% |
| Four Twelve Apartments | 11 | 1 | 8.3% | 12 | \$16,573 | -16% | \$12,575 | 1% | (\$1,167) | (\$3,128) | -160% | \$20,269 | +12% | 7.7% | 8.1% | 17.8% | 12.8% |
| Fremont Solstice | 18 | 0 | 0.0% | 18 | \$9,548 | -1% | \$7,541 | -7% | (\$282) | (\$447) | -271% | \$15,533 | +11% | 6.9% | 0.0% | 1.1% | 7.3% |
| Gilman Court | 25 | 0 | 0.0% | 25 | \$8,669 | -3% | \$9,038 | -3% | (\$729) | \$206 | 22% | \$17,017 | +20% | 6.1% | 0.0% | 1.1% | 5.0% |
| Harrison at 15th | 18 | 1 | 5.3% | 19 | \$16,549 | 0% | \$11,086 | -4% | (\$27) | (\$476) | -106% | \$23,889 | +24% | 9.1% | 0.0% | 3.1% | 5.0% |
| Hazel Plaza | 15 | 1 | 6.3% | 16 | \$20,048 | -14% | \$10,725 | 0% | \$3,333 | (\$3,272) | -50% | \$22,081 | +12% | 4.9% | 6.7% | 8.6% | 6.5% |
| Helen V | 32 | 6 | 15.8% | 38 | \$12,539 | -19% | \$7,091 | -9% | \$1,280 | (\$3,892) | -75% | \$58,052 | +9% | 9.8% | 4.1% | 5.5% | 5.1% |
| Holden Vista | 15 | 1 | 6.3% | 16 | \$14,023 | -11% | \$11,104 | -29% | \$2,593 | (\$3,248) | -56% | \$5,386 | -16% | 1.7% | 5.9% | 19.4% | 14.9% |
| John Carney | 26 | 1 | 3.7% | 27 | \$8,391 | 0% | \$7,717 | -28% | (\$2,036) | (\$1,730) | -567% | \$19,203 | -12% | 6.2% | 2.2% | 7.1% | 18.9% |
| Joe Black Apartments | 22 | 2 | 8.3% | 24 | \$10,107 | -11% | \$9,683 | -7% | (\$836) | (\$1,862) | -181% | \$70,391 | +14% | 21.6% | 9.8% | 11.5% | 5.6% |
| Larned | 30 | 3 | 9.1% | 33 | \$8,487 | -4% | \$7,487 | -13% | \$4,487 | (\$2,238) | -73% | \$27,247 | +10% | 11.5% | 14.6% | 5.4% | 12.0% |
| Lincoln Court | 28 | 1 | 3.4% | 29 | \$7,221 | -11% | \$5,624 | -4% | (\$1,063) | (\$825) | -346% | \$27,092 | +7% | 9.9% | 2.5% | 13.8% | 17.9% |
| Maxwell | 4 | 0 | 0.0% | 4 | \$9,088 | -3% | \$7,915 | 8% | \$32 | \$460 | 108% | \$1,189 | +125% | 2.5% | 1.2% | 0.2% | 0.0% |
| Melrose | 29 | 1 | 3.3% | 30 | \$5,543 | -21% | \$7,310 | -14% | (\$2,675) | (\$2,353) | -732% | (\$1,809) | -110% | -0.7% | 10.2% | 15.2% | 22.0% |
| Miller Park | 11 | 1 | 8.3% | 12 | \$8,453 | -20% | \$8,921 | 0% | (\$2,520) | (\$2,107) | -510% | (\$9,683) | -165% | -6.3% | 8.8% | 10.4% | 4.1% |
| Mary Ruth Manor | 17 | 3 | 15.0% | 20 | \$16,161 | -17% | \$8,965 | 10% | (\$23) | (\$2,482) | -101% | \$59,714 | -8% | 13.2% | 9.6% | 24.8% | 12.8% |
| Oleta | 33 | 1 | 2.9% | 34 | \$5,812 | -26% | \$6,215 | -12% | (\$2,812) | (\$2,812) | -5826% | \$12,581 | -67% | 3.9% | 14.4% | 11.6% | 9.1% |
| Pantages | 47 | 2 | 4.1% | 49 | \$8,816 | 2% | \$6,834 | 0% | \$597 | \$424 | 246% | (\$31,769) | -2080% | -5.8% | 2.5% | 2.1% | 5.6% |
| Park Hill | | | | | | | | | | | | | | | | | 8.6% |
| Seneca | 32 | 0 | 0.0% | 32 | \$7,572 | -10% | \$7,039 | -9% | (\$1,069) | (\$1,364) | -464% | \$42,990 | +36% | 12.3% | 0.5% | 9.1% | 13.4% |
| Silvian | 28 | 4 | 12.5% | 32 | \$11,350 | -7% | \$6,198 | -13% | \$2,761 | (\$1,602) | -37% | \$36,555 | +20% | 7.4% | 12.6% | 4.2% | 2.5% |
| Union James | 23 | 1 | 4.2% | 24 | \$14,709 | 2% | \$9,578 | -2% | \$1,651 | \$19 | 1% | \$116,550 | +4% | 24.7% | 4.0% | 5.9% | 4.0% |
| Villa | 60 | 2 | 3.2% | 62 | \$9,431 | -1% | \$8,084 | -25% | (\$1,592) | (\$1,737) | -1203% | \$69,329 | -1% | 12.0% | 6.4% | 3.9% | 7.5% |
| Blended Total | 837 | 42 | 4.8% | 879 | \$9,493 | -7% | \$7,540 | -8% | (\$249) | (\$1,193) | -126% | \$911,539 | -2% | 8.3% | 6.1% | 7.9% | 9.2% |
| Twelfth Avenue Arts Housing | 88 | 0 | 0.0% | 88 | \$10,002 | 3% | \$5,474 | -1% | (\$1,524) | (\$2,514) | -254% | \$95,486 | +7% | 8.5% | 1.5% | 3.9% | 2.7% |
| Eighteenth Avenue | 8 | 1 | 11.1% | 9 | \$15,107 | -13% | \$9,833 | -33% | (\$1,159) | (\$4,532) | -134% | \$47,642 | -6% | 23.8% | 0.0% | 4.6% | 0.0% |
| El Nor | 55 | 0 | 0.0% | 55 | \$13,255 | -2% | \$6,210 | -13% | \$1,169 | (\$840) | -42% | \$36,089 | +7% | 3.7% | 0.0% | 2.7% | 4.9% |
| Haines | 28 | 2 | 6.7% | 30 | \$12,238 | 0% | \$5,583 | -5% | \$4,347 | (\$278) | -6% | \$4,221 | +7% | 0.9% | 6.2% | 2.3% | 6.8% |
| Holiday | 29 | 1 | 3.3% | 30 | \$8,757 | -2% | \$7,342 | -16% | (\$1,886) | (\$1,230) | -187% | \$12,658 | +212% | 3.9% | 2.3% | 4.8% | 8.8% |
| Jefferson Housing | 39 | 1 | 2.5% | 40 | \$11,032 | 4% | \$6,970 | 1% | \$283 | \$931 | 144% | \$47,128 | +8% | 8.6% | 0.0% | 1.8% | 1.3% |
| Liberty Bank Building | 109 | 6 | 5.2% | 115 | \$8,808 | 0% | \$5,917 | -14% | (\$499) | (\$726) | -320% | \$270,650 | +15% | 19.9% | 3.5% | 3.1% | 4.8% |
| Ponderosa | 21 | 2 | 8.7% | 23 | \$12,368 | -17% | \$9,230 | -45% | (\$2,798) | (\$9,383) | -142% | \$23,699 | -12% | 5.8% | 12.2% | 9.0% | 3.1% |
| Station House | 107 | 3 | 2.7% | 110 | \$10,304 | -4% | \$5,867 | -11% | \$661 | (\$698) | -51% | \$164,858 | +30% | 10.8% | 3.6% | 4.3% | 9.9% |
| Unity Village | 29 | 1 | 3.3% | 30 | \$7,186 | -6% | \$8,513 | -4% | (\$1,627) | (\$843) | -107% | \$49,680 | +29% | 15.8% | 1.9% | 5.8% | 7.7% |
| Discrete Total | 513 | 17 | 3.2% | 530 | \$10,307 | -2% | \$6,362 | -11% | (\$175) | (\$1,354) | -115% | \$752,112 | +15% | 10.2% | 3.0% | 3.9% | 5.5% |
| Portfolio Total | 1350 | 59 | 4.2% | 1409 | \$9,799 | -5% | \$7,097 | -9% | (\$221) | (\$1,254) | -121% | \$1,726,852 | +5% | 9.1% | 4.9% | 6.4% | 7.8% |

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

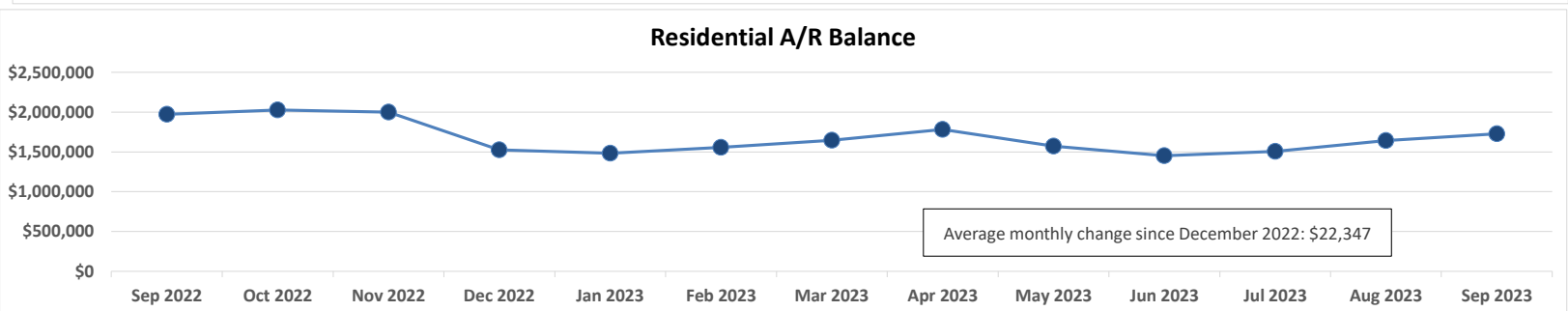
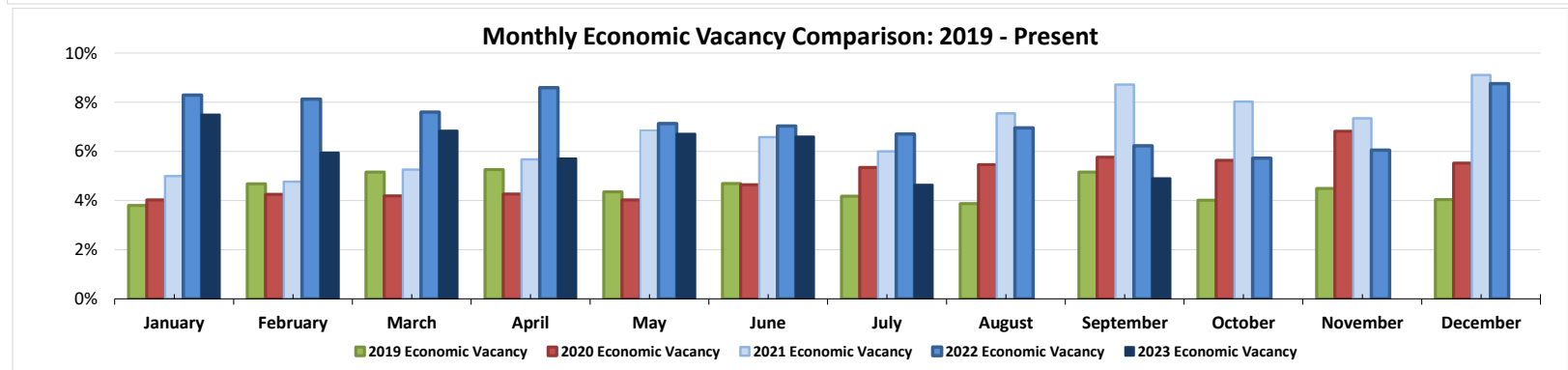
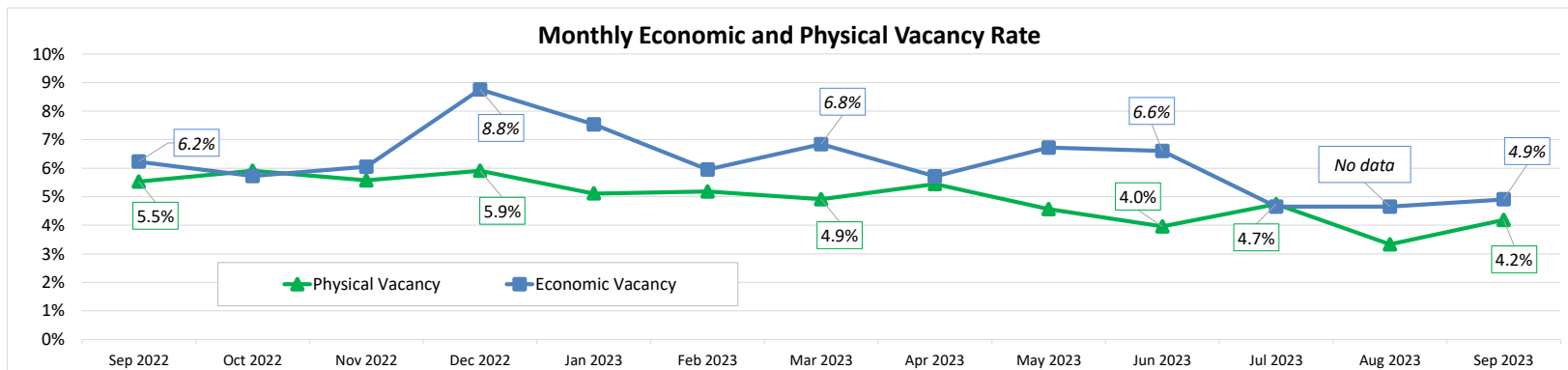
² Cumulative residential and subsidy accounts receivable balances divided by monthly gross potential rental revenue. Negative percentages reflect early subsidy payments.

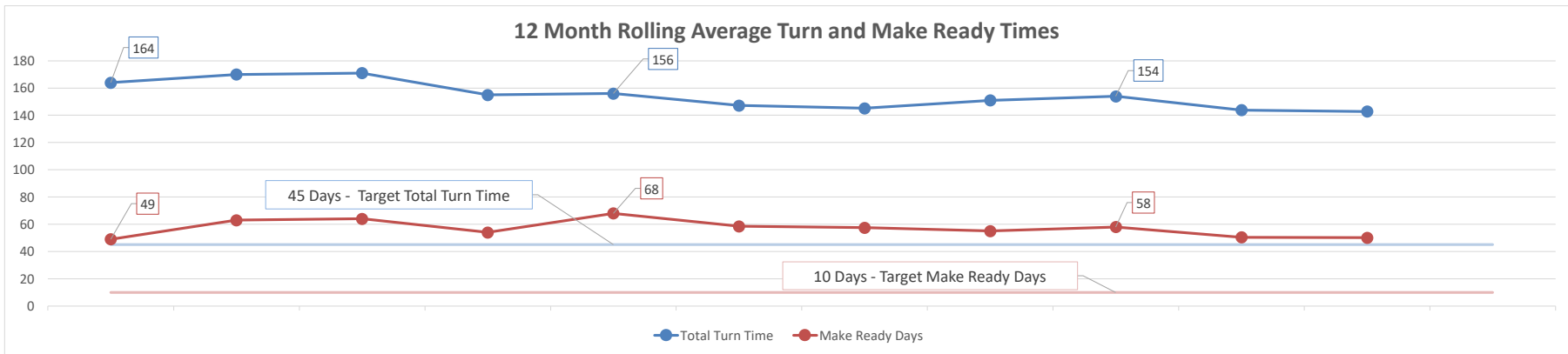
³ Resident Portion Account Receivable % is calculated as resident A/R balance divided by billed rent, inclusive of subsidy income.

⁴ Reporting on timeline suspended during RealPage transition due to inability to compile accurate data

⁵ Due to ongoing issues with Realpage data transfer, some properties have inaccurate GPR and vacancy recorded. Estimates were made for these properties for monthly numbers

| 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% |
| Economic Vacancy | <5.0% | 5.0% to 8.9% | 9.0% or above |





**CRH
CASH IN BANK**

FOR THE MONTH ENDING: September 2023

| Bank | CRH Blended Component Unit | Type | Balance |
|-------------|---------------------------------------|------------------------|----------------|
| KeyBank | CRH - Misc Restricted | Operating - Restricted | 580,334 |
| KeyBank | CRH - Rental Assistance | Restricted Grant | 79,757 |
| KeyBank | 12th AAA - Restricted | Equipment Reserve | 24,600 |
| KeyBank | White Center Hub - Comm Constructio | Construction | 729,258 |
| KeyBank | Capitol Hill Housing - Sound Families | Restricted Savings | 3,869 |
| KeyBank | Capitol Hill Housing | Security Deposit | 111,418 |
| Key Bank | Bremer - Resynd | Security Deposit | 20,032 |
| KeyBank | Hazel Plaza | Security Deposit | 4,011 |
| KeyBank | Larned | Security Deposit | 17,222 |
| Key Bank | John Carney - R | Security Deposit | 9,183 |
| KeyBank | Byron Wetmore | Security Deposit | 8,912 |
| Key Bank | 412 | Security Deposit | 2,501 |
| KeyBank | Holden Vista | Security Deposit | 3,387 |
| KeyBank | Mary Ruth Manor | Security Deposit | 4,637 |
| KeyBank | EJSH | Security Deposit | 12,205 |
| Key Bank | Boylston Howell-R | Security Deposit | 11,503 |
| KeyBank | Gilman Court LP | Security Deposit | 13,021 |
| KeyBank | Fleming Apts LP | Security Deposit | 17,384 |
| KeyBank | Villa Apts LP | Security Deposit | 29,694 |
| KeyBank | Harrison | Security Deposit | 15,872 |
| KeyBank | Oleta | Security Deposit | 15,939 |
| KeyBank | Helen V Apts LLC | Security Deposit | 7,944 |
| KeyBank | Pantages Apts LLC | Security Deposit | 26,203 |
| KeyBank | Silvian | Security Deposit | 5,584 |
| KeyBank | Broadway & Pine | Security Deposit | 19,533 |
| 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 | 7,757 |
| KeyBank | Hazel Plaza | Reserves | 361,863 |
| KeyBank | Byron Wetmore | Reserves | 87,735 |
| KeyBank | Holden Vista | Reserves | 28,272 |
| KeyBank | Mary Ruth Manor | Reserves | 292,944 |
| KeyBank | Gilman Court LP | Reserves | 148,946 |
| KeyBank | Villa Apts LP | Reserves | 268,800 |
| KeyBank | Helen V Apts LLC | Reserves | 816,458 |
| KeyBank | Broadway & Pine | Reserves | 350,133 |
| KeyBank | Woodland Park Ave LLC | Reserves | 182,752 |
| KeyBank | 12th Avenue Arts Associates LLC | Reserves | 42,958 |
| Key Bank | Union James | Reserves | 349,123 |

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

| | | | |
|--------------|---------------------------|--------------------------|------------------|
| | | Total KeyBank | 4,783,452 |
| | | | |
| Banner | Berneva | Reserves | 16,805 |
| Banner | Seneca | Reserves | 172,050 |
| Banner | Seneca | Security Deposit | 13,604 |
| | | Total Banner | 202,459 |
| | | | |
| LGIP | Capitol Hill Housing | Reserves | 1,334,437 |
| | | Total LGIP | 1,334,437 |
| | | | |
| Walker Dunlo | EJSH | Escrow | 33,798 |
| Walker Dunlo | EJSH | Reserves | 279,635 |
| | | Total Oppenheimer | 313,433 |
| | | | |
| Chase | Larned | Reserves | 225,891 |
| Chase | 412 | Reserves | 181,520 |
| Chase | Harrison | Reserves | 210,583 |
| Chase | Oleta | Reserves | 87,358 |
| | | Total Chase | 705,352 |
| | | | |
| US Bank | Pantages Apts LLC | Reserves | 534,912 |
| US Bank | Silvian | Reserves | 243,636 |
| | | Total USBank | 778,548 |
| | | | |
| KeyBank | Capitol Hill Housing | EQII | 89,910 |
| | | Total KeyBank | 89,910 |
| | | | |
| KeyBank | Capitol Hill Housing | Lucky 7 | 288,988 |
| | | Total Lucky 7 | 288,988 |
| | | | |
| KeyBank | Capitol Hill Housing | HPN | 1,058,976 |
| | | Total HPN | 1,058,976 |
| | | | |
| KeyBank | Youth Care Predevelopment | Plymouth | - |
| | | Total Plymouth | - |
| | | | |
| BofA | Fleming Apts LP | Reserves | 105,656 |
| | | Total BofA | 105,656 |

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

| | | | |
|----------|--|--|-------------------|
| Heritage | Bremer - Resyndication | Construction | 608 |
| Heritage | Bremer | Reserves | 231,164 |
| Heritage | John Carney | Construction | 9,213 |
| Heritage | John Carney | Reserves | 229,045 |
| Heritage | Boylston Howell | Construction | 4,231 |
| Heritage | Boylston Howell | Reserves | 130,720 |
| Heritage | Union & 24th Commercial | Security Deposit | 4,089 |
| | | Total Heritage | 609,070 |
| | | | |
| | | Total Restricted - CHH Blended Components | 10,270,281 |
| | | | |
| LGIP | Capitol Hill Housing | Board Designated Res | 1,013,359 |
| | | Total Designated | 1,013,359 |
| | | | |
| Heritage | Union & 24th Commercial | Operating Checking | 74,072 |
| | | Total Heritage | 74,072 |
| | | | |
| KeyBank | Capitol Hill Housing | Gen Building Reserve | 391,440 |
| | | Total Gen Building Reserve | 391,440 |
| | | | |
| KeyBank | Capitol Hill Housing | Operating Checking | 1,496,873 |
| KeyBank | Capitol Hill Dev. Assoc | Operating Checking | 2,719 |
| KeyBank | Capitol Hill Housing | Operating Sweep | - |
| KeyBank | Capitol Hill Real Estate Mgmt Services | Operating Checking | 973 |
| KeyBank | Liberty Bank Commercial | Designated for TI | 75,550 |
| KeyBank | Bremer | Operating Checking | 124,368 |
| KeyBank | Hazel Plaza | Operating Checking | 116,549 |
| KeyBank | Larned | Operating Checking | 136,271 |
| KeyBank | John Carney | Operating Checking | 38,345 |
| KeyBank | Byron Wetmore | Operating Checking | 37,186 |
| KeyBank | 412 | Operating Checking | 77,153 |
| KeyBank | Holden Vista | Operating Checking | 206,012 |
| KeyBank | Mary Ruth Manor | Operating Checking | 51,722 |
| KeyBank | EJSH | Operating Checking | 56,020 |
| KeyBank | Boylston Howell | Operating Checking | 63,385 |
| KeyBank | Gilman Court LP | Operating Checking | 58,174 |
| KeyBank | Fleming Apts LP | Operating Checking | 74,392 |
| KeyBank | Villa Apts LP | Operating Checking | 74,314 |

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

| | | | |
|---------|---------------------------------|--|-------------------|
| KeyBank | Harrison | Operating Checking | 145,279 |
| KeyBank | Oleta | Operating Checking | 48,145 |
| KeyBank | Helen V Apts LLC | Operating Checking | 120,414 |
| KeyBank | Pantages Apts LLC | Operating Checking | 81,543 |
| KeyBank | Silvian | Operating Checking | 115,762 |
| KeyBank | Broadway & Pine | Operating Checking | 99,851 |
| KeyBank | Woodland Park Ave LLC | Operating Checking | 27,660 |
| KeyBank | 12th Avenue Arts Associates LLC | Commercial Operatin | 350,282 |
| KeyBank | Union James | Operating Checking | 9,837 |
| | | Total KeyBank | 3,688,779 |
| | | | |
| Cash | Various | Petty Cash - CHHIP | 100 |
| | | Total Petty Cash | 100 |
| | | | |
| Banner | Berneva | Operating Checking | 7,533 |
| Banner | Seneca | Operating Checking | 50,431 |
| | | Total Banner | 57,964 |
| | | | |
| | | Total Unrestricted - CHH Blended Components | 4,212,355 |
| | | Total All Cash - CHH Blended Components | 15,495,995 |

| Bank | Discrete Component Unit | Type | Balance |
|-------------|--------------------------------|--------------------|----------------|
| Chase | Pride Place | Construction | 148,804 |
| Chase | AAA | Escrow | 9,532 |
| Chase | AAA | Security Deposit | 6,079 |
| Chase | AAA | Reserves | 289,305 |
| | | Total Chase | 453,720 |
| KeyBank | Africatown | Project Funds | 34,368 |
| KeyBank | Africatown | Construction-Res | 5,032 |
| KeyBank | Africatown | Construction | (11,462) |
| KeyBank | Africatown Commercial | Construction | 1,038,129 |
| KeyBank | Jazz House | Construction | 21,226 |
| KeyBank | Devonshire (rehab) | Security Deposit | 24,499 |
| KeyBank | El Nor LP | Security Deposit | 12,475 |
| KeyBank | 18th Ave Apartments | Security Deposit | 1,202 |
| KeyBank | Ponderosa | Security Deposit | 3,967 |
| KeyBank | Holiday Apts | Security Deposit | 17,467 |

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

| | | | |
|-------------|--------------------------|---|------------------|
| KeyBank | SOPI / Unity Village | Security Deposit | 11,477 |
| KeyBank | Jefferson & 12th | Security Deposit | 27,445 |
| KeyBank | 12th Avenue Arts Housing | Security Deposit | 56,265 |
| KeyBank | CH TOD Station House | Security Deposit | 37,677 |
| KeyBank | SOPI / Unity Village | Reserves | 292,994 |
| KeyBank | Jefferson & 12th | Reserves | 397,930 |
| KeyBank | 12th Avenue Arts Housing | Reserves | 900,167 |
| KeyBank | CH TOD Station House | Reserves | 839,032 |
| KeyBank | CH TOD Station House | Escrow | 77,356 |
| | | Total KeyBank | 3,787,245 |
| | | | |
| UnionBank | Holiday | Reserves | 238,287 |
| | | Total UnionBank | 238,287 |
| | | | |
| Heritage | Union & 24th Residential | Security Deposit | 36,207 |
| Heritage | Union & 24th Residential | Reserves | 389,574 |
| Heritage | Heartwood SPE | Construction | 71,963 |
| | | Total Heritage | 497,744 |
| | | | |
| Wells Fargo | El Nor | Reserves | 674,284 |
| Wells Fargo | 18th Ave | Reserves | 135,731 |
| Wells Fargo | Ponderosa | Reserves | 287,809 |
| Wells Fargo | El Nor | Escrow | 26,631 |
| Wells Fargo | 18th Ave | Escrow | 4,544 |
| Wells Fargo | Ponderosa | Escrow | 11,696 |
| | | Total Wells Fargo | 1,140,696 |
| | | | |
| Bellwether | Union & 24th | Escrow | 245,048 |
| | | Total Bellwether | 245,048 |
| | | | |
| | | Total Restricted - Discrete Components | 6,362,740 |
| | | | |
| Chase | AAA | Operating Checking | 661,146 |
| Chase | Pride Place Commercial | Construction | 122,575 |
| Chase | Pride Place | Construction | 45 |
| | | Total Chase | 783,765 |
| | | | |
| KeyBank | El Nor LP | Operating Checking | 499,518 |
| KeyBank | 18th Ave Apartments | Operating Checking | 94,414 |

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

| | | | |
|---|--------------------------|-----------------------|-------------------|
| KeyBank | Ponderosa | Operating Checking | 210,052 |
| KeyBank | Holiday Apts | Operating Checking | 64,781 |
| KeyBank | SOPI / Unity Village | Operating Checking | 29,852 |
| KeyBank | Jefferson & 12th | Operating Checking | 115,435 |
| KeyBank | Twelfth Avenue Arts Res | Operating Checking | 221,815 |
| KeyBank | CH TOD Station House | Operating Checking | 765,745 |
| KeyBank | Pride Place | Operating Checking | 17,029 |
| | | Total KeyBank | 2,001,612 |
| | | | |
| Heritage | Union & 24th Residential | Operating Checking | 181,150 |
| Heritage | Devonshire Construction | Construction | - |
| | | Total Heritage | 181,150 |
| | | | |
| Total Unrestricted - Discrete Components | | | 2,966,527 |
| Total All Cash - Discrete Components | | | 9,329,267 |
| Total All Cash - CHH Blended Components | | | 15,495,995 |
| Total All Cash | | | 24,825,262 |

TOTALS BY BANK

| | |
|-------------------|----------------------|
| Key Bank | \$ 14,742,438 |
| Chase | \$ 1,942,838 |
| Banner | \$ 260,423 |
| US Bank | \$ 778,548 |
| Union Bank | \$ 238,287 |
| Bank of America | \$ 105,656 |
| Heritage | \$ 1,362,036 |
| Bellwether | \$ 245,048 |
| Wells Fargo | \$ 1,140,696 |
| LGIP | \$ 2,347,796 |
| Other and Petty | \$ 1,661,496 |
| TOTAL CASH | \$ 24,825,262 |



COMMUNITY ROOTS
— HOUSING —

SECTION 4:
Resolution 2023-29 -
Northgate Omnibus

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COMMUNITY ROOTS
HOUSING

Community Roots Housing PDA Board Resolution 2023-29

Overview: Northgate Closing Omnibus Resolution

Purpose: Provide authorization to enter into and execute project finance agreements and commitments needed to admit the equity investor into the ownership of the project and to 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?: 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 authorized CRH, in its role as co-manager of the project's managing member, co-project sponsor, co-developer, property manager, and co-guarantor, 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 project.

Cons:

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: Staff will report to the Property Development Committee

Author of Resolution Overview: Thea Munchel

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

RESOLUTION 2023-29

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

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

WHEREAS the Boards of Directors of CHDA and CRH previously adopted certain Resolutions (collectively, the “*Previous Resolutions*”) authorizing, among other actions, certain predevelopment activities in relation to a mixed-use affordable housing development to be located on a portion of the site of the Northgate Park & Pool lot owned by King County, a political subdivision of the State of Washington (the “*County*”), located at 151 NE 103rd Street in Seattle, Washington (the “*Property*”), which development will consist of a seven-story building (the “*Building*”) to include (i) an affordable housing development containing approximately 235 affordable housing units (including manager’s units) and associated common areas (the “*Housing Development*”); (ii) ground-floor retail space (the “*Commercial Space*”); (iii) a ground-floor early learning facility (the “*Child Care Space*”); and (iv) a ground-floor comfort station (the “*Comfort Station*”, and, together with the Housing Development, Child Care Space and Commercial Space, collectively referred to as the “*Project*”);

WHEREAS pursuant to the Previous Resolutions, CRH entered into that certain Development Agreement (the “*Development Agreement*”) dated effective as of December 13, 2021, with the County and BRIDGE Housing Corporation, a California nonprofit public benefit corporation (“*BRIDGE*”), for the purpose, among others, of establishing the terms of the leasing and development of the Property;

WHEREAS pursuant to the Previous Resolutions, the Board caused CHDA to form Northgate Affordable LLC, a Washington limited liability company (the “*General Partner*”), of which BRIDGE is a co-manager and 50% member, CHDA is a 50% member and CRH is a co-manager;

WHEREAS pursuant to the Previous Resolutions, the Board caused CHDA to form Northgate Affordable Housing LLLP, a Washington limited liability limited partnership (the “*Partnership*”), of which the General Partner is the general partner and BRIDGE Regional Partners, Inc., a California nonprofit

public benefit corporation (the “**Initial Limited Partner**”), is the initial limited partner, for the purposes of acquiring a leasehold interest in the Property and developing, constructing, furnishing and/or equipping the Project;

WHEREAS the County shall convey a leasehold interest in the Property to the Partnership pursuant to the terms of a Ground Lease (the “**Ground Lease**”) and in connection with the development of the Property, the County and the Partnership shall execute certain easement agreements (collectively, “**Easements**”);

WHEREAS CRH, in its capacity as a manager of the General Partner, on behalf of the Partnership, shall cause the Partnership to commence construction of the Building, which, upon sufficient completion, shall be subjected to a condominium regime (the “**Condominium**”), consisting of four (4) units: (i) one unit comprising the Housing Development and appurtenant common elements (collectively, the “**Housing Unit**,”); (ii) one unit comprising the Commercial Space and appurtenant common elements (collectively, the “**Commercial Unit**”); (iii) one unit comprising the Child Care Space and appurtenant common elements (collectively, the “**Child Care Unit**”); and (iv) one unit comprising the Comfort Station and appurtenant common elements (collectively, the “**Comfort Station Unit**” and, together with the Child Care Unit and the Commercial Unit, the “**Non-Residential Units**”);

WHEREAS in furtherance of the Project, CRH and CHDA shall cause the formation of Northgate Retail LLC, a Washington limited liability company (the “**Company**”), in which BRIDGE will serve as a co-manager and 50% member, CHDA will serve as a 50% member and CRH will serve as a co-manager, and shall cause the Partnership to convey the Non-Residential Units to the Company or to lease the Non-Residential Units pursuant to a Prime Lease to be entered into with the Partnership, as landlord (the “**Prime Lease**”);

WHEREAS CRH, in its own capacity and as a manager of the Company and a manager of the General Partner (in its individual capacity and in its capacity as general partner of the Partnership, on behalf of the Partnership), intends to cause the Company to sublease (i) the Commercial Unit to a tenant to complete tenant improvements in the Commercial Unit and operate therein; (ii) the Child Care Unit to El Centro de la Raza, a Washington nonprofit corporation (“**El Centro**”), or other tenant to operate the early learning facility; and (iii) the Comfort Station Unit to the County;

WHEREAS CRH, in its own capacity and as a manager of the Company and a manager of the General Partner (in its individual capacity and in its capacity as general partner of the Partnership, on behalf of the Partnership), desires to obtain and close on the Housing Development Financing (defined below) and the Non-Residential Financing (defined below) (together, the “**Overall Project Financing**”) for the purpose of developing and operating the Project as further described below;

WHEREAS the Partnership has applied to the Washington State Housing Finance Commission (the “**Commission**”) for an allocation of federal 4% low-income housing tax credits (“**LIHTCs**”) to the Project;

WHEREAS as described in a letter of interest dated August 4, 2023 (the “**Investor LOI**”), Bank of America, N.A. or its designee (collectively, the “**Investor**”) intends to make an equity investment in the

approximate amount of \$52,781,881, or such higher or lower amount as an Authorized Representative (defined below) deems reasonably necessary or advisable (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. The Investor and the SLP are collectively referred to herein as the “**Investment Limited Partners**”;

WHEREAS in connection with the Equity Investment, the Investment Limited Partners will require that the initial limited liability limited partnership agreement of the Partnership be amended and restated in its entirety to reflect the terms of the Equity Investment (the “**Amended and Restated Partnership Agreement**”), pursuant to which the Initial Limited Partner will withdraw as initial limited partner, the Investment Limited Partners will be admitted into the Partnership and CRH, BRIDGE, the General Partner and the Investment Limited Partners, as applicable, will enter into various documents relating to the development and operation of the Project (collectively, the “**Equity Investment Documents**”);

WHEREAS pursuant to Resolution No. 2023- 29 (the “**Governmental Note Resolution**”), the Board has approved the issuance by CRH of (i) a Multifamily Note (Northgate Affordable Housing), Series 2023A (Tax-Exempt) (together with all riders and addenda thereto, the “**Tax-Exempt Governmental Note**”), and (ii) a Taxable Multifamily Note (Northgate Affordable Housing), Series 2023B (Taxable) (together with all riders and addenda thereto, the “**Taxable Governmental Note**”, and, together with the Tax-Exempt Governmental Note, collectively, the “**Governmental Note**”);

WHEREAS the proceeds of the Governmental Note will be used by CRH to make loans to the Partnership (i) in the approximate original principal amount of \$57,351,000 or such higher or lower amount as an Authorized Representative deems reasonably necessary or advisable (the “**Tax-Exempt Project Loan**”) and (ii) in the approximate original principal amount of up to \$12,000,000 or such higher or lower amount as an Authorized Representative deems reasonably necessary or advisable (the “**Taxable Project Loan**”) and, together with the Tax-Exempt Project Loan, collectively, the “**First Mortgage Loan**”) to finance a portion of the development, construction, furnishing and/or equipping of the Project, which First Mortgage Loan will be assigned to U.S. Bank Trust Company, National Association, a national banking association, as fiscal agent (the “**Fiscal Agent**”) on behalf of Bank of America, N.A., a national banking association (in its capacity as initial funding lender, the “**Bank**”), as security for the funding loan advanced by the Bank evidenced by the Governmental Note (the “**Funding Loan**”), and a portion of which First Mortgage Loan will convert (“**Conversion**”) to a permanent loan (the “**Permanent Loan**”);

WHEREAS CPC Mortgage Company LLC, a New York limited liability company, in its capacity as Permanent Seller/Servicer (“**Servicer**”), will enter into a forward commitment with the Federal Home Loan Mortgage Corporation (“**Freddie Mac**”), and Servicer and the Partnership will concurrently enter into a forward commitment with respect to the same (collectively, the “**Freddie Mac Commitment**”), setting forth the terms and conditions by which Servicer will purchase the Funding Loan from the Bank at Conversion and by which Freddie Mac will purchase the Funding Loan from Servicer following Conversion;

WHEREAS the Housing Authority of the City of Seattle (“**SHA**”) has agreed to provide a loan to BRIDGE, which loan will be assigned to and assumed by the Partnership, in the approximate principal amount of \$1,050,000 or such higher or lower amount as an Authorized Representative deems reasonably necessary or advisable (the “**SHA Loan**”) for the construction and development of the Project;

WHEREAS the County has agreed to provide a loan to BRIDGE, which loan will be assigned to and assumed by the Partnership, in the approximate aggregate principal amount of \$30,000,000 or such higher or lower amount as an Authorized Representative deems reasonably necessary or advisable (the “**County Loan**”) pursuant to that certain King County Community and Human Services Contract (the “**County Contract**”);

WHEREAS CRH has determined it to be in the best interests of CRH, the General Partner, the Company, the Partnership and the Project, for the Partnership to engage CRH and BRIDGE as co-developers of the Project, and for CRH and BRIDGE to finance a portion of the Project with a deferred developer fee in the approximate amount of up to \$7,000,000 or such higher or lower amount as an Authorized Representative deems reasonably necessary or advisable, pursuant to the terms of the Equity Investment Documents (the “**Deferred Fee**,” and together with the LIHTCs, Equity Investment, Funding Loan, First Mortgage Loan, Permanent Loan, SHA Loan, and County Loan, the “**Housing Development Financing**”);

WHEREAS CRH, in its own capacity and as a manager of the Company and a manager of the General Partner (in its individual capacity and in its capacity as general partner of the Partnership, on behalf of the Partnership), desires to take any and all such steps as are reasonably necessary or advisable to finance the Commercial Unit and the Comfort Station with any of the following sources (collectively the “**Commercial Project Financing**”): (i) a portion of the Construction Loan for construction of the Commercial Space and the Comfort Station; (ii) a sublease of the Comfort Station Unit to King County, pursuant to which King County may make an up-front lease payment to the Company or otherwise reimburse BRIDGE and CRH for certain costs to construct the Comfort Station; (iii) a sublease of the Commercial Unit with a retail tenant to complete tenant improvements in the Commercial Unit; (iv) an equity contribution by CRH and BRIDGE to finance the Commercial Unit in such amount as an Authorized Representative may deem necessary or advisable to advance the Project; and (v) any other to-be-identified financing sources available for the Commercial Unit and/or the Comfort Station as an Authorized Representative may deem necessary or advisable to advance the Project;

WHEREAS, CRH, in its own capacity and as a manager of the Company and a manager of the General Partner (in its individual capacity and in its capacity as general partner of the Partnership, on behalf of the Partnership), desires to take any and all such steps as are reasonably necessary or advisable to finance the Child Care Space with any of the following sources (collectively, the “**Child Care Project Financing**” and together with the Commercial Project Financing, the “**Non-Residential Financing**”): (i) approximately \$100,000 from Enterprise Community Partners sourced from King County PSTAA General Child Care Facilities Funds, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; (ii) a portion of the Construction Loan for construction of the Child Care Space; (iii) an award from The City of Seattle Human Services Department in the approximate amount of \$1,500,000, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; (iv) an award from the State of Washington in the approximate amount of \$1,000,000, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; (v) a letter of credit in an aggregate approximate amount of \$5,000,000, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; (vi) one or more construction loans from the Low Income Investment Fund in an aggregate approximate amount of \$5,000,000, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; (vii) one or more permanent loans from the Washington Community Reinvestment Association in an aggregate approximate amount of \$2,000,000, or such other amount as an Authorized Representative may deem necessary or advisable to advance the Project; and (viii)

any other to-be-identified financing sources available for the Child Care Unit as an Authorized Representative may deem necessary or advisable to advance the Project;

WHEREAS CRH, having determined it to be in the best interests of, and directly or indirectly beneficial to, itself, the Company, the General Partner, the Partnership and the Project, desires to serve as a co-guarantor with BRIDGE (and to cause the General Partner to guarantee) of certain obligations of the Project, Company, General Partner and/or Partnership in connection with the Project, Overall Project Financing or otherwise, all as may be reasonably required or advisable to advance the Project and close on the Overall Project Financing;

WHEREAS CRH, in its own capacity, and BRIDGE have conducted certain work and paid or incurred certain costs, expenses and obligations with respect to the predevelopment of the Project, and CRH, in its capacity as a manager of the General Partner (in its own capacity and in its capacity as the general partner of the Partnership, on behalf of the Partnership), desires to reimburse CRH and BRIDGE for such predevelopment costs and expenses paid or incurred by CRH and BRIDGE through an Assignment and Assumption of Work Product and Reimbursement Agreement (“*Assignment of Work Product and Reimbursement Agreement*”), pursuant to which CRH and BRIDGE will assign to the Partnership, and the Partnership will assume, CRH’s and BRIDGE’s rights to, interests in and/or obligations under, the predevelopment work product with respect to the Project and reimburse CRH and BRIDGE for predevelopment costs and expenses of the Project paid or incurred by CRH or BRIDGE, as applicable, all in furtherance of the Project; and

WHEREAS CRH, in its own capacity and as a manager of the Company and a manager of the General Partner (in its individual capacity and in its capacity as general partner of the Partnership, on behalf of the Partnership), desires to take any and all such steps as are reasonably necessary or advisable to (i) serve as a sponsor, developer and guarantor of the Project; (ii) ratify the formation of the Company, the General Partner and Partnership entities; (iii) cause the Partnership to acquire a leasehold interest in the Property pursuant to the Ground Lease; (iv) issue the Governmental Note, obtain and close on the Housing Development Financing, and obtain and close on the Non-Residential Financing, as applicable; (v) cause the Partnership to construct and operate the Project; (vi) create the Condominium, convey or lease the Non-Residential Units to the Company or other affiliates of CRH and BRIDGE, and cause the sub-lease of the Non-Residential Units to the respective operators of such units; (vii) assign to, and cause the Partnership to assume, the rights in, interests to and obligations regarding predevelopment work product respecting the Project and reimburse CRH and BRIDGE for such predevelopment costs and expenses incurred or paid by CRH and BRIDGE; (viii) apply for such property tax exemptions as are applicable to the Project; and (ix) ratify and affirm its prior actions taken in connection with the predevelopment, development and financing of the Project.

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

RESOLUTIONS

1. **NOW, THEREFORE, BE IT RESOLVED** that the Recitals above are hereby incorporated into the Resolutions herein by reference.
2. **BE IT FURTHER RESOLVED** that all the actions of CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as

general partner of the Partnership, on behalf of the Partnership), taken in connection with the formation of the Company, the General Partner and the Partnership, including the execution and delivery of the documents listed on the **Exhibit A** hereto (“**Organizational Documents**”) are hereby ratified and affirmed.

3. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take such actions as may be reasonably required or advisable to serve as a sponsor, developer and guarantor of the Project and to negotiate, execute and deliver all such documents in connection therewith.

4. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership) is authorized, empowered and directed to take all such reasonably necessary or advisable steps to accomplish the leasing of the Property to the Partnership, the leasing of the Non-Residential Units to the Company or other affiliates of CRH and BRIDGE, and sub-leasing the Non-Residential Units to the respective operators of such units, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents described on the attached **Exhibit A** (“**Leasing Documents**”), and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

5. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), to take any and all such steps as may be reasonably necessary or advisable to accomplish the creation of the Condominium, including the negotiation, execution and delivery of documents, such documents, including, but not limited to, those documents listed on the attached **Exhibit A** (“**Condominium Documents**”) and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

6. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to negotiate, execute, deliver any and all such documents as may be reasonably necessary or advisable to obtain an allocation of LIHTCs from the Commission, such documents including, but not limited to, the LIHTC application and exhibits and attachments thereto and such other documents as the Commission may reasonably require with respect to the allocation of the LIHTCs, including, but not limited to, the documents listed on the attached **Exhibit A** (“**Tax Credit Documents**”) and any other affidavits, certifications, agreements, or documents necessary to effectuate the foregoing.

7. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to negotiate, execute, deliver and perform the respective obligations of itself, the General Partner, and/or the Partnership under any and all such documents as may be reasonably required or advisable to admit the Investment Limited Partners into the Partnership and obtain the Equity Investment, such documents including, but not limited to, the Equity Investment Documents listed on

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

8. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity, including its capacity as issuer of the Governmental Note, and in its capacity as a manager of the Company and a manager of the General Partner (in its own capacity and as general partner of the Partnership, on behalf of the Partnership) is authorized, empowered and directed to take any and all such steps as may be required or advisable to issue the Governmental Note in favor of the Bank and make the proceeds thereof available to the Partnership, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents listed on **Exhibit A** hereto (“**Governmental Note Documents**”), and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

9. **BE IT FURTHER RESOLVED**, that CRH, in its individual corporate capacity, including its capacity as issuer of the Governmental Note, and in its capacity as a manager of the Company and a manager of the General Partner (in its own capacity and as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be required or advisable to accomplish the closing of the First Mortgage Loan and conversion to permanent financing, such steps including, without limitation, the negotiation, execution and delivery of documents, such documents, including but not limited to the documents listed on **Exhibit A** hereto (as applicable, the “**First Mortgage Loan Documents**” and the “**Permanent Loan Documents**”) and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

10. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be reasonably required or advisable to close on the SHA Loan, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents listed on **Exhibit A** hereto (“**SHA Loan Documents**”), and any other such documents as may be reasonably required or advisable to effectuate the foregoing.

11. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be reasonably required or advisable to close on the County Loan, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents listed on **Exhibit A** hereto (“**County Loan Documents**”), and any other such documents as may be required for closing on the County Loan and making the proceeds thereof available to the Partnership.

12. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership) is authorized, empowered and directed to take any and all such steps as may be reasonably necessary or advisable to defer a portion of the developer fee payable to CRH and BRIDGE pursuant to the Equity Investment Documents.

13. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be reasonably required or advisable to obtain and make available to further the Project the Non-Residential Financing, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents listed on **Exhibit A** hereto (“*Non-Residential Financing Documents*”), and any other such documents as may be required for closing on the Non-Residential Financing and making the proceeds thereof available to advance the Project.

14. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity, in its capacity as developer of the Project, and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be reasonably necessary or advisable, to undertake certain predevelopment work, and to accomplish the construction and development of the Project, including but not limited to, engaging contractors (including Walsh Construction Co./Washington), architects (including Ankrom Moisan Associated Architects, Inc.), engineers, consultants and attorneys, and to enter into and deliver such documents, including without limitation the documents listed on **Exhibit A** hereto (“*Development and Operational Documents*”), and any other such documents as may be necessary or advisable to effectuate the foregoing.

15. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity, in its capacity as developer of the Project, and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to negotiate, execute, deliver and perform the respective obligations of CRH, the General Partner and/or the Partnership under the Assignment of Work Product and Reimbursement Agreement.

16. **BE IT FURTHER RESOLVED** that CRH, in its individual corporate capacity and as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), is authorized, empowered and directed to take any and all such steps as may be reasonably required or advisable to obtain and make available to further the Project the Overall Project Financing, including the negotiation, execution and delivery of documents, such documents including, but not limited to, the documents listed on **Exhibit A** hereto (whether bearing the name listed or names to similar effect), and any other such documents as may be required for closing on the Overall Project Financing and making the proceeds thereof available to advance the Project.

17. **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 a manager of the Company or as a manager of the General Partner (in its own capacity, and its capacity as general partner of the Partnership, on behalf of the Partnership) to accomplish the foregoing are hereby authorized to be executed by any one of the following individuals or their duly appointed successors (each, acting alone, an “*Authorized Representative*”).

| <u>Name:</u> | <u>Title:</u> |
|---------------------|-------------------------|
| Christopher Persons | Chief Executive Officer |
| Drew Porter | Chair |

| | |
|-----------------------|------------|
| Frank F. Alvarado III | Vice Chair |
| Derrick Belgarde | Vice Chair |
| Jill Cronauer | Treasurer |
| George Staggers | Secretary |

18. **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 as a manager of the Company and as a manager of the General Partner (in its own capacity and its capacity as general partner of the Partnership, on behalf of the Partnership), as the Authorized Representative may deem necessary or advisable 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.

19. **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.

20. **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 CRH with respect to the Project to the extent such prior resolutions are inconsistent with the terms hereof.

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

ADOPTED by the Board of Directors of Community Roots Housing at an open public meeting thereof this 13th day of November, 2023.

[CERTIFICATION ON FOLLOWING PAGE]

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. 2023-29 (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 November 13, 2023, and duly recorded in the minute books of CRH.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 13 day of November, 2023.

Secretary

Exhibit A

Organizational Documents

1. Agreement of Limited Liability Limited Partnership of the Partnership
2. Certificate of Limited Liability Limited Partnership of the Partnership
3. Operating Agreement of the General Partner
4. Certification of Formation of the General Partner
5. Operating Agreement of the Company
6. Certification of Formation of the Company
7. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the formation of the Partnership, the General Partner and the Company

Leasing Documents

1. Ground Lease
2. Memorandum of Ground Lease
3. Owner's Title Policy and Settlement Statement
4. Prime Lease
5. Comfort Station Sublease
6. Memorandum of Understanding for Early Learning Center
7. Temporary Occupancy Agreement
8. Early Learning Center Sublease
9. Retail Sublease
10. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the leasing of the Property

Condominium Documents

1. Articles of Incorporation of Association
2. Bylaws of Association
3. Condominium Declaration
4. Survey Map
5. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the Condominium

Tax Credit Documents

1. Tax Credit Application with exhibits
2. Election of Applicable Percentage for Tax-Exempt Bond Financed Project
3. Regulatory Agreement (Extended Use Agreement)
4. Commission 42m Letter
5. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the LIHTC allocation

Equity Investment Documents

1. Investor LOI
2. Amended and Restated Agreement of Limited Liability Limited Partnership
3. Partnership Management Agreement
4. Development Agreement
5. Guaranty Agreement
6. Purchase Option Agreement
7. Right of First Refusal Agreement
8. Financial Projections

9. Tax Certificate
10. Management Agreement Addendum
11. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the Equity Investment

Governmental Note Documents

1. Multifamily Note (Northgate Affordable Housing), Series 2023A (Tax-Exempt)
2. Multifamily Note (Northgate Affordable Housing), Series 2023B (Taxable)
3. Funding Loan Agreement
4. Project Loan Agreement
5. Regulatory Agreement
6. Tax Certificate and Agreement
7. Issuer 42m Letter
8. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the issuance of the Governmental Note and the closing of the Funding Loan and Project Loan

First Mortgage Loan Documents

1. Term Sheet
2. Construction Disbursement Agreement
3. Leasehold Construction Deed of Trust
4. Assignment of Security Instrument
5. Line of Credit Promissory Note (Tax-Exempt)
6. Allonge (Tax-Exempt)
7. Line of Credit Promissory Note (Taxable)
8. Allonge (Taxable)
9. Payment Guaranty
10. Completion Agreement
11. Security Agreement (Assignment of Partnership Interest and Capital Obligations)
12. Environmental Indemnity (Third Party)
13. Environmental Indemnity (Borrower)
14. Assignment of Contracts
15. Architect Consent
16. Contractor Consent
17. Engineer Consent
18. Developer Consent
19. Assignment of Management Agreement
20. Partnership Borrower Authorization
21. Interest Rate Cap or Swap Agreement
22. UCC-1 Financing Statements
23. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the First Mortgage Loan

Permanent Loan Documents

1. CPC Commitment Letter
2. Freddie Commitment Letter
3. Letter of Credit
4. Construction Phase Financing Agreement
5. Continuing Covenant Agreement – TEL (Forward)
6. Assignment of Management Agreement and Subordination of Management Fees
7. Endorsement to Governmental Note

8. Ground Lessor's Estoppel Certificate
9. Estoppel Certificate – Master Lease
10. Master Lease Payments Guaranty
11. Amended and Restated Project Note
12. Amended and Restated Multifamily Leasehold Deed of Trust, Assignment of Rents and Security Agreement
13. Guaranty – Multistate – TEL (Forward)
14. Assignment of Rights and Interests
15. Subordination Agreements
16. UCC-1 Financing Statements
17. Such other documents as are required or deemed advisable in the opinion of an Authorized Representative in connection with the conversion of the Permanent Loan

County Loan Documents

1. Award Letter
2. King County Housing and Community Development Contract and exhibits
3. Promissory Note
4. Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing
5. Assignment, Assumption and Consent Agreement
6. Certificate and Indemnity Agreement Regarding Hazardous Substances and Building Laws
7. Affordable Housing Covenant Agreement
8. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the County Loan

SHA Loan Documents

1. Award Letter
2. Loan Agreement
3. Promissory Note
4. Assignment, Assumption and Consent Agreement
5. Regulatory Agreement
6. Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing
7. Hazardous Substances Warranty/Indemnity Agreement
8. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the SHA Loan

Non-Residential Financing Documents

1. PSTAA Grant Agreement
2. HSD Facility Agreement
3. HSD Child Care Covenant
4. HSD Leasehold Deed of Trust
5. State Early Learning Facilities Contract
6. State Leasehold Deed of Trust
7. State Leasehold Promissory Note
8. Letter of Credit
9. Loan Commitment(s)
10. Loan Agreement(s)
11. Promissory Note(s)
12. Leasehold Deed(s) of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing
13. Subordination, Nondisturbance and Attornment Agreement(s)

14. Operating Reserve Agreement(s)
15. Replacement Reserve Agreement(s)
16. Environmental and Building Laws Indemnity Agreements(s)
17. Guaranties
18. Subordination Agreement(s)
19. Certificates
20. UCC-1 Financing Statements
21. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the Non-Residential Financing

Development and Operational Documents

1. Geotech Consultant Contract
2. Schedule of Values
3. Construction Contract
4. Payment and Performance Bond with Multiple Obligee Rider
5. Architect's Agreement
6. Plans and Specifications
7. Master Use Permit
8. Building Permit
9. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the construction and operation of the Project

Other Documents

1. Priority and Subordination Agreement
2. Development Agreement
3. Easements
4. Property Management Agreement
5. Resident Services Agreement(s)
6. Assignment and Assumption of Work Product and Reimbursement Agreement
7. Reliance Certificates
8. Incumbency Certificates
9. ALTA Survey
10. Insurance Certificates
11. Letters of Credit
12. Title Affidavits and Indemnities
13. Settlement Statement
14. Title Commitment and Policies
15. Such other documents as may be required or deemed advisable in the opinion of an Authorized Representative in connection with the Overall Project Financing and with the leasing, construction and operation of the Project

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COMMUNITY ROOTS
— HOUSING —

SECTION 5:
Resolution 2023-30 -
Northgate Government
Note (Bond Issuance)

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Community Roots Housing PDA Board Resolution 2023-30

Overview: Northgate Bond Resolution

Purpose: This resolution authorizes the CRH board to issue and sell bonds in the amount not to exceed \$70,000,000, the proceeds of which will be used to make a loan to Northgate Affordable Housing LLLP, acting as borrower for the financing needed to develop and construct the 253 unit Northgate 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?: 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 Development of the Northgate project is made possible through the use of 4% tax credits which require the use of tax-exempt bonds. Following the allocation of Washington State Bond Cap to the project by the Housing Finance Commission, CRH, in its capacity as a Public Development Authority, is issuing tax-exempt bonds to be purchased by Bank of America. At permanent conversion the Bonds will be held by CPC Mortgage Company/Freddie TEL. US Bank is serving as Fiscal Agent on this 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 cost of issuance are part of the Northgate project budget and are financed with project sources.

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

Cons: Please identify any risks here.

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: Please include here whether full Board or Committee needs to take action, and anticipated dates for action.
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: The status of the Northgate project is included in the monthly Property Development Report to the board.

Author of Resolution Overview: Thea Munchel

COMMUNITY ROOTS HOUSING

RESOLUTION NO. 2023-30

(NORTHGATE GOVERNMENTAL NOTES)

A RESOLUTION of the Board of Directors of Community Roots Housing, providing for the issuance of multifamily notes in a combined principal amount not to exceed [\$70,000,000], the proceeds of which will be used to make one or more loans to Northgate Affordable Housing LLLP to provide funds with which to finance a portion of the costs of constructing and equipping an approximately 253-unit multifamily housing facility to be located at 151 NE 103 Street, Seattle Washington 98125 and, at the option of the borrower, to pay costs of issuing the multifamily notes, all to provide housing for low income persons; fixing or setting parameters with respect to certain terms and covenants of the multifamily notes; appointing Community Roots Housing's designated representatives to approve the final terms of the sale of the multifamily notes; authorizing the execution and delivery of a funding loan agreement, a project loan agreement, a regulatory agreement, and other financing documents; providing for the sale and delivery of the multifamily notes to Bank of America, N.A., or an affiliate thereof, and the subsequent transfer of one or more multifamily notes; authorizing and directing appropriate officers of Community Roots Housing to execute such documents as are useful or necessary to the purposes of this resolution; amending Resolution No. 2023-24 of the Board of Directors of Community Roots Housing to increase the principal amount of the obligations 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 Governmental Notes Necessary and Advisable and in the Best Interests of the Issuer. Northgate Affordable Housing LLLP (the “Borrower”), is a Washington limited liability limited partnership of which Northgate Affordable LLC (the “General Partner”) is the general partner. The General Partner is a Washington limited liability company of which Community Roots Housing and BRIDGE Housing Corporation (“BRIDGE”), are both members and co-managers. The Borrower (i) applied to the Issuer for financial assistance in the principal amount of up to [\$70,000,000] for the purpose of providing part of the funds with which to construct and equip an approximately 235-unit affordable housing facility initially to be known as Northgate Affordable Housing (the “Project”), in the City of Seattle, Washington, and (ii) and requested that the Issuer issue multifamily notes in the combined principal amount of not to exceed \$70,000,000, 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 the multifamily notes in the combined original principal amount of not to exceed \$70,000,000, the proceeds of which will be used to make one or more loans to the Borrower for the purposes described herein.

(c) Construction and Permanent Financing. It is anticipated that (i) Bank of America, N.A. (the “Initial Funding Lender”) will offer to make one or more loans to the Issuer evidenced by the multifamily notes to be issued by the Issuer on the terms set forth herein, (ii) if certain conditions are satisfied, the portion of the loans to the issuer evidenced by the Series A Governmental Note (as hereinafter defined) will convert from the construction phase to the permanent phase, and CPC Mortgage Company LLC (the “Seller/Servicer”) will purchase the Series A Governmental Note and the funding loan evidenced thereby from the Initial Funding Lender, and (iii) the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and the Seller/Servicer will enter into a commitment pursuant to which Freddie Mac will agree, subject to the satisfaction of certain conditions, to purchase the Series A Governmental Note and the loan evidenced thereby from the Seller/Servicer following the conversion date.

(d) Condominium Provisions. It is anticipated that Borrower will submit its interest in the land on which the Project will be located to a condominium regime and subject such land to a condominium declaration (the “Condominium Declaration”), to create a condominium (the “Condominium”) comprised of four units, including a residential unit, a child care unit, a retail unit, and a comfort station unit. Upon formation of the Condominium, the child care unit, the retail unit, and the comfort station unit will be released from the from the Security Instrument and the Regulatory Agreement, and will not be considered part of the “Project.”

(e) Resolution No. 2023-24. The Board previously adopted Resolution No. 2023-24, declaring its intention to issue revenue bonds other obligations in a principal amount of not to exceed \$56,000,000 for the purpose of making a loan to the Borrower to finance the Project. The expected cost of constructing and equipping the Project has increased since the date of adoption of Resolution No. 2023-24 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 2023-24 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 Contracts, Plans and Specifications” means the Assignment of Contracts, Plans and Specifications to be executed by the Borrower, relating to assignment to the Funding Lender of certain of the Borrower’s rights under certain agreements relating to the design and construction of the Project, including any supplements or amendments thereto made in conformity therewith.]]

[[“Assignment of Loan Documents” means the Assignment of Deed of Trust and Related Documents to be executed by the Issuer and the Initial Funding Lender, and acknowledged by the Borrower and [[Issuer and BRIDGE, in their capacities as guarantors]], assigning the Issuer’s interest in the Security Instrument and other Financing Documents to the Initial Funding Lender, including any supplements or amendments thereto made in conformity therewith.]]

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

[[“Assignment of Partnership Interest and Capital Obligations” means the Security Agreement (Assignment of Partnership Interest and Capital Obligations) to be executed by the Borrower and [the General Partner], relating to assignment to the Funding Lender of certain rights of [the General Partner] 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.

“Borrower” means Northgate Affordable Housing 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 Series A Governmental Note or as it may be amended to apply to obligations issued on the date of issue of the Series A Governmental Note, or any successor federal income tax statute or code.

[[“Construction Disbursement Agreement” means the Construction Disbursement Agreement to be by and between the Borrower and Initial Funding Lender, as the same may be amended, modified, or supplemented from time to time.]]

[[“Construction Guaranty” means, together the Payment Guaranty and the Completion Agreement, each to be executed by Community Roots Housing and BRIDGE in favor of the

Funding Lender, and together providing for a guaranty of certain of the Borrower's obligations with respect to the construction of the Project and repayment of the Project Loans, including any supplements or amendments thereto made in conformity therewith.]]

[[“Construction Loan Documents” means the Assignment of Contracts, Plans and Specifications, the Assignment of Loan Documents, the Assignment of Partnership Interest and Capital Obligations, the Construction Disbursement Agreement, the Construction Guaranty, the Indemnity Agreement, the Priority Agreement, the Security Instrument, and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Project Loans or any portion thereof during the construction phase.]]

“Construction Phase Financing Agreement” means the Construction Phase Financing Agreement to be by and among the Initial Funding Lender, Freddie Mac, and the Seller/Service, and acknowledged by the Borrower, as the same may be amended, modified, or supplemented from time to time.

“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 Governmental Notes.

“Final Terms” means the terms and conditions for the sale of the Governmental Notes 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.

“Financing Documents” means, collectively, the Funding Loan Agreement, the Governmental Notes, the Tax Certificate, the Construction Phase Financing Agreement, the Construction Loan Documents, the Permanent Loan Documents, the Priority Agreement, and all other documents or instruments evidencing, securing, or relating to the Loans.

“Fiscal Agent” means the entity serving as fiscal agent under the Funding Loan Agreement, initially U.S. Bank Trust Company, National Association.

“Final Terms” means the terms and conditions for the sale of the Governmental Notes 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.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation, and its successors and assigns.

“Freddie Mac Commitment” has the meaning ascribed thereto in the Funding Loan Agreement.

“Freddie Mac Continuing Covenant Agreement” means the Continuing Covenant Agreement to be made between the Borrower and the Seller/Service as a condition to the

conversion of the Series A Funding Loan to the permanent phase, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Freddie Mac Guaranty” means the Guaranty to be made by BRIDGE and Community Roots Housing, in their capacities as guarantors, for the benefit of Seller/Servicer, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Funding Lender” means any person who is the holder of the Governmental Notes, initially Initial Funding Lender.

“Funding Loans” means, together, the Series 2022A Funding Loan and the Series 2022B Funding Loan.

Funding Loan Agreement” means the Funding Loan Agreement to be executed by the Initial Funding Lender, the Issuer, and the Fiscal Agent, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Governmental Notes” means, together, the Series A Governmental Note and Series B Governmental Note.

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

“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.

[[“Indemnity Agreement” means, together, the Indemnity Agreement to be executed by the Borrower and the Indemnity Agreement (Third Party Indemnity) to be executed by Community Roots Housing, each in favor of the Funding Lender, relating to environmental and other claims with respect to the Project, including any supplements or amendments thereto made in conformity therewith.]]

“Initial Funding Lender” means Bank of America, N.A., a national banking association, as initial holder of the Governmental Notes.

“Loans” means, together, the Project Loans and the Funding Loans.

“Priority Agreement” means a priority and subordination agreement to be among the Issuer, the Borrower, the Initial Funding Lender, and any other parties named therein, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Project” means, depending on the context, (1) construction and equipping of the approximately 235-unit multifamily affordable housing facility initially to be known as Northgate Affordable Housing, located at 151 NE 103 Street in Seattle, Washington, to provide housing for low-income persons, or (2) the Northgate Affordable Housing multifamily housing facility so constructed and equipped.

“Project Loans” means the loans made by the Issuer to the Borrower pursuant to the Project Loan Agreement, as evidenced by the Project Notes.

“Project Loan Agreement” means the Project Loan Agreement among the Borrower, the Issuer, and the Fiscal Agent, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Project Notes” means, together, the Series A Project Note and the Series B Project Note.

“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.

“Revenues” means (a) all payments made with respect to the Project Loans pursuant to the Project Loan Agreement, the Project Notes or the Security Instrument, including but not limited to all casualty or other insurance benefits and condemnation awards paid in connection therewith and all payments obtained through the exercise of remedies under the Financing Documents, and (b) all money and securities held by the Fiscal Agent in the funds and accounts established pursuant to the Funding Loan Agreement (excluding money or securities designated for deposit into and held in the Costs of Issuance Fund, the Administration Fund and the Rebate Fund), together with all investment earnings thereon.

[[“Security Instrument” means the Leasehold Deed of Trust, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing, to be made by the Borrower, granting a security interest in the Borrower’s interest in the Project to the Issuer and/or the Fiscal Agent to secure the repayment of the Project Loans and related obligations, as the same may be amended, restated, supplemented, or otherwise modified from time to time.]]

“Seller/Servicer” means CPC Mortgage Company LLC, or its successors and assigns as Freddie Mac’s seller/servicer under the Freddie Mac Commitment.

“Series A Funding Loan” means the loan made to Governmental Lender pursuant to the Funding Loan Agreement by Initial Funding Lender and evidenced by the Series A Governmental Note.

“Series A Governmental Note” means the Issuer’s Multifamily Note (Northgate Affordable Housing), Series 202[3/4]A (Tax-Exempt) to be issued pursuant to the Funding Loan Agreement, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Series A Project Loan” means the loan made by the Issuer to the Borrower pursuant to the Project Loan Agreement, as evidenced by the Series A Project Note.

[[“Series A Project Note” means the [Promissory Note (Tax-Exempt)] from the Borrower, including all riders and addenda thereto, evidencing the Borrower’s obligation to repay the Series A Project Loan, which Series A Project Note will be delivered to the Governmental Lender and assigned by the Governmental Lender to the Fiscal Agent as security for the Funding Loans, as the same may be amended, restated, supplemented, or otherwise modified from time to time, or

any note executed in substitution therefor, as such substitute note may be amended, restated, supplemented or otherwise modified from time to time.]]

“Series B Funding Loan” means the loan made to Governmental Lender pursuant to the Funding Loan Agreement by Initial Funding Lender and evidenced by the Series B Governmental Note.

“Series B Governmental Note” means the Issuer’s Multifamily Note (Northgate Affordable Housing), Series 202[3/4]B (Taxable) to be issued pursuant to the Funding Loan Agreement, as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Series A Project Loan” means the loan made by the Issuer to the Borrower pursuant to the Project Loan Agreement, as evidenced by the Series B Project Note.

[[“Series B Project Note” means the [Promissory Note (Taxable)] from the Borrower, including all riders and addenda thereto, evidencing the Borrower’s obligation to repay the Series B Project Loan, which Series B Project Note will be delivered to the Governmental Lender and assigned by the Governmental Lender to the Fiscal Agent as security for the Funding Loans, as the same may be amended, restated, supplemented, or otherwise modified from time to time, or any note executed in substitution therefor, as such substitute note may be amended, restated, supplemented or otherwise modified from time to time.]]

“Permanent Loan Documents” means, collectively, an amended and restatement of the Series A Project Note, an amendment and restatement of the Security Instrument, the Assignment of Management Agreement, the Freddie Mac Continuing Covenant Agreement, the Freddie Mac Guaranty, and all other instruments and other documents evidencing, securing, or otherwise relating to the Series A Project Loan or any portion thereof during the permanent phase.

“Tax Certificate and Agreement” means the Tax Certificate and Agreement to be executed by the Borrower and the Issuer in connection with the Series A Governmental Note, 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 Funding Loan Agreement.

Section 2. Authorization of Governmental Notes and Application of Proceeds. The Issuer shall issue and sell the Governmental Notes in a combined principal amount not to exceed [\$70,000,000] for the purpose of making one or more loans 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 Governmental Notes. All proceeds from draws on the Governmental Notes shall be lent to the Borrower for those purposes.

Section 3. Appointment of Designated Representative; Description of the Governmental Notes. 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 Governmental Notes in the manner and upon the terms deemed most advantageous to the Issuer, and to approve the Final Terms of the Governmental Notes, with such

additional terms and covenants as the Designated Representative deems advisable, within the following parameters:

(a) *Principal Amount.* The principal amount of the Series A Governmental Note shall not exceed [\$58,000,000], the principal amount of the Series B Governmental Note shall not exceed [\$12,000,000], and the combined principal amount of the Governmental Notes shall not exceed [\$70,000,000].

(b) *Date or Dates.* Each Government Note shall be dated its date of initial delivery to the Initial Funding Lender, which shall be not later than one year after the date of adoption of this resolution.

(c) *Denominations and Designation.* The Series A Governmental Note shall be designated “Community Roots Housing Multifamily Note (Northgate Affordable Housing), Series 202[3/4]A (Tax-Exempt)” 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 initially be issued in a denomination equal to the not to exceed principal amount of the Series A Government Note. The Series B Governmental Note shall be designated “Community Roots Housing Multifamily Note (Northgate Affordable Housing), Series 202[3/4]B (Taxable)” 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 initially be issued in a denomination equal to the not to exceed principal amount of the Series B Government Note.

(d) *Interest Rates.* During the construction phase, the Series A Governmental Note shall bear interest at the Series 202[3/4]A Construction Phase Interest Rate set forth in Funding Loan Agreement, and the Series B Governmental Note shall bear interest at the Series 202[3/4]B Construction Phase Interest Rate set forth in the Funding Loan Agreement. During the permanent phase, the Series A Governmental Note will bear interest at the Permanent Phase Interest Rate set forth in the Funding Loan Agreement. Interest rates may increase above the otherwise applicable rate during the continuance of an event of default, and/or, with respect to the Series A Governmental Note, upon a determination of taxability, as set forth in the Funding Loan Agreement.

(e) *Payment Dates.* Interest on each Governmental Note 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 the Governmental Notes to the Initial Funding Lender. Principal of each Governmental Note shall be payable on the applicable maturity date, subject to scheduled monthly principal payments and to optional and mandatory prepayments prior to maturity as set forth in the Funding Loan Agreement.

(f) *Final Maturity.* Series A Governmental Note shall mature not later than [[December 31, 2050]], and the Series B Governmental Note shall mature not later than [[December 31, 2030]].

(g) *Redemption.* Each Governmental Note shall be subject to prepayment and redemption as set forth in the Funding Loan Agreement.

(h) *Price.* Each Governmental Note will be issued to the Initial Funding Lender in consideration of the Issuer's right to make Draws on applicable Governmental Note in a total amount not to exceed the stated principal amount of such Governmental Note.

(i) *Tax Status.* The Series A Governmental Note shall be issued as a tax-exempt obligation and the Series B Governmental Note shall be issued as a taxable obligation.

The Final Terms of the Governmental Notes shall be evidenced by a Certificate of Designated Representative executed on the date of initial delivery of the Governmental Notes, and the Governmental Notes shall have such other provisions consistent with this resolution as are set forth in the Financing Documents. Notwithstanding anything herein to the contrary, the execution or authentication of a Governmental Note or any Financing Document by an Authorized Officer shall be conclusive evidence of approval of the terms of the Governmental Notes as set forth therein.

Section 4. Draws on the Governmental Notes. The Board authorizes the Authorized Officers, and each of them acting alone, as authorized signors for the Issuer, in its capacity as a co-manager of the General Partner, and their respective designees, to make Draws on the Governmental Notes 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 Governmental Notes, and in the Financing Documents. Draws shall be recorded in such form as the Borrower and the Bank may agree. Draws on each Governmental Note shall be limited to the not to exceed principal amount of such Governmental Note. In the event that the Issuer determines that it is in the best interest of the Issuer or the Borrower to convert any Governmental Note into a fully funded obligation, the Issuer is authorized to draw amounts which have not been drawn to date (the "Remaining Authorized Amount") on such Governmental Note, 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 co-manager of the General Partner of the Borrower, 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. Security for the Governmental Notes. The Funding Loans, the Governmental Notes, and the obligations of the Issuer in its capacity as governmental lender under the Funding Loan Agreement and the other Financing Documents shall be special obligations of the Issuer payable solely from the Revenues and the Pledged Security (as defined in the Funding Loan Agreement), which shall include: (a) all right, title and interest of the Issuer in and to all Revenues; (b) all right, title and interest of the Issuer in and to the Project Loan Agreement, the Project Notes, and the other Project Loan Documents (as defined in the Funding Loan Agreement, and with certain reservations and exceptions noted in the Funding Loan Agreement); and (c) except for funds, money or securities in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund, all funds, money and securities and any and all other rights and interests in property whether tangible or intangible from time to time conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Funding Loan Agreement for the Funding Loans by the Issuer or by anyone on its behalf or with its written consent to the Fiscal Agent.

No provision, covenant or agreement contained in the Funding Loan Agreement, the Governmental Notes, or the other Financing Documents, or any obligations therein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any State of Washington constitutional or statutory limitation, or shall constitute or give rise to a charge against the general credit of the Issuer, City of Seattle, or the State of Washington. The Issuer does not have taxing power.

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.”

No covenant, condition or agreement contained in the Governmental Notes, the Funding Loan Agreement, or other Financing Documents shall be deemed to be a covenant, agreement or obligation of any present or future officer, director, employee or agent of the Issuer in their individual capacity, and none of the officers, directors, employees, or agents of the Issuer executing the Governmental Notes, the Funding Loan Agreement, or any other Financing Document shall be liable personally on the Governmental Notes or under the Funding Loan Agreement or other Financing Documents or be subject to any personal liability by reason of the issuance of the Governmental Notes or the execution of the Funding Loan Agreement or other Financing Documents.

Section 6. Form and Execution of Governmental Notes. The Governmental Notes shall be in a form consistent with the provisions of this resolution, the Funding Loan Agreement, 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. The Governmental Notes shall be authenticated by the Fiscal Agent as set forth in the Funding Loan Agreement. No Governmental Note shall be valid for any purpose until so authenticated. The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Governmental Note so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution and the Funding Loan Agreement

Section 7. Preservation of Tax Exemption for Interest on the Series A Governmental Note. The Issuer covenants that it will take all actions necessary to preserve the status of interest on the Series A Governmental Note as excluded from gross income for federal income tax purposes, except for any period during which the Series A Governmental Note 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 Series A Governmental Note, it will take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Series A Governmental Note, 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 Series A Governmental Note from being included in gross income for federal income tax purposes.

The Project 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 Project Loan Agreement, in so complying.

Section 8. Approval of Issuance and Sale of Governmental Note to the Initial Funding Lender and Transfer to the Permanent Lender. It is anticipated that the Initial Funding Lender will offer to lend the proceeds of the Funding Loans to the Issuer under the terms and conditions contained in this resolution and to be set forth in the Funding Loan Agreement and the Governmental Notes. The Board finds that such offer is in the best interest of the Issuer, and therefore approves the offer to make such financing available under the terms and conditions in this resolution. The Governmental Notes will be delivered to the Initial Funding Lender with the approving legal opinion of Foster Garvey P.C. regarding the Governmental Notes.

It is further anticipated that the Seller/Servicer will offer to purchase the Series A Funding Loan from the Initial Funding Lender on or after the Conversion Date, and that Freddie Mac will acquire the Series A Funding Loan from the Seller/Servicer thereafter. The Authorized Officers, and each of them acting alone, are authorized to execute and deliver on behalf of the Issuer any documents reasonably required to be executed by the Issuer to carry out the conversion of the Series A Project Loan from the construction phase to the permanent phase, the transfer of the Series A Funding Loan and the Series A Governmental Note to the Seller/Servicer, the transfer of the Series A Funding Loan and the Series A Governmental Note to Freddie Mac, and the other transactions contemplated by the Construction Phase Financing Agreement or the Freddie Mac Commitment.

Section 9. Authorization of Documents and Execution Thereof. The Board authorizes the Authorized Officers, and each of them acting alone, to negotiate, approve, execute, deliver, and file or record (or cause to be filed or recorded) if applicable, the Funding Loan Agreement, the Project Loan Agreement, the Regulatory Agreement, the Construction Guaranty, the Freddie Mac Guaranty, the Environmental Indemnity Agreement, the Tax Certificate, the Governmental Notes, the Project Notes, and the other Financing Documents. The Board authorizes and approves the execution and delivery of, and the performance by the Issuer of its obligations contained in the Funding Loan Agreement, the Project Loan Agreement, the Regulatory Agreement, the Construction Guaranty, the Freddie Mac Guaranty, the Environmental Indemnity Agreement, the Tax Certificate, the Governmental Notes, and the other Financing 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 Governmental Notes or required by the Initial Funding Lender, the Seller/Servicer, or Freddie Mac as a condition to the transactions contemplated by this resolution. 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 Governmental Notes, including, without limitation, appointing the Fiscal Agent, 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 Governmental Notes.

Section 10. 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 co-manager of the General Partner of the Borrower, the Regulatory Agreement, the Tax Certificate and Agreement, the Financing Documents to which it is a party, and such other documents, instruments and agreements as may be necessary or desirable in connection with the issuance of the Governmental Notes or required by the Initial Funding Lender, the Seller/Service, or Freddie Mac as a condition to the transactions contemplated by this resolution.

Section 11. Amendment of Resolution No. 2023-24. Resolution No. 2023-24 is amended by replacing each reference to \$56,000,000 with \$58,000,000. Resolution No. 2023-24 will remain in full force and effect in all other respects.

Section 12. 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 13. Use of Electronic Signatures. The Issuer (acting on its own behalf or as co-manager of the General Partner) may execute any and all documents authorized by this resolution, other than the Governmental Notes, by an electronic signature affixed to such document using electronic signature software, and may accept delivery of documents signed using electronic signature software.

Section 14. 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 15. 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 16. 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, the Financing Documents, or the Governmental Notes.

Section 17. 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 13th day of November, 2023.

COMMUNITY ROOTS HOUSING

By: _____
Chair, Board of Directors

ATTEST:

Secretary

DRAFT

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. 2023-30 (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 November 13, 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 13th day of November, 2023.

George Stagers, Secretary

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COMMUNITY ROOTS
— HOUSING —

SECTION 6:
Resolution 2023-31 -
Youthcare Bond
Inducement

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Community Roots Housing PDA Board Resolution 2023-31-Youthcare Bond Inducement

Overview: Youthcare Bond Inducement

Purpose: A RESOLUTION of the Board of Directors of Community Roots Housing declaring its intention to sell bonds in an amount not to exceed \$35,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

Type of Resolution/Motion:

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

Charter or Rules and Regulations Modification:

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

General description and purpose: This is the formal bond inducement resolution for the Youthcare project, which is the first step in issuing and selling tax exempt bonds. The tax exempt bonds are a key financing mechanism for the Youthcare project, which is planning to break ground in Q1 of 2024.

Organizational requirements of resolution: Formal resolution

Financial cost of the resolution: The revenue bonds will be issued and sold with minimal financial impact to CRH.

Pros: CRH will be able to advance bond financing for this 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: CRH will report to the board once final bond amount is known, and once closing date is selected.

Author of Resolution Overview: Thomas Geffner

COMMUNITY ROOTS HOUSING

RESOLUTION NO. 2023-31

(BROADWAY CENTER FOR YOUTH)

A RESOLUTION of the Board of Directors of Community Roots Housing declaring its intention to sell bonds in an amount not to exceed \$35,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

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

COMMUNITY ROOTS HOUSING

RESOLUTION NO. 2023-31

(BROADWAY CENTER FOR YOUTH)

A RESOLUTION of the Board of Directors of Community Roots Housing declaring its intention to sell bonds in an amount not to exceed \$35,000,000 to provide financing to a Washington limited liability limited partnership, to finance the acquisition, construction, and equipping of a multifamily rental housing project in the City of Seattle, Washington, and determining related matters.

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

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

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

WHEREAS, CRH has participated, or expects to participate, in the formation of a Washington limited liability limited partnership (the “Borrower”), for the purpose of acquiring, constructing, equipping, and operating an approximately 84-unit multifamily rental housing project, together with functionally related and subordinate improvements, to be located in the vicinity of 1534 Broadway Avenue, in Seattle, Washington, all to provide housing for low-income persons;

WHEREAS, the estimated cost of acquiring, constructing, and equipping of the residential portion of the Project is not expected to exceed \$65,500,000;

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

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

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

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

Section 1. To assist in the financing of the Project, with the public benefits resulting therefrom, CRH declares its intention, subject to the conditions and terms set forth herein, to issue and sell its revenue bonds or other obligations (the “Bonds”) in a principal amount of not to exceed \$35,000,000, to use the proceeds of the sale of the Bonds to make a loan (the “Loan”) to the Borrower, and to reimburse itself or to permit the Borrower to reimburse itself, as applicable, from proceeds of the Bonds for expenditures for the Project made by CRH or the Borrower before the issue date of the Bonds.

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

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

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

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

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

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

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

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

ADOPTED by the Board of Directors of Community Roots Housing at an open public meeting this 13th day of November, 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. 2023-31 (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 November 13th, 2023 (the “Meeting”), and duly recorded in the minute books CRH;

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

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; and

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

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of November, 2023.

George Stagers, Secretary

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COMMUNITY ROOTS
— HOUSING —

SECTION 7:
Consent Agenda and
Attachments

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COMMUNITY ROOTS
HOUSING

COMMUNITY ROOTS HOUSING PDA BOARD

Regular Meeting
November 13, 2023
5:30-7:30 PM
Pike Pine or RingCentral

CONSENT ITEMS

MINUTES AND REPORTS

1. October 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. Executive Committee Report and Minutes
7. Joint Board Development Committee Report and Minutes
8. EJSH Board Member Approval
9. Resolution 2023-31 - Banner Bank - Line of Credit Renewal

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

none



REGULAR BOARD MEETING MINUTES
Pike-Pine Conference Room/ RingCentral
October 9, 2023

Members present: Derrick Belgarde, Jill Cronauer, Bob Fikso, Shaun Frazier, Chasten Fulbright, Michelle Morlan, Drew Porter, M. Michelle Purnell-Hepburn, Saunatina Sanchez, Eric Snow, George Staggers, Kristin Winkel

Members absent: Frank F. Alvarado III, Sara Cubillos, Shalimar Gonzales

Staff members and board guests present: Toni Ball, Valencia Chambers Manora, Crystal Dumo, Lisa Hagen, Emily Kim, Jason McLin, Thea Munchel, Andrew Oommen, Carolina Rocha (taking minutes), Jessica Sherwin, Leslie Woodworth

Public: Two members of the public, one resident

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

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

The Chair announced the session to begin at 5:35pm and estimated to be in executive session for 10 minutes. The Board exited executive session at 5:52pm.

Disclosures & recusals: none

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

Announcements

Update on Park Hill sale: Chris provided an update on the sale progress and highlighted resident meeting held which Lisa attended and shared the resolution's approved by the board in July and subsequent actions. The engagement of a professional relocation consulting firm was emphasized, with a focus on ensuring fair and effective support for residents in relocating. Most residents have completed individual assessments, and the property is expected to be listed for sale within a few weeks. The sale is anticipated to close in spring 2024.

Public Comment:

- **Resident:** A resident of the Elizabeth James building highlighted issues within the community, including problems with garbage, rats, harassment, unregistered tenants, parking, and concerns

about violence. They also mentioned their intention to discuss certain issues with two specific managers, Whitney and Lesley, and suggested a meeting with the concerned tenants, managers, and board members to address these ongoing problems. They also recommended a community meeting to address the issues in a constructive manner, avoiding potential conflicts or intimidation by some newer tenants. The resident emphasized the importance of involving board members to facilitate a resolution and maintain a safe and welcoming environment for residents. The board assured him that they would follow up and schedule a meeting to address these concerns.

- **Public 1:** A representative from King County Equity Now, advocating for the black community, voiced concerns about the dilution and diversion of resources intended for the black community, expressing the need for genuine equity and compensation based on the history of devastation faced by black people. They emphasized the importance of community support and equitable development to prevent displacement and achieve meaningful change. They also raised questions about the ownership and management of the Liberty Bank building, highlighting concerns about building conditions and management quality. They requested assurance that buildings in the community are managed effectively and meet high standards. The board expressed a commitment to follow up on these issues and collaborate with King County Equity Now.
- **Public 2:** A community member expressed concerns regarding the lack of black ownership and community exclusion in housing projects. They mentioned that the organization had not supported black community acquisition and questioned whether it was appropriate for non-black organizations to dictate ownership in black communities. The speaker highlighted the importance of true equity, reparations, and restoration, emphasizing the need for resources to benefit the black community directly. They also mentioned the issue of dividing the community and competing for resources, urging the organization to reevaluate its approach and address the systemic marginalization of black people in partnerships and projects. The community member stated their intention to continue addressing these issues and advocated for an authentic, integrity-based relationship between the organization and the black community. The board acknowledged the concerns and expressed a commitment to addressing them.

Presentation and Discussion

Resident Council Progress update: Chris mentioned that there have been positive meetings regarding the Resident Council's progress with Toni, Natasha Neal, and Saunatina. They have a plan for an upcoming Spooktacular event on October 21st to engage residents in discussions about forming a council. The goal is to identify individuals interested in joining the planning committee. Patricia Hughes will discuss research on other resident councils during the board retreat. The planning team has a meeting scheduled to keep the project on track. The Resident Council is making good progress.

Joint Board & Leadership Retreat: Chris reminded the board of the upcoming Joint Board & Leadership Retreat scheduled for October 26th. He presented draft materials, focusing on centering residents and building a sustainable model. The goal is to identify resident role in decision-making and define the Board's role in supporting the RAC (Resident Advisory Council). The need for advocacy due to the challenges in the national model of affordable housing development and management were highlighted. The retreat will address these topics. Guest speaker Deidre Smith from CommonBond Communities in MN will

provide insights on challenges in the affordable housing industry. Emerging leader candidates were invited to attend the retreat.

10-minute lesson: Leslie conducted a session to teach how to read our complicated financial reports, explaining their components, including the balance sheet, asset management dashboard, and cash report. Leslie discussed balance sheet and operating statement variances, using graphs to illustrate historical vacancy and accounts receivable data. Attendees learned about restricted funds and the general building reserve.

Real Estate Development

Resolution 2023-28 – Othello Predevelopment Increase: This resolution authorizes and increase in predevelopment spending from \$500,000 to \$600,000.

A motion to approve the **Resolution 2023-28 – Othello Predevelopment Increase** was made by George Staggers, seconded by Michelle Morlan, and passed unanimously.

Finance and Asset Management

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

A motion to approve the **August Finance and Asset Management Report** was made by Bob Fikso, second by M. Michelle Purnell-Hepburn, and passed unanimously.

2024 Budget introduction and assumptions: The rough draft of the budget is in progress and will be presented at the next meeting, with final approval sought in December. Staff members are working on their budget drafts, which will undergo agency-wide reviews, and feedback will be solicited. The presentation highlighted some key aspects of the budget, including residential revenues, vacancy rate, debt, developer fees, transactional events, and expenses. We are eagerly anticipating further discussions and refinements in the upcoming board meetings.

Leslie acknowledged the collaborative efforts of the team, with recognition for Andrew's role in organizing and maintaining the budget platform.

Audit presentation: Leslie covered various aspects, including financial statements, audit services, the audit process, and audited financial statements. She also expressed gratitude for the team's efforts during a challenging audit season. The audit services included a review of financial statements, compliance audits, and additional audits, all meeting audit standards. The audit process involved rigorous planning and dedication from November to May. Blended and discrete component units were discussed, as well as the balance sheet, ratios, operating statement, and cash flow. Notably, the net position change was attributed to non-cash items in the operating statement, and the cash flow indicated a nearly break-even situation with a \$94,000 net outflow.

Chris comment on Public Comment: Chris mentioned that it would be beneficial to provide the Board with additional information concerning specific comments made, particularly those related to the Liberty

Bank building and African Community Land Trust's ownership, as well as the 13th for family housing and the car project. He proposed to send an email with details addressing these concerns for the Board's consideration.

The meeting was adjourned by Drew Porter at 7:32 pm.

Attested,

George Stagers, Secretary
November 13, 2023

DRAFT

November 2023 Fundraising and Communications Memorandum

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

From: Kiley Dhatt

2023 End of Year Campaign

Campaign Goal: \$40,000

The 2023 EOY Campaign will solicit funds to support a new approach to rental assistance, the Housing Stabilization Program (HSP). The HSP is a pilot program designed to offer residents a one-time debt balance reduction combined with personalized, coordinated services that aim to address the “why” behind each individual household’s economic insecurity. Beyond setting up payment plans for rent debt, services could include employment support, healthcare navigation, and benefit enrollment.

The HSP pilot will provide targeted financial and supportive resources specifically to Liberty Bank Building residents. As of August 2023, total arrears for LBB are over \$234,000 – nearly six times the average across the rest of our portfolio. Through this pilot, Community Roots seeks to center residents by better understanding how to combat the disproportionate financial burden impacting LBB.

Board members can help by forwarding EOY emails to your contacts and posting on social media to encourage your networks to donate, especially in the lead up to Giving Tuesday (11/28). Keep an eye out for emails from staff with templates to help you do this. If you have any questions, please reach out to Sr. Manager of Philanthropy, [Amy Forsaith](#).

Schedule:

| | |
|---------------------------|-----------------------|
| <i>Website Launch</i> | Thursday, November 9 |
| <i>Postcard Mailout</i> | Monday, November 20 |
| <i>Giving Tuesday</i> | Tuesday, November 28 |
| <i>EOY Email Kick-Off</i> | Thursday, November 30 |
| <i>EOY</i> | Sunday, December 31 |

Grants & Awards

In the last month:

Grant proposals submitted include:

N/A (due to end of year reporting for multiple City of Seattle and NFWF grants for EcoDistrict)

Grant proposals awarded include:

N/A

Grant proposals declined include:

Boeing Global Impact – EcoDistrict \$50,000

Grant proposals still pending include:

- Fales Foundation – Resident Services - \$5,000
- Swedish Medical Center – Resident Services - \$10,000
- Umpqua Bank Community Grant – Resident Services - \$10,000

- Hill Family Foundation – Annual Fund, \$75,000 and Housing Stabilization Fund, \$75,000

Upcoming grant proposals include:

- Boeing Employees Community Fund – Annual Fund (Facilities service van) - \$43,000
- City of Seattle Technology Matching Fund – Annual Fund (Digital Equity Grant - Broadband Access for Low-Income Communities) - \$22,900

Rise Together Capital Campaign

To date, the Rise Together partners have raised \$39,044,802 toward a goal of \$45,000,000 (87%).

Proposals pending:

- \$1M Best Starts for Kids Capital Funding to support the WC HUB

Upcoming proposals:

- \$2M Local and Community Projects direct appropriation request to Washington State Capital Budget to support the WC HUB

Upcoming strategies:

- Secure campaign bridge loan for \$4.5M to ensure WC HUB can close in Q4
- Connect with funders with significant major donors or DAFs that can help promote the campaign among their constituents.

Communications

In October, communications work included the following highlights:

- Pride Place grand opening event planning, promotion, and earned media push
 - Creation of a Pride Place spotlight video featuring resident voices
- Earned media efforts regarding the rehabilitation of the Devonshire apartments
- Pride Place leasing marketing
- Africatown Plaza leasing marketing
- 13th & Fir leasing marketing, handoff to third-party org Allied
- Preparation for promotion of YouthCare/South Annex project's naming procedure
- Collaboration with Resident Services to support planning for Resident Council recruitment and promotion of their upcoming engagement event(s)
- Work with IT to finalize next wave of CRH property website templates for the RealPage system implementation
- Monthly Building Beyond Buildings newsletter

October's media mentions of Community Roots Housing and related projects:

- [No injuries reported as police search for suspect in Broadway parking lot gunfire](#)
- [Shuttered stores. New housing. What's happening on Rainier Ave?](#)
- [Soul of the CD: Africatown Plaza addresses housing and construction inequalities](#)
- [How do Seattle's evolving neighborhoods include older residents?](#)

- [Another cool old Community Roots Housing apartment building hits market but affordable developer says Capitol Hill sales are not a trend](#)
- [WA's First Affordable Housing Designed for LGBTQ Seniors Opens](#)
- [Council's Budget Would Preserve JumpStart Spending Plan, Restrict Shotspotter, and Restore Safe Streets Spending](#)
- [Building Community through Holistic Strategy: A Story from a Seattle Immigrant Suburb](#)
- [PNW Mass Timber Tech Hub, led by OSU, gets federal recognition](#)
- [14+ things CHS heard from the D3 candidates forum on aging](#)
- [Pride Place brings color and community to Broadway](#)
- [Tenants left high and dry by landlords after sewer water floods apartments](#)

2023 Community Roots Housing Foundation Budget and Actuals - AS OF 10.31.2023

| | | SFDC Actuals | Goals | % to Goal |
|-----------------|-------------------------|--------------|------------|-----------|
| Unrestricted | Corporate | \$ 149,731 | \$ 168,375 | 89% |
| | Sponsorship & Tickets | \$ 291,743 | \$ 301,500 | 97% |
| | Foundation | \$ 5,926 | \$ 43,900 | 13% |
| | Government | \$ - | \$ - | |
| | DAF | \$ 177,914 | \$ 323,000 | N/A |
| | Individual | \$ 175,043 | | |
| | Individual Giving Total | \$ 352,957 | \$ 323,000 | 109% |
| Subtotal | | \$ 800,357 | \$ 836,775 | 96% |

| | | SFDC Actuals | Goals | % to Goal |
|-----------------|-------------------------|--------------|--------------|-----------|
| Restricted | Corporate | \$ 132,600 | \$ 159,000 | 83% |
| | Government | \$ 30,000 | \$ 128,500 | 103% |
| | Sponsorship & Tickets | \$ 42,500 | \$ 97,500 | 44% |
| | Foundation | \$ 150,725 | \$ 213,025 | 71% |
| | DAF | \$ 400 | \$ 125,000 | N/A |
| | Individual | \$ 752 | | |
| | Individual Giving Total | \$ 1,152 | \$ 125,000 | 1% |
| Subtotal | | \$ 356,977 | \$ 723,025 | 49% |
| Total | | \$ 1,157,334 | \$ 1,559,800 | 74% |

Community Roots Housing Foundation
2023 Budget vs. Actual
January through October 2023

| | Jan - Oct 23 | Budget | % of Budget |
|---|--------------|--------------|-------------|
| ▼ Ordinary Income/Expense | | | |
| ▶ Income | 925,402.68 | 1,559,800.00 | 59.3% |
| Gross Profit | 925,402.68 | 1,559,800.00 | 59.3% |
| ▼ Expense | | | |
| ▼ 10000 · Operating Expenses | | | |
| ▶ 5000 · Contract Services | 26,840.37 | 31,500.00 | 85.2% |
| ▶ 6000 · Office Expenses | 17,601.27 | 25,600.00 | 68.8% |
| ▶ 7000 · Administrative Expenses | 8,360.56 | 5,500.00 | 152% |
| ▼ 7500 · Event Expense | | | |
| ▶ 7540 · Event Expense | 114,415.75 | 136,610.00 | 83.8% |
| 7500 · Event Expense - Other | 12.28 | | |
| Total 7500 · Event Expense | 114,428.03 | 136,610.00 | 83.8% |
| 10000 · Operating Expenses - Other | 2,500.00 | | |
| Total 10000 · Operating Expenses | 169,730.23 | 199,210.00 | 85.2% |
| ▼ 9000 · Granting | | | |
| ▶ 9050 · Donations to CHH - Unrestric... | 479,824.00 | 600,000.00 | 80% |
| ▶ 9055 · Donations to CHH - Restricted | 349,084.38 | 690,000.00 | 50.6% |
| 9000 · Granting - Other | 30,000.00 | | |
| Total 9000 · Granting | 858,908.38 | 1,290,000.00 | 66.6% |
| Total Expense | 1,028,638.61 | 1,489,210.00 | 69.1% |



NOVEMBER 2023 RESIDENT AND PROPERTY SUCCESS COMMITTEE BOARD REPORT AND MINUTES

Property Management Committee Members: Shaun Frazier, Chasten Fulbright, Shalimar Gonzales, Eric Snow

Absent Committee Members: Saunatina Sanchez

Staff Liaisons to the Board: Sarah Bramson, Lisa Hagen, Michelle House, Valencia Chambers Manora, Andrew Oommen, Chris Persons, Carolina Rocha (taking notes), Lariah Thompson, Ron Trescone, Daychelle Wilson (taking notes).

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

Date, time, and location of meeting: November 7, 2023 – 3:00-4:00 PM – RingCentral

Date, time, and location of next meeting: December 5, 2023 – 3:00-4:00 PM – RingCentral

The meeting began at 3:05 p.m.

- 1) **Meeting dates:** The Committee meets every first Tuesday of the month from 3-4pm. The proposed 2024 meetings were presented, and Andrew suggested canceling the meetings that land on or followed by a holiday. The meetings suggested to be canceled are in January, July, and September. The Committee members agreed on the cancellation and Shalimar requested that on these months that the meetings were cancelled, Andrew should email an update to the committee. The Committee will adopt the meeting dates at the next meeting in December.
- 2) **Charter and Topics:** Andrew shared the committee charter. The areas of coverage for this committee are Vacancy, Collections, Leasing, Compliance, Resident Services, Maintenance, Capital Needs and Projects, and Technology. The Committee also discussed different items that could be brought to this committee and Chasten stated that if the RAC became part of the Committee's scope of work, then the charter will need to be updated.
- 3) **Big Projects Update:** We are at peak volume of activities this year.
RealPage: The RealPage transition is nearly complete.

Lease-ups: We are working to improve our marketing strategies to gain more interest in the new buildings opening. Chasten mentioned to the committee about a new campaign under development to promote the opening of the Heartwood.

Stabilizing: The stabilization of Station House is still proving to be a difficult process. We are struggling to collect on delinquencies and are actively working with tenants to resolve these issues. We have hired a new permanent Site Manager, which will help us make progress.

Closing: Devonshire is now closed and half of the tenants have been relocated. Northgate, White Center, and YouthCare are in the closing phase.

Dispositions: Park Hill is undergoing a relocation process with 5 households set to move out in November. Holden Vista continues to proceed with a prospective buyer. Broadway is on pause.

Program Development: We are striving to better understand the needs of our staff along with our tenants. We are focusing heavily on program development and providing more training opportunities for staff. We are also embracing specialization and hoping to get staff more involved.

- 4) **KPIs**: Physical vacancy rose in September to 4.2%, which is closer to economic vacancy for the period. Data quality issues persist due to our transition of management systems. We continue to work on improving data quality and learning how to best capture and present data from RealPage. As of our last weekly vacancy report (11/3), our vacancy rate is 3.69%, or 52 vacant units. This only includes “stabilized” units, which excludes “non-stabilized” units at new buildings, properties undergoing substantial rehab, and properties with an active listing.

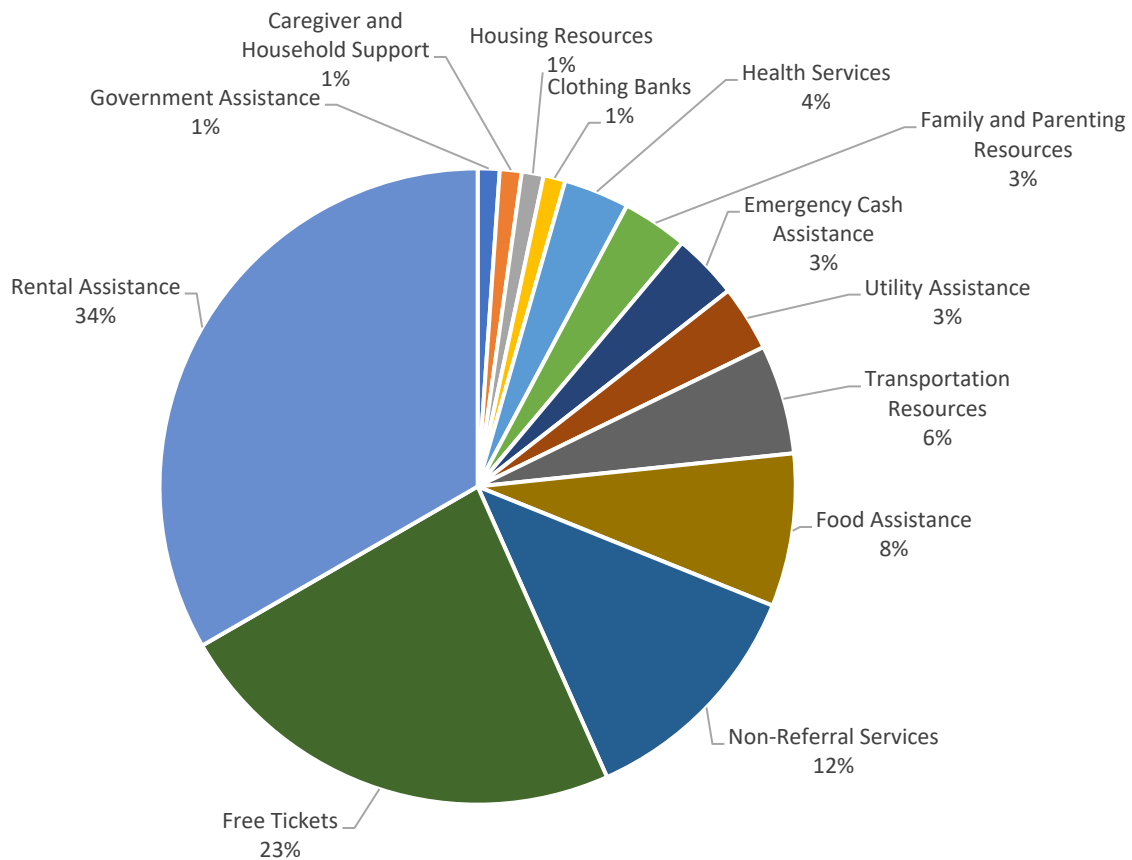
The meeting ended at 3:54p.m.

**Resident Services
Program Report
October 2023**

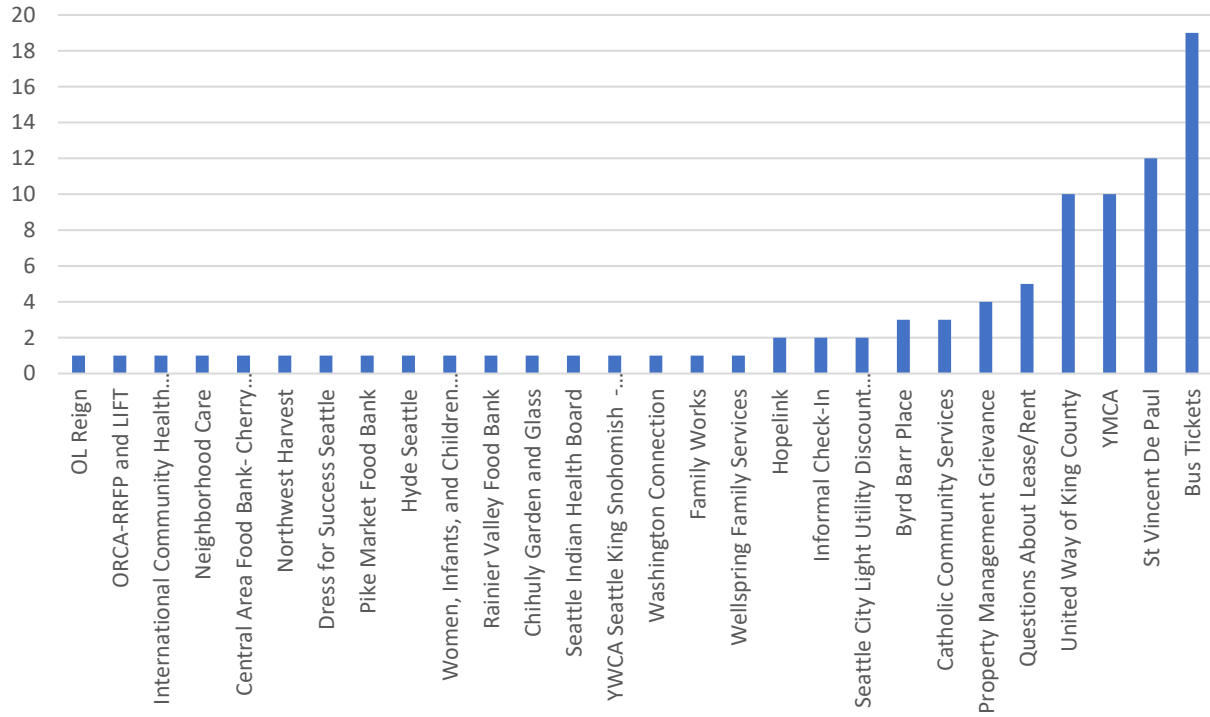
Highlights

- Current Staffing
 - RSC – Debra, started October 23rd.
 - RSC – Aja, departing November 17th.
 - RSC – Sasha
 - Resident Services Manager – Toni Ball
- Programming
 - October 21st Spooktacular Resident Event
 - 3 Resident Council information sessions held
 - 5 partner organizations participated in tabling portion.
 - 10 staff volunteers participated in the event.
 - Attendance: 30 residents.
- Future Programming
 - November Virtual Resident Information Session

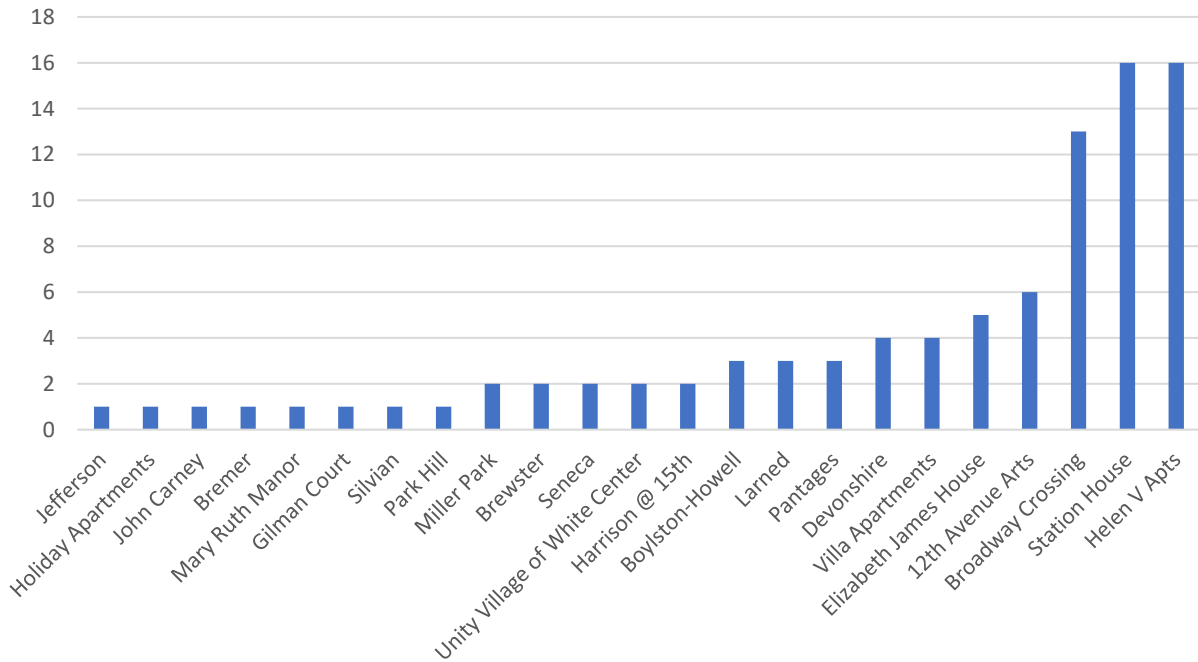
Service Touch by Type



Service by Organization



Service by Building





NOVEMBER 2023 PROPERTY DEVELOPMENT BOARD REPORT AND MINUTES

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

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

Date, time and location of meeting: November 6, 2023 at 4:00PM – 5:00PM via Ring Central teleconference

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

1. Pipeline Review and Updates

- a. White Center Residential – Staff anticipated needing to go to the Board to approve a resolution to form creation of the ownership entities this month. Through further work on the project, staff has determined that the White Center CDA will create the entities. Staff will continue to update the committee and the Board as we get closer to construction finance closing.
- b. White Center HUB – Staff provided an update on progress to attract NMTC equity investors into the project by the end of this year. If successful, staff anticipates closing on finance 30 – 60 days later.
- c. Rainier and Genesee – The Seattle Office of Housing has provided a verbal award to the Rainier and Genesee for a \$3.8 million acquisition loan. Staff negotiated down the purchase price from \$4.8 to \$3.5 million and LUP will provide a 0% interest seller note for the remaining \$700,000 required to close. In addition, LUP will provide demolition of the existing building, pollution insurance, along with the capital costs and management costs associated with the \$4 million in clean up expenses.
- d. All other project updates were provided in writing in advance of the meeting and attached to this report. Note, no updates provided on the Middle-Income projects -- lead staff is out of office.

2. Approvals/Resolutions

- a. Northgate – Closing Omnibus Resolution and Bond Resolution. Staff provided an update on the Northgate affordable housing project with currently in a stage of closing with Bridge. The presentation provided a look at the project structure, sources and uses

budget, potential revenue, and current risk profile. PDC encouraged staff to bring this to the Board in November with the understanding that the project is still taking shape and may need to come back in December for further approval.

- b. YouthCare – Bond Inducement Resolution. The YouthCare project is beginning the process of closing, and expects to have a building permit, a lender and investor, and to be fully funded by the end of 2023. The project will provide 84 units of affordable housing with 15 units set aside for young adults experiencing homelessness or that are at risk of homelessness. Staff anticipates closing on construction finance in March 2024. The Bond Inducement Resolution provided has no risk to the organization and is a matter of process in order for CRH to issue the bond at closing. PDC approved bringing the resolution to the Board in November.

Meeting adjourned at 5:10 PM.



November 2023 Pipeline Report

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



November 2023 Pipeline Progress Report

| Project Name | PM | # Units | Funding Application | Construction Closing | Placed in Service | Perm Conversion Proposed/Actual | Cash Dev Fee | Cash Fee in 2023 redev Approved | Predev Spent to Date | Acquisition |
|---------------------------|---|---------|--|----------------------|-------------------|---------------------------------|-----------------------|---------------------------------|----------------------|-------------|
| 4% Bond | | | | | | | | | | |
| Bremer | Thea | 49 | 9/15/2019 | 1/7/2021 | 8/5/2022 | 1/31/2024 | Actual \$ 250,000 | \$ - | Repaid | |
| | Current Phase: Project Close Out | | Update: FEMA has a follow up item they are working through before finalizing and closing out the contract. | | | | | | | |
| | Next Milestone: | | | | | | | | | |
| 13th & Fir Family Housing | Josh / Thomas | 156 | 9/15/2019 | 5/17/2021 | 5/5/2023 | 6/1/2024 | Actual \$ 583,947 | | Repaid | |
| | Current Phase: Building Transition, Lease up | | Update: Signed ~72 leases through end of September. Allied has been hired to support lease up. SCIDpda has work to do to clean up existing leases. . | | | | | | | |
| | Next Milestone: perm conversion | | <ul style="list-style-type: none"> Close to finalizing OpEx budget Beginning to work through cost cert Need to lease up 140 units by the end of 2023 | | | | | | | |
| Pride Place | Mason | 118 | 9/15/2019 | 10/25/2021 | 9/5/2023 | 6/5/2024 | Actual \$ 1,510,957 | \$ 151,095.50 | Repaid | |
| | Current Phase: Building Transition, Lease up | | Update: ~36 units leased and only a handful of applications in a stage of process, not meeting target of qualified occupancy by the end of 2023. | | | | | | | |
| | Next Milestone: perm conversion | | <ul style="list-style-type: none"> Working through additional marketing and/or leasing support. Targeted outreach regionally and nationally to LGBTQ channels, but also expanding to traditional marketing sources. Working on second equity contribution, which will include a developer fee pay in of ~\$151,000. Final Pay Ap from Walsh coming in now. Retail has interest and we are exploring LOI's with a handful of tenants. Working with our perm commercial lender at WCRA to see if they can help with TI allowance. LIIF may be another source to consider. Will need to extend the construction loan, has one 6mo ext which would take us through the end of July | | | | | | | |
| AT Plaza | Muammar | 126 | 9/15/2019 | 12/23/2021 | 12/23/2021 | 7/1/2024 | Actual \$ 1,088,597 | \$ - | Repaid | |
| | Current Phase: Construction | | Update: Close to agreement on gap with OH and Key Bank. The City is committed to help fill the gap. | | | | | | | |
| | Next Milestone: Building Transition, Lease up | | <ul style="list-style-type: none"> Working to finalize cost impacts split between retail condo and housing and get Key Bank sign off. Application for CHIP funding submitted 50% test looking close, but likely not a major issue at this time. Leasing and marketing in progress. 300+ interested prospective residents. Applications are open. 30 completed appointments so far. Condo conveyance expected in the next 2 months. Muammar is looking for construction source gap, considering recycled bond volume cap, but may need to just go back to Key for conventional taxable debt for that. Could get fresh bond cap, but Muammar is not pursuing at this time. Elevator construction will be completed mid-December, likely pushing inspections and CofO out There's is 6 month construction loan ext. available if we need it | | | | | | | |
| Devonshire | Jordan | 62 | 9/15/2022 | 9/19/2023 | 12/19/2024 | 5/19/2025 | Proposed \$ 1,582,857 | \$ 395,714.25 | Repaid | |
| | Current Phase: Closing | | Update: Third pay ap to go in this week, well into demo and discovery phase and working through associated scope changes and budget impacts | | | | | | | |
| | Next Milestone: Construction | | Third phase relocation begins 11/6 and forth phase begins 11/27 | | | | | | | |
| Northgate | Thea | 235 | 9/15/2021 | 12/15/2023 | 10/15/2025 | 12/15/2026 | Proposed \$ 2,406,521 | \$ 721,956.30 | \$ 200,000 | \$ 161,172 |
| | Current Phase: Closing | | Update: Received MUP, anticipate building permit this week. | | | | | | | |
| | Next Milestone: Construction | | <ul style="list-style-type: none"> Working through ground lease issues related to lender priority and condo structure. May require CRH/Bridge to commit to a LOC to construct childcare space prior to perm conversion on the Freddie Loan. May also require going back to KC council to amend development agreement to allow for separate ground leases -- one for the residential condo unit and one for the retail condo units. Bridge's board is concerned about parking for the family sized units and is working to secure a MOU for \$150/spot for those units with an adjacent property owner. These costs would pass through to tenants. Continuing to work toward a December 2023 construction finance close, though the DDA is restored in 2024 so that existential threat has been eliminated. Bringing closing Omnibus Resolution to the Board in November. | | | | | | | |



November 2023 Pipeline Progress Report

| Project Name | PM | # Units | Funding Application | Construction Closing | Placed in Service | Perm Conversion Proposed/Actual | Cash Dev Fee | Cash Fee in 2023 | redev Approved | Predev Spent to Date | Acquisition |
|--|--------|---------|---|----------------------|-------------------|---------------------------------|--|------------------|----------------|----------------------|--------------|
| WC Residential | Mason | 76 | 9/15/2022 | 1/15/2024 | 10/15/2025 | 6/15/2026 | Proposed \$ 1,050,000 | | \$ 3,600,000 | \$ 3,003,648 | |
| Current Phase: Funding, Building Permit Next Milestone: Closing | | | Update: <ul style="list-style-type: none"> Selected Hudson/Cap One Investor, Cap One Construction Loan, City Bank Perm Loan. In closing now, working through initial due diligence list from funders. WCCDA is closing on the acquisition of the land this week. Condo survey is occurring this month for residential and commercial units and common elements. Land owner entity will declare condo prior to construction finance close. Round 2 permit responses submitted last week and KC has indicated that we could have permit mid to late December. Currently negotiating construction contract with Marpac and finalizing hard costs. Continuing to work through partnership agreement with WCCDA 51% WCCDA and 49% CRH. GP and LP entities formed, with placeholder operating agreements. Reviewing if CRH needs to form an LLC to participate in the GP. | | | | *Predev includes both Res and Com projects | | | | |
| WC Commercial | Mason | | N/A | 1/30/2024 | 4/30/2025 | 12/30/2025 | Proposed \$ - | | | | |
| Current Phase: Funding, Building Permit Next Milestone: Closing | | | Update: <ul style="list-style-type: none"> Working throu King County and WSHFC on capital campaign bridge loan. Negotiating construction contract with Marpac and finalizing GMP pricing. Building permit in second round of comments, expect to have by mid- to late- December CDFI/CDE's Partners - Enterprise, Axion Opportunity Fund. Working to find additional CDE's and to be fully committed with NMTC equity by end of 2023. Debt term sheet with Enterprise is under review now. Will help attract additional NMTC cdfi's into the project. Working through design changes requested by Health Point that will define rent and capital contribution to the project in lease agreement. Once we have full NMTC equity, we should be able to close 30 - 60 days after. | | | | | | | | |
| Youthcare | Thomas | 84 | 9/15/2021 | 3/15/2024 | 3/15/2026 | 11/15/2026 | Proposed \$ 778,444 | | \$ 2,500,000 | \$ 2,056,795 | \$ 6,500,000 |
| Current Phase: Funding, Building Permit Next Milestone: Closing | | | Update: <ul style="list-style-type: none"> Building permit comments received, land use is on hold while we work through changes to SDCI rules. Construction / design / MEP coordination ongoing. Construction bid expected November. Youthcare funding gap to start construction of \$3.5M gap, thinking about a 501c3 bond with WSHFC. Continuing to work through residential funding gap, more to come after we have bids back from GC. We are reviewing Development Agreement now, condo agreement is still in progress. Funding RFP for lenders and investors are out with expecting to select by early December. Bond inducement to the Board in November. | | | | | | | | |
| SMC | Mason | 283 | 9/15/2023 | 11/1/2024 | 11/1/2026 | 7/1/2027 | Proposed \$ 2,863,346 | | \$ 500,000 | \$ 478,255 | \$ 7,750,000 |
| Current Phase: Prefunded Next Milestone: Public Funding | | | Update: <ul style="list-style-type: none"> NOFA applications submitted to OH, KC, and HTF. OH had some follow up questions that we responded to. Working with SMC on church unit design and pricing and coordinating Working with Build Lake City Together to explore city OED funding for commercial retail space. | | | | At construction fin | | | | |



November 2023 Pipeline Progress Report

| Project Name | PM | # Units | Funding Application | Construction Closing | Placed in Service | Perm Conversion Proposed/Actual | Cash Dev Fee | Cash Fee in 2023 redev Approved | Predev Spent to Date | Acquisition |
|----------------------------|--------|---------|---|----------------------|-------------------|---------------------------------|--------------|---------------------------------|----------------------|------------------------|
| Potential Projects | | | | | | | | | | |
| Centennial | Thomas | 57 | 9/15/2024 | 12/1/2025 | 12/1/2027 | 8/1/2028 | Proposed | \$ - | \$ 266,674 | |
| Current Phase: Feasibility | | | Update: · Initial feasibility studies beginning in Q4 2023 with design to begin in February 2024. | | | | | | | |
| Next Milestone: Approval | | | · Expecting to bring project to the board for initial review in December or January | | | | | | | |
| Sound Transit - U Dist. | | | | | | | | | | |
| Current Phase: | | | Update: · Exploring with Schuster Group and Turner to see if this would be a good opportunity for CRH to pursue. Response to RFP due 1/10 | | | | | | | |
| Next Milestone: | | | | | | | | | | |
| Sound Transit - Rainier V | | | | | | | | | | |
| Current Phase: | | | Update: · Exploring internally if this would be a good opportunity for CRH to pursue. | | | | | | | |
| Next Milestone: | | | | | | | | | | |
| R & G | Thomas | 139 TBD | TBD | TBD | TBD | TBD | Proposed | \$ - | \$ 100,000 | \$ 46,163 \$ 4,680,243 |
| Current Phase: Feasibility | | | Update: · OH will fund up to \$3.8M toward acquisition with \$700K in seller note with 0% interest from LUP. | | | | | | | |
| Next Milestone: Approval | | | Expect a term sheet this week. Putting final negotiated acq price on the North Parcel at \$4.5M. | | | | | | | |
| Goodwill | Thea | TBD | TBD | TBD | TBD | TBD | Proposed | \$ - | | |
| Current Phase: Feasibility | | | Update: No updates | | | | | | | |
| Next Milestone: Approval | | | | | | | | | | |
| Kent | Donna | | | | | | | \$ - | | |
| Current Phase: | | | Update: · Considering applying for an NDC grant available through the City of Kent to fund early predevelopment expenses for this potential project. Considering shifting our wood innovation grant to Centennial, since we have greater confidence that Centennial becoming a project. | | | | | | | |
| Next Milestone: | | | | | | | | | | |
| SFBC | Mason | | | | | | | \$ - | | |
| Current Phase: | | | Update: · SFBC has indicated that they would like to proceed with a three party MOU between the church, Strada, and CRH. This will likely be a two tower high rise project with CRH developing affordable housing project as one of the two towers. | | | | | | | |
| Next Milestone: | | | | | | | | | | |
| Tukwila - Abu Bakr | Thea | | | | | | | \$ - | | |
| Current Phase: | | | Update: · Exploring participating in a fee based partnership with Abu Bakr to advance this project. | | | | | | | |
| Next Milestone: | | | | | | | | | | |
| CHP2-5 | Thea | | | | | | | \$ - | | |
| Current Phase: | | | Update: · No updates | | | | | | | |
| Next Milestone: | | | | | | | | | | |



NOVEMBER 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: **Chris Persons, Carolina Rocha** (taking minutes)
(**BOLD** indicates those members in attendance)

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

Date, time, and location of next meeting: Monday, December 4, 2023 – 5-6:30 pm – Belmont Conference Room / RingCentral

The meeting began at 5:06 p.m.

- 1) 2024 Schedule of Board Meetings:** As 2024 is getting closer, the team discussed the year-round dates for the PDA board meetings. Chris presented the dates, maintaining on the second Monday of each month. Since the meeting in November will be on a holiday (Veteran's Day), the meeting will be moved to a week later, on November 18th.

A motion to approve the 2024 PDA Board Meetings was made by Frank F. Alvarado III, seconded by George Stagers, and passed unanimously.

The 2024 Executive Committee meeting schedule was presented by Chris, maintaining on the first Monday of each month. January and September meetings were moved to a day later due to a holiday.

A motion to approve the 2024 Executive Committee Meetings was made by Frank F. Alvarado III, seconded by George Stagers, and passed unanimously.

- 2) Annual Meeting:** Chris recommended rescheduling the 2023 Annual Meeting to Spring 2024, ideally in March or April, due to scheduling constraints and capacity this year. He also proposed including a memo in the November board meeting to officially communicate the cancellation of this year's annual meeting to the full board. Drew expressed agreement with the cancellation and recommended that the minutes include an explanation for the decision. Chris will include the memo in the Consent Agenda for the November board meeting.

- 3) **State of the organization:** The committee engaged in a discussion regarding the state of affordable housing nationally and issues specific to affordable housing in Seattle. Chris updated them regarding financials, loans, and grants. For Dispositions, Fredonia is completed, Holden Vista is under contract and expected to close in Q2 of 2024, Park Hill is set to be listed by the end of the week, Broadway is facing structure issues on the stairs that is slowing the process.

Jazz House is our highest risk due to the funding issues. Our team is frequently meeting with partners in this project to ensure its progress. Othello has less exposure but also facing some risk. Other projects are greatly moving forward.

Station house is fully leased, and collections are moving. We hired a third party for 13th and Fir leasing, and it is showing positive returns. WCHUB, Northgate, Rainier and Genesee, Seattle Mennonite Church projects contain some minimal risk around but actively managing.

Vacancy is approximately 3%, with improved collections. There are evictions in process to ensure rent payments. The Line of Credit and pipeline are advancing.

- 4) **Board Retreat Next Steps:** A Leadership Team meeting is scheduled to November 16th when the team will debrief the Joint Board & Leadership Retreat, discussing the results of the conversations around the event about building a sustainable business model. We will bring the feedback to the December board meeting.
- 5) **Breaking Barriers coming to U.S.:** There is a conversation about the Breaking Barriers coming to U.S. and would likely to happen in Seattle, St Louis, or both. HUD would provide financial support and CRH, as a host, would provide staff time and dedication for the execution of the event.
- 6) **ELF (Emerging Leader Fellows):** The Executive Committee will have a panel interview with the two Emerging Leader Fellow candidates on November 7th. Ideally, we will have a decision before the December Board meeting to announce the new member.
- 7) **Resident Council Next Steps and Direction:** The Executive Committee discussed decisions related to establishing the Resident Advisory Committee (RAC). The primary decision concerned defining the RAC's role, which is intended to bridge staff/residents and the PDA board, with decision-making authority while ensuring the PDA's responsibilities are maintained. Drew and Shalimar both supported the notion that the RAC should not operate at the same level as the PDA Board. Derrick emphasized the importance of clear communication, considering the diverse expectations within the RAC. Chris highlighted the significance of effective communication with staff, emphasizing support for the staff's capacity. George emphasizes the need to support the staff, as neglecting this could lead to issues. A virtual meeting with the RAC was scheduled for December 5th and residents will be invited.
- 8) **Board Correspondence:** Carolina informed the Committee that one resident from the Holiday Apartments emailed the board 22 times on the month of October with the content varying from reasonable accommodations, information about the building, staff, and request for inspections. One resident from LBB contacted regarding an unhappy interaction with a staff member which was already solved, and resident apologized. The last contact from the CRH-Board email was from a person interested in joining the PDA board.

9) Board agenda: Chris reviewed the Board agenda with the Committee.

10) CRH on the media: Community Roots Housing was mentioned by the Consumer Investigations Reporter Jesse Jones on the local news regarding a flooded unit on one of CRH apartment buildings.

The meeting ended at 6:39 p.m.

Board Email Correspondence October 2023

| | |
|------------------------------|---|
| Correspondence Number | 1 |
| Date Received | October 1-31 (22 emails) |
| From | Resident |
| Topic | Request inspections, info on repairs, staff, and contractors' names, etc. |
| Building | Holiday |
| Status | Staff and Lawyers are dealing with the resident |

| | |
|------------------------------|---------------------------------------|
| Correspondence Number | 2 |
| Date Received | October 30, 2023 (1 email) |
| From | Public |
| Topic | Interest in joining the PDA board |
| Building | N/A |
| Status | Candidate is on the interview process |

| | |
|------------------------------|--|
| Correspondence Number | 3 |
| Date Received | October 31, 2023 (1 email) |
| From | Resident |
| Topic | Resident asked for accommodation and was unhappy with the process to have the request fulfilled. |
| Building | LBB |
| Status | Staff responded to the resident and solved the issue |



NOVEMBER 2023 JOINT BOARD DEVELOPMENT COMMITTEE BOARD REPORT AND MINUTES

Joint Board Development Committee Members: Sara Cubillos - Committee Chair (PDA), Alice Quaintance (Non-Board member, Former PDA), Eric Snow (PDA)

Absent Committee Members: Max Koziol (Foundation), Kelli Price (Foundation)

Staff Liaisons to the Board: Erin Arnold, Carolina Rocha, Matteo Zanatta-Kline

Date, time, and location of meeting: October 18, 2023 - 4:00-5:00pm - Ring Central/Belmont Conference Room

Date, time, and location of next meeting: November 29, 2023 - 4:00-5:00pm - Ring Central/Belmont Conference Room

The meeting began at 4:05 pm.

- 1. Introductions & Icebreaker:** The Committee talked about their sunny day.
- 2. Omnivorous Debrief:** This year we once again held our annual culinary fundraiser, Omnivorous, in the Capitol Hill Station Plaza on September 13th. We raised over \$255,000 against our goal amount of \$285,000, however, we did see an increase by over \$40,000 compared to last year's amount raised. We had 424 people attend the event, with over 38% giving back to our mission. Additionally, we did come in almost \$30,000 under budget for the expenses of the event. The event was a great success, and we want to thank everyone who came and donated to support Community Roots Housing.
- 3. Joint Board & Leadership Retreat:** The Joint Boards & Staff Leadership Retreat is scheduled for Thursday, October 26th at the 12AA building, Pike Pine room. Carolina reminded the committee members to RSVP for the retreat as soon as possible.
- 4. PDA Board Emerging Leader Fellow update:** Chris interviewed two potential candidates for the ELF position on the PDA board. Both candidates attended PDA board meetings, one in September and one in October. Drew, the Chair of the PDA board and Chris will lead a panel interview with the candidate, also inviting the PDA Executive Committee.
- 5. Diversity, Equity & Inclusion Steering Committee kickoff:** In recent months, our organization established the Diversity, Equity, and Inclusion Steering Committee. The committee has developed a comprehensive survey questionnaire designed to gather insights from our staff on matters related to ethnicity, gender, perceptions of discrimination, opportunities, and overall comfort within the organization in relation to these critical topics. It's important to note that this survey will maintain full anonymity. At this point, the survey has not been distributed, but it represents a significant step in our ongoing commitment to fostering diversity, equity, and inclusion within our organization.
- 6. 10-minute Lesson ideas:** "How to read the CRH financial report", requested by Eric Snow, was the last 10-minute lesson of the PDA board meeting. Carolina

7. **Next Meeting:** The next Joint Board Development Committee Meeting will be on Wednesday, September 27th from 4:00-5:00 p.m. on Ring Central. Due to next meeting be on the day before Thanksgiving, the committee decided to postpone to one week later, having the meeting set for November 29th, same time, and location.
8. **Anti-racist resources:** The Committee will continue to gather these resources to share with the Boards.

The meeting ended at 4:20 pm.



Brief Memorandum

Date: November 9, 2023
To: PDA Board
From: Chris Persons and Carolina Rocha
Re: Elizabeth James Senior Housing Board

I am writing to inform you about an important update regarding the Elizabeth James Senior Housing Board. We are in the process of adding Lesley Jenkins as a new member to the board.

Currently, Derrick Belgarde serves as the Vice President of the board, and we are transitioning Chris Persons to the role of President. With the addition of Lesley Jenkins, our board will comprise a total of three members, meeting the necessary requirements.

We believe that Lesley, as the Portfolio Manager of the Elizabeth James building, will be a valuable addition to the Elizabeth James Senior Housing Board, and we look forward to her contributions in enhancing our operations and achieving our objectives.

This brief memorandum has been incorporated into the Consent Agenda, and your approval of the Consent Agenda signifies your endorsement of Lesley Jenkins joining the EJSH board.

Thank you for your attention to this matter.



COMMUNITY ROOTS
HOUSING

Community Roots Housing PDA Board Resolution 2023-32

Overview: Authorization to renew Line of Credit from Banner Bank

Purpose: To renew existing line of credit with Banner Bank for \$500,000

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 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 operating line of credit provides a cash buffer when cash inflows and outflows are variable. Historically, we have drawn on the line infrequently; however, the line has been utilized more regularly since 2020. As a result of cash flow fluctuation in 2023, the full \$500,000 is currently extended. The use of the operating line of credit is governed by Section 14.1 of the CRH Finance Policies. Management and the Finance and Asset Management Committee consider having an operating line of credit available as part of prudent cash management.

Organizational requirements of resolution: Formal resolution

Financial cost of the resolution: Annual loan fee of \$2,500 and interest on draws at prime rate

Pros: Allows for the efficient management of operating cash

Cons: None

Further Board Action or Reporting:

- **Is further action required from the Board or a Board Committee?** Yes No
If yes, please describe: N/A
- **Is further reporting required to the Board or a Board Committee?** Yes No
If yes, please describe: N/A

Author of Resolution Overview: Leslie Woodworth



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

November 13, 2023

Resolution No 2023-32

Banner Bank \$500,000 Revolving Line of Credit Renewal for Operations

A RESOLUTION of the Board of Directors of Community Roots Housing authorizing and directing staff renew the \$500,000 operating line of credit with Banner Bank for a term of one year with the same terms.

Recitals:

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.

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.

Community Roots Housing first obtained a line of credit from Banner Bank in 2014 for which the Board passed Resolutions 2014-13 and subsequently adopted several renewal resolutions including 2015-11, 2017-02, 2018-01, 2019-09, 2020-19, 2021-24, and 2022-17.

Community Roots has also used Banner Bank financing for remodeling and small rehab projects in our existing portfolio.

Community Roots Housing deems it necessary and advisable and in the best interest of Community Roots to maintain a revolving line of credit with Banner Bank to cover potential short-term operational needs and cash flow timing differences, and

Banner Bank has offered a renewal of the revolving line of credit and Community Roots agrees to accept the following terms:

| | |
|-----------------------|--|
| Borrower: | Community Roots Housing, a public corporation organized as a political subdivision of the State of Washington and whose liabilities shall be satisfied exclusively from the assets and properties of the corporation |
| Term: | Approximately One Year with an annual renewal |
| Amount: | \$500,000 |
| Collateral: | None |
| Guarantors: | None |
| Loan Fee: | No more than \$2,500 or 1/2 per cent |
| Interest Rate: | Prime rate |
| Payments: | Interest due monthly, principal balance and any outstanding interest due on maturity date |
| Intended Use: | Community Roots Housing operations |

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 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")

| Name: | Title: |
|---------------------|-------------------------|
| Drew Porter | Chair |
| Frank Alvarado III | Vice Chair |
| Derrick Belgarde | Vice Chair |
| Jill Cronauer | 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 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 13th day of November 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 13th day of November 2023.

By _____

Its: Secretary

Resolution prepared by: Leslie Woodworth