

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

Date: March 21, 2024
To: Board of Commissioners
From: Benjamin M. Bentley, Secretary
Subject: **AGENDA**
Board Meeting of the Board of Commissioners
Thursday, March 28, 2024, 5 p.m.
901 N. Broadway Street
Knoxville, TN 37917

1. Call to Order.
2. Approval is requested to execute the minutes for the meeting held on February 27, 2024. [\(Item 2 Attachment\)](#)
3. Motion to add, delete or postpone agenda items.
4. Reports of officers and special presentations.

NEW BUSINESS

REDEVELOPMENT (Jim Hatfield)

5. Approval is requested to award a purchase order for demolition services for 12 buildings at Western Heights. [\(Item 5 Attachment\)](#)
6. Resolution authorizing the negotiation and execution of all documents required to effectuate the closing of Western Heights CNI Phase 1, a 76-unit mixed income housing project for families, including the execution of all loan and tax credit documents, soft loans (CNI pass through), as well the ground and PILOT lease. [\(Item 6 Attachment\)](#)

HOUSING (Sabrina Draplin)

7. Resolution approving submission of the 2024 Public Housing Agency Annual Plan. [\(Item 7 Attachment\)](#)

Unfinished Business
Public Forum
Adjournment

The next agenda review meeting will be on **April 18, 2024**

The next board meeting will be held on **April 25, 2024**

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

The Board of Commissioners of the Knoxville's Community Development Corporation met on **February 27, 2024** at 901 N. Broadway, Knoxville, Tennessee.

The meeting was called to order and a quorum declared present at 5:00 p.m.

Present: Chair Kim Henry
Vice Chair Scott Broyles
Treasurer Felix Harris
Commissioner Robert Whetsel
Commissioner John Winemiller
Commissioner Becky Wade

Absent: Commissioner Kathy Hill

Approval to execute the minutes for the *regular* meeting held on January 25, 2024. Commissioner Broyles moved to approve. Commissioner Whetsel seconded the motion. All other Commissioners present voted "Aye."

REDEVELOPMENT (Jim Hatfield)

Approval to grant a Certificate of Completion and Release for 2559 Wilson Avenue (#082NC019) in the amount of \$3,000 to Knox Housing Partnership, Inc. Commissioner Winemiller moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."

Resolution regarding the development of and the utilization of low-income housing tax credits related to Austin Homes Phase 3 and the execution of documents relating thereto. Commissioner Winemiller moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye." Resolution 2024-04 is attached.

Final Bond Resolution authorizing KCDC to issue up to \$50M of revenue bonds to support the financing of approximately 161 units of new affordable housing at Austin Homes Phase 3 located at 245 S Bell Street in Knoxville. Commissioner Harris moved to approve. Commissioner Wade seconded the motion. Commissioner Henry was recused. All other Commissioners present voted "Aye." Resolution 2024-05 is attached.

Final Bond Resolution authorizing KCDC to issue up to \$16,150,000 of revenue bonds to support the financing of approximately 47 units of new affordable housing at 1645 Ebenezer Road in Knoxville. Commissioner Harris moved to approve. Commissioner Winemiller seconded the

motion. Commissioner Henry was recused. All other Commissioners present voted "Aye." Resolution 2024-06 is attached.

Resolution authorizing the execution of a development agreement with DGA Residential and the formation of Everett GP Corporation and DGA Everett LP in connection with potential development of a new affordable housing project at 1215 Everett Road in Knoxville. Commissioner Harris moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye." Resolution 2024-07 is attached.

Preliminary Bond Resolution authorizing KCDC to issue up to \$20M of revenue bonds to support the financing of a new affordable housing development project located at 1215 Everett Road in Knoxville. Commissioner Harris moved to approve. Commissioner Winemiller seconded the motion. Commissioner Henry was recused. All other Commissioners present voted "Aye." Resolution 2024-08 is attached.

Resolution authorizing the formation of Western Heights 2 GP Corporation and Western Heights 2 LP in connection with potential development of Phase 2 of Western Heights CNI redevelopment project. Commissioner Broyles moved to approve. Commissioner Whetsel seconded the motion. All other Commissioners present voted "Aye." Resolution 2024-09 is attached.

Resolution authorizing the formation of Western Heights 3 GP Corporation and Western Heights 3 LP in connection with potential development of Phase 3 of Western Heights CNI redevelopment project. Commissioner Whetsel moved to approve. Commissioner Harris seconded the motion. All other Commissioners present voted "Aye." Resolution 2024-10 is attached.

Preliminary Bond Resolution authorizing KCDC to issue up to \$50M of revenue bonds to support the financing of a new affordable housing development project located at 1331 W Oldham Avenue in connection with Western Heights Phase 3. Commissioner Harris moved to approve. Commissioner Winemiller seconded the motion. Commissioner Henry was recused. All other Commissioners present voted "Aye." Resolution 2024-011 is attached.

Resolution authorizing the acquisition of four parcels all located in Knoxville's south waterfront area as well as entering into an assignment and assumption agreement with the Greater Tennessee Housing Assistance Corporation in connection with said parcels. Commissioner Harris moved to approve. Commissioner Whetsel seconded the motion. All other Commissioners present voted "Aye." Resolution 2024-012 is attached.

PUBLIC FORUM

None

UNFINISHED BUSINESS

None

ADJOURNMENT

With no further business to come before the Board, the meeting adjourned by consent at 5:32 p.m.

Kimberly K. Henry, Chair

Approved:

ATTEST:

Benjamin M. Bentley, Secretary

Approved:

DRAFT

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 5

| | |
|--|---|
| MEETING DATE | 03-21-24 |
| AGENDA ITEM DESCRIPTION | Approval is requested to award a purchase order for demolition services for 12 Buildings at Western Heights with Environmental Abatement, Inc. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, Vice President of Redevelopment |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>500,000</u> Expenditure: \$ <u>248,000.00</u> Source of Funds: Public Housing Capital Funds |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input checked="" type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: Terry McKee/Procurement Director |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? This approves the award of KCDC's bid for demolition services with Environmental Abatement, Inc. This demolition is a portion of the Western Heights transformation project and must occur for the construction of new apartments to occur.</p> | |
| <p>2. Why is the action needed now? To allow for the construction of the new apartments which is the next phase of the project.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? The vendor will work with KCDC's Redevelopment Department to complete the demolition within 45 calendar days.</p> | |
| <p>4. What are the long-term and short-term exposures? KCDC's exposure is paying the vendor. Note that this project is short term with a 45 day timeline.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC is working to transform the existing Western Heights site into a modern thriving community through the investment of various partners. This is one critical component of the overall project. |
| ATTACHMENTS | Bid Tabulation Form |



Benjamin M. Bentley, Executive Director/CEO

901 N. Broadway • Knoxville, TN 37917
 865.403.1100 • Fax 865.403.1117
 800.848.0298 (Tennessee Relay Center)
www.kcdc.org

TO: The KCDC Board

FROM: Benjamin M. Bentley, Secretary

DATE: March 21, 2024

SUBJECT: Approval of the award of a purchase order with Environmental Abatement, Inc. for demolition services for 12 Buildings at Western Heights

KCDC's Procurement Policy requires written formal solicitations (publicly advertised and opened) in all cases where the aggregate cost of the item(s) or service(s) requested is \$50,000 or more. Staff requests Board approval of the following recommendation.

| | |
|---------------------------|---|
| Scope of Work | Provide demolition services for twelve buildings as part of the Western Heights transformation process. |
| Funding Source | Public Housing Capital funds. |
| Total Award Amount | \$248,000.00 |
| Review Committee | David Cook, Redevelopment Administrator Jim Hatfield, Vice President of Redevelopment Terry McKee, Procurement Director |
| Solicitation Type | Invitation for Bids |

| Company | Project Cost | Recommended for Approval |
|----------------------------|---------------------|--------------------------|
| A & B Precision Demolition | \$125,000.00 | No (bid withdrawn) |
| Complete Demolition | \$341,000.00 | No |
| E. Luke Greene | \$509,000.00 | No |
| Environmental Abatement | \$248,000.00 | Yes |
| Freedom Roll Offs | \$264,000.00 | No |
| Lynn Sanford Construction | \$882,302.00 | No |
| RPF Emergency Services | \$1,552,000.00 | No |
| Total Demolition | \$472,100.00 | No |



Notice of this solicitation was distributed through the following KCDC centric methods to achieve the widest possible dissemination of the opportunity:

Registered Vendors. Vendors who have registered on-line with KCDC and indicated an interest in providing these goods or services receive an automated email with a link to the solicitation document.

KCDC Webpage. The solicitation document and all related documents are posted to KCDC's Web Page for all interested parties to have access to-whether or not they have ever registered with KCDC.

KCDC Bulletin Boards. KCDC property offices receive a copy of each solicitation to post on their bulletin boards for residents to consider should they own, work for, or otherwise know of businesses that may be interested in the work.

This solicitation was distributed through the following "distribution" groups for possible distribution to their members and/or contacts. This is part of our outreach to the widest possible marketplace as well as our outreach to small, minority, woman, and veteran owned businesses:

| | |
|---|--|
| Associated Construction Women* | Associated General Contractors of Tennessee |
| Atlanta Chapter <i>National Association of Black Women in Construction</i> *+ | Black Contractors Association+ |
| Centro Hispano de East Tennessee+ | Construction Market Data |
| Dodge Data & Analytics | Knox County's Supplier Diversity Office*+ |
| Knoxville Area Urban League+ | Knoxville Builder's Exchange |
| Knoxville Chamber Partnership | Knoxville's DBAC Office*+ |
| Knoxville Equity Partners+ | SCORE |
| SERC | Small Business Administration |
| Tennessee Small Business Development Center | Tennessee Minority Supplier Development Council+ |
| Tennessee Valley Authority Diversity Outreach*+ | WJBE Radio+ |
| U.S. Department of Commerce Minority Business Development Agency+ | |

* Denotes an organization promoting/assisting Woman Owned Businesses

+ Denotes an organization promoting/assisting Minority Owned Businesses

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 6

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|----------------------------------|--|
| MEETING DATE | March 28, 2024 |
| AGENDA ITEM DESCRIPTION | Resolution authorizing the negotiation and execution of all documents required to effectuate the closing of Western Heights CNI Phase 1, a 76-unit mixed income housing project for families, including the execution of all loan and tax credit documents, soft loans (CNI pass through), as well the ground and PILOT lease. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, Vice President, Redevelopment |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title: _____ |

BACKGROUND

1. What is the objective of this action?

Approval to enter into various documents related to the financial closing of the Western Heights CNI Phase 1 as well as provide all necessary completion and financial guarantees for the project and the execution of a ground and PILOT lease.

2. Why is the action needed now?

Board approval is needed before closing which is expected to be in late April 2024.

3. Who are the parties involved and what are their roles (if appropriate)?

Brinshore, not KCDC, will be providing the standard financial and completion guarantees on behalf of the owner entity and as required by the lender, JP Morgan Chase, and to the equity investor, Richman Group. Western Heights 1 GP Corporation, an instrumentality of KCDC, is the general partner of owner entity, Western Heights 1 LP. The General Partner will, however, be party to all the documents as general partner of the owner entity. KCDC will serve as lessor under the ground and pilot lease.

4. What are the long-term and short-term exposures?

The documents and agreements associated with this transaction are very comparable to past tax credit development transactions such as those at the first two phases of Austin Homes and Liberty Place. Pursuant to our MDA with Brinshore, KCDC will not be providing standard guarantees related to construction completion and on-going performance.

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| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC was previously awarded 9% tax credits from THDA for this project and KCDC was also awarded a \$40M HUD CNI Grant. This is the first phase of development under the CNI grant. |
|--|--|

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|--------------------|-----------------------------------|
| ATTACHMENTS | Resolution, site plan, renderings |
|--------------------|-----------------------------------|

RESOLUTION NO. 2024-_____

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING THE DEVELOPMENT OF AND THE UTILIZATION OF LOW-INCOME HOUSING TAX CREDITS RELATED TO WESTERN HEIGHTS PHASE 1 AND THE EXECUTION OF DOCUMENTS RELATING THERETO

WHEREAS, the Board of Commissioners (the "Board") of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") and is duly incorporated pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated; and

WHEREAS, to further the construction and/or rehabilitation of 76 units of mixed-income housing (the "Project") on certain property located at approximately 1814 Vermont Avenue, 1790 Vermont Avenue, 1787 Virginia Avenue, 1763 Virginia Avenue, and 1775 Virginia Avenue in Knoxville, Tennessee (the "Property"), KCDC (i) formed Western Heights 1 GP Corporation (the "Corporation"), a Tennessee nonprofit corporation, pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated, as an instrumentality of KCDC and (ii) formed Western Heights 1 LP, a Tennessee limited partnership (the "Partnership"), of which the Corporation is the general partner, KTW Phase 1, LLC ("KTW") is the special limited partner and KCDC is the limited partner; and

WHEREAS, KCDC, the City of Knoxville, Tennessee (the "City") and the United States Department of Housing and Urban Development ("HUD") have entered into a FY 2021 Choice Neighborhoods Implementation Grant Agreement pursuant to which HUD has agreed to provide financing for the development of the Project through HUD's Choice Neighborhoods Implementation grant program (the "CNI Funds"), which CNI Funds will be contributed by HUD in the form of a grant to the Corporation; and

WHEREAS, KCDC desires to make a loan of CNI Funds to the Partnership to assist with the financing of the Project in an amount not to exceed \$5,400,000 (the "CNI Loan"), which loan will be evidenced by a promissory note and a loan agreement and will be secured by a deed of trust (together with such other documents, agreements and instruments referred to therein and/or required to be executed in connection with the CNI Loan or KCDC's receipt and/or use of the CNI Funds, the "CNI Documents"); and

WHEREAS, KCDC and the Partnership desire to enter into a ground lease (the "Lease"), pursuant to which KCDC will lease the Project to the Partnership; and

WHEREAS, the Lease also provides for a payment in lieu of taxes agreement between the Partnership and KCDC; and

WHEREAS, in order to move forward with the development of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, KCDC desires to:

(i) transfer its limited partnership interest and to otherwise authorize the transactions contemplated pursuant to an Amended and Restated Limited Partnership Agreement for the Partnership (the "Partnership Agreement") among the Corporation, KTW, as Class B Limited Partner, USA Institutional Western Heights LLC, as the investor limited partner, the Richman Group Capital Corporation, as the special limited partner, and KCDC, as withdrawing limited partner;

(ii) authorize the CNI Loan to the Partnership and the execution and delivery of the CNI Documents; and

(iii) authorize the transactions contemplated pursuant to the Lease and the execution and delivery thereof;

Copies of the Partnership Agreement, the Lease, and the CNI Documents shall be filed with the records of KCDC.

WHEREAS, the Board desires to authorize the officers of KCDC to execute such documents as they, individually or collectively, determine are necessary, desirable or appropriate to carry out the transactions contemplated herein, in the Partnership Agreement and agreements related thereto, in the CNI Documents and in the Lease.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that (i) the Chairman, the Vice Chairman and the Secretary of KCDC (each, an "Authorized Officer") is hereby authorized and directed to execute (to the extent that KCDC is a party thereto), and, if requested, the Secretary or Assistant Secretary is authorized to attest, and any such officer of KCDC is authorized to deliver to the other parties thereto the following documents: (a) the Partnership Agreement and the agreements related thereto, (b) the Lease, (c) the CNI Documents, together with any other documents required to be executed by HUD in connection with the CNI Funds; and (d) any and all other instruments, documents and agreements deemed necessary or desirable by an Authorized Officer in connection with the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same, and (ii) such officers, together with all other officers and employees of KCDC, are hereby authorized to take all such further action as they may consider necessary or desirable in connection with the transactions

described herein and to take from time to time any actions deemed necessary or desirable by such officers and employees to effectuate and comply with the terms of such agreements as are executed on behalf of KCDC pursuant to the authorization contained herein; and, further

RESOLVED, that it is in the best interest of KCDC to undertake the transactions described herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of KCDC by the officers of KCDC to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the officers of KCDC that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Commissioners held this 28th day of March, 2024.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

By: _____

Secretary

37474639.2



BRINSHORE



SMITH GEE STUDIO
ARCHITECTURE URBAN DESIGN INTERIORS



CITY OF KNOXVILLE
MAYOR KATHARINE MAYER



PHASE 1
1800 VERMONT AVENUE
KNOXVILLE, TN 37921



No. Date: _____
Revision: _____



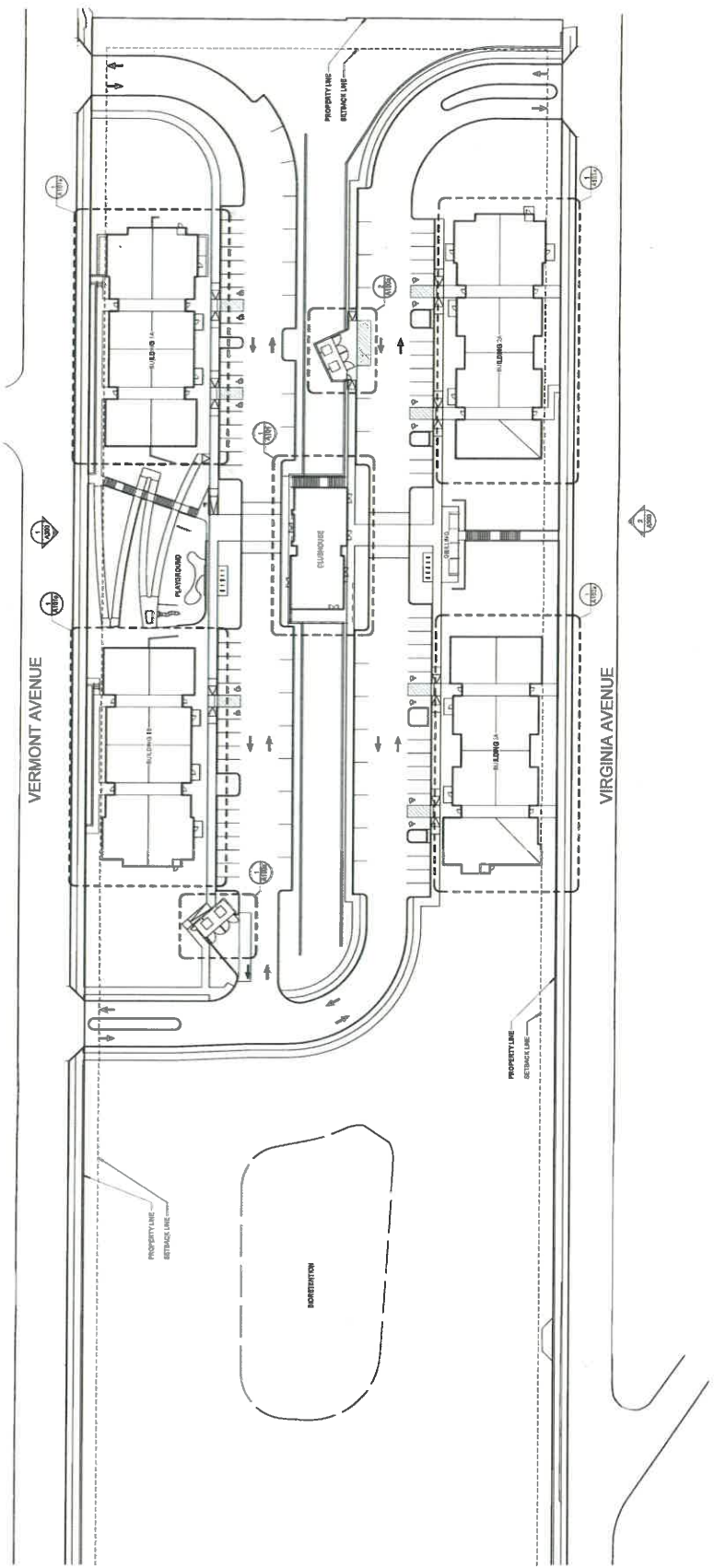
SGS Contract Number: 30021-03
1790 & 1814 VERMONT AVENUE
1783, 1775, & 1787 VIRGINIA AVENUE
KNOXVILLE, TN 37921
**TRANSFORMING WESTERN
PHASE I**



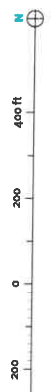
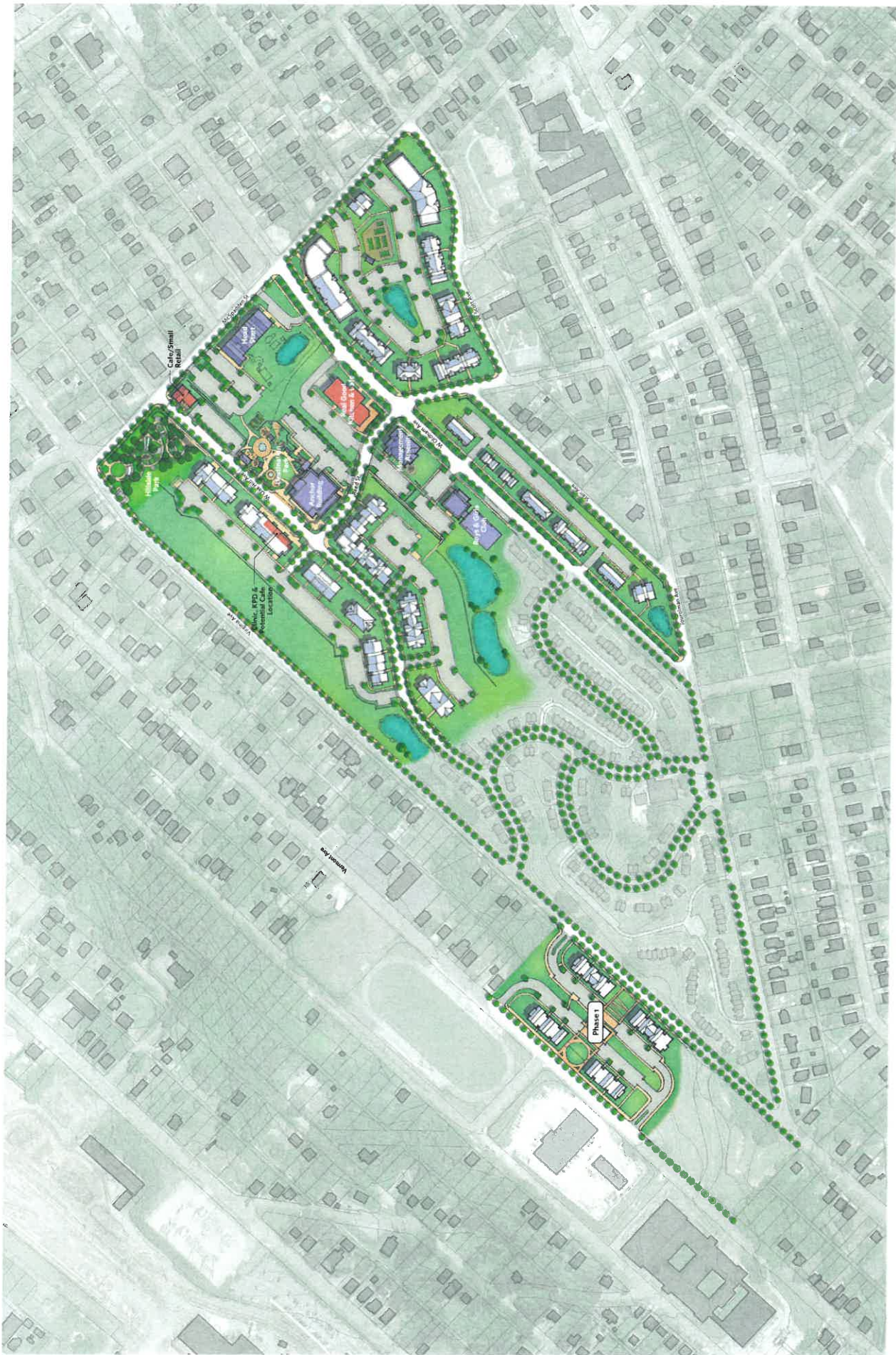
Drawn: _____
Checked: _____
Date: _____

10/11/2023
CONSTRUCTION DOCUMENTS

A100



1 ARCHITECTURAL SITE PLAN DIAGRAM
1-1-2024



ILLUSTRATIVE PLAN

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 7

| | |
|----------------------------------|--|
| MEETING DATE | March 28, 2024 |
| AGENDA ITEM DESCRIPTION | Resolution approving submission of KCDC's 2024 Public Housing Agency Annual Plan. |
| SUBMITTED BY | Name, Title / Department: Sabrina Draplin, Vice President, Housing |
| MEETING TYPE | <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ n/a Expenditure: \$ n/a Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: |

BACKGROUND

1. What is the objective of this action?

Approval of the 2024 Public Housing Agency Plan, 2024 Actual Capital Fund Program, PH Admissions and Continued Occupancy Policy, Grievance Procedure, PBRA Lease, VAWA Addendum, House Rules, Tenant Selection & Assignment Plan, Section 8 Administrative and FSS & Homeownership Policies.

2. Why is the action needed now?

The Agency Plan is a HUD required document that must be submitted each year at this time. We have completed all required forms and a public hearing was held on March 28, 2024.

3. Who are the parties involved and what are their roles (if appropriate)?

KCDC and HUD

4. What are the long-term and short-term exposures?

If the plan is not submitted properly and on time, we could jeopardize access to Public Housing Capital Funds as well as the possibility of Audit-related findings.

| | |
|--|--|
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | |
| ATTACHMENTS | Resolution, Certification of Public Hearing and Civil Rights Certification |

RESOLUTION NO. 2024-

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION (KCDC)
APPROVING SUBMISSION OF KCDC'S 2024 ANNUAL PLAN WHICH INCLUDES THE
ESTIMATED 2024 CAPITAL FUND PROGRAM GRANTS, PUBLIC HOUSING ADMISSIONS
AND CONTINUED OCCUPANCY POLICY, GRIEVANCE PROCEDURE, PBRA LEASE AND
HOUSE RULES, PBRA VAWA LEASE ADDENDUM, PBRA TENANT SELECTION AND
ASSIGNMENT PLAN, SECTION 8 ADMINISTRATIVE PLAN, SECTION 8 FAMILY SELF-
SUFFICIENCY ACTION PLAN, AND THE SECTION 8 HOMEOWNERSHIP PROGRAM**

WHEREAS, Knoxville's Community Development Corporation (KCDC) has fulfilled all requirements set forth in 24 CFR Part 903 for developing the Public Housing Agency (PHA) Plan that includes supporting documents for KCDC's fiscal year beginning July 1, 2024 and estimated 2024 Capital Fund Program (CFP); and

WHEREAS, KCDC established a resident advisory board representative of residents assisted by KCDC and consulted with the resident advisory board in developing the Plan and considered recommendations of the resident advisory board; and

WHEREAS, KCDC presented the Plan with supporting documents, the estimated 2023 Capital Fund Program (CFP) and Replacement Housing Factor (RHF) grants, for public inspection for at least 45 days prior to a public hearing, published a notice of the date, time, and location of the public hearing, and conducted the public hearing on March 28, 2024, to discuss the Plan, estimated 2024 Capital Fund Program (CFP) and invite public comment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Knoxville's Community Development Corporation (KCDC) that, effective March 28, 2024, KCDC's 2024 Public Housing Agency Annual Plan, including the Admissions and Continued Occupancy Policy, Grievance Procedure, HUD Project-Based Rental Assistance (PBRA) Lease, HUD VAWA Lease Addendum, PBRA Tenant Selection and Assignment Plan, Rental Assistance Demonstration (RAD) Community House Rules, revised Administrative Plan for the Section 8 Program, revised Administrative Plan for Section 8 Homeownership Program, and revised Family Self-Sufficiency Action Plan, and the estimated 2024 Capital Fund Program (CFP) grant, be adopted effective July 1, 2024.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

Knoxville's Community Development Corporation Certification of Public Hearing

KCDC posted the Public Hearing Notice on Monday, February 12, 2024, advising the 2024 Public Housing Agency Annual Plan was available for review at the KCDC Main Office, all KCDC Development offices, KCDC's Section 8 office and on KCDC's website at www.kcdc.org, until Wednesday, March 27, 2024, for the required 45-day review and comment period:

KCDC received written comments from the public related to the Section 8 Administrative Plan wording of the Limited Coordinated Entry System (CES) preference, the "Third Preference – Limited Homeless CES Preference, 17 points) in the proposed Plan. KCDC's action to the formal comment was to update the wording to meet HUD guidelines relating to homelessness as stated in the Coordinated Entry System.

The Public Hearing was held on Thursday, March 28, 2024, at 4:30 pm. No outside attendees were present.

24 CFR Part 905

- (3) *Conduct of public hearing and Resident Advisory Board Consultation.* A PHA must annually conduct a public hearing and consult with the Resident Advisory Board (RAB) of the PHA to discuss the Capital Fund submission. The PHA may elect to conduct a separate annual public hearing in order to solicit public comments or to hold the annual public hearing at the same time as the hearing for the Annual PHA Plan, the 5-Year Plan, or the required annual hearing for qualified public housing authorities. The hearing must be conducted at a location that is convenient to the residents served by the PHA.
- (i) Not later than 45 days before the public hearing is to take place, the PHA must:
- A. Make the Capital Fund submission along with the material required under this paragraph (b) available to the residents and the RAB; and
 - B. Publish a notice informing the public that the information is available for review and inspection; that a public hearing will take place on the plan; and of the date, time, and location of the hearing.
 - C. PHAs shall conduct reasonable outreach activities to encourage broad public participation in the review of the Capital Fund submission.
- (4) *Public and RAB comments.* The PHA must consider the comments from the residents, the public, and the RAB on the Capital Fund submission, or any significant modification thereto. In submitting the final CFP 5-Year Action Plan to HUD for approval, or any significant amendment or modification to the 5-Year Action Plan to HUD for approval, the PHA must include a copy of the recommendations made by the RAB(s) and a description of the manner in which the PHA addressed these recommendations.

March 28, 2024

Benjamin M. Bentley, CEO/Executive Director

Date

Civil Rights Certification
(Qualified PHAs)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0226
Expires 3/31/2024

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the fiscal year beginning 07/01/2024 in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the mission, goals, and objectives of the public housing agency and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintains records reflecting these analyses and actions.

Knoxville's Community Development Corporation

PHA Name

TN003

PHA Number/HA Code

I hereby certify that all the statement above, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Executive Director:
Benjamin M. Bentley

Name of Board Chairperson:
Kimberly K. Henry

Signature

Date

Signature

Date

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KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION

Date: March 21, 2024

To: Board of Directors

From: Nancy White, Secretary/Treasurer

Subject: **AGENDA**
Special Meeting of the Board of Directors
Thursday, March 28, 2024, 5:00 p.m.
901 N. Broadway
Knoxville, Tennessee 37917

1. Call to order.
2. Approval is requested to execute the minutes for the *special* meeting held on August 31, 2023.

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing the negotiation and execution of various documents and agreements including a loan from KHDC to Western Heights 1 LP, project owner, in an amount not to exceed \$8,000,000 in connection with the closing of Western Heights CNI Phase 1 (Project), a 76-unit mixed-income housing development in Western Heights. **(Item 3 Attachment)**
4. Adjourn

KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION

SPECIAL MEETING MINUTES

The Board of Commissioners of the Knoxville's Housing Development Corporation met on **August 31, 2023** at 901 N. Broadway, Knoxville, Tennessee.

The meeting was called to order and a quorum declared at 5:27 p.m. Those Directors present and absent were:

Present: Director Kimberly Henry
Director Scott Broyles
Director Felix Harris
Director Robert Whetsel
Director Kathy Hill

Absent: Director John Winemiller
Director Kathy Hill

Approval to execute the minutes for the *annual* meeting held on August 31, 2023. Director Whetsel made the motion to approve the minutes. Director Broyles seconded the motion and all other Directors present voted "Aye."

REDEVELOPMENT (Jim Hatfield)

Resolution authorizing the negotiation and execution of loan documents from Home Federal Bank in an amount NTE \$2,300,000 for the purpose of developing ten (10) single-family homes in the Five Points neighborhood of Knoxville. Director Whetsel made a motion to approve. Director Harris seconded the motion and all other Directors present voted "Aye." Resolution No. 2023-06 is attached.

With no further business to come before the Board, the meeting adjourned by consent at 5:29 p.m.

Kimberly K Henry, Chair

Approved:

ATTEST:

Nancy White, Secretary

Approved:

KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION BOARD ACTION FORM - ITEM 3

| | |
|---|--|
| MEETING DATE | March 28, 2024 |
| AGENDA ITEM DESCRIPTION | Resolution authorizing the negotiation and execution of various documents and agreements including a loan from KHDC to Western Heights 1 LP, project owner, in an amount not to exceed \$8,000,000 in connection with the closing of Western Heights CNI Phase 1 (Project), a 76-unit mixed-income housing development in Western Heights. |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, Vice President, Redevelopment |
| MEETING TYPE | <input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ 8,000,000 Expenditure: \$ 8,000,000 Source of Funds: KHDC non federal funds |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: BBS Other – Name/Title: _____ |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? Approval to negotiate and enter into loan documents for KHDC to provide loans to the Project to fill out the capital stack. The total amount of the loans provided by KHDC are not to exceed \$8,000,000.</p> | |
| <p>2. Why is the action needed now? Board approval is needed before closing which is expected to be in April.</p> | |
| <p>3. Who are the parties involved and what are their roles (if appropriate)? As has been done on past development deals, KHDC will provide loans to the Project owner entity, Western Heights 1 LP in order to fill-out the capital stack. Western Heights 1 LP is the owner entity of the Project who will be the borrower on the loans.</p> | |
| <p>4. What are the long-term and short-term exposures? The loan will provide for a 40 year repayment period and will only be repaid to the extent there is net cash flow available from the property to repay the loan balance.</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC and Brinshore were awarded 9% tax credits from THDA for this project in 2023. |
| ATTACHMENTS | Resolution |

RESOLUTION NO. 2024-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION
APPROVING A LOAN TO WESTERN HEIGHTS 1 LP**

WHEREAS, the Board of Directors of Knoxville's Housing Development Corporation ("KHDC"), has met pursuant to proper notice; and

WHEREAS, KHDC has been organized pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated, as an instrumentality of Knoxville's Community Development Corporation ("KCDC"); and

WHEREAS, the KHDC Board desires to approve a loan in an amount not to exceed \$8,000,000 (the "Loan") to Western Heights 1 LP (the "Partnership") to construct a 76-unit mixed-income residential apartment development in the City of Knoxville (the "Project"); and

WHEREAS, the term of the Loan shall not exceed forty (40) years and shall otherwise be on such terms as the Authorized Officers (as defined below) determine are in the best interests of KHDC.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Knoxville's Housing Development Corporation, as follows:

RESOLVED, that the Chairman, Vice Chairman or the President of KHDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KHDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to (i) execute and deliver any and all instruments, documents and agreements deemed necessary or desirable by the officers of the Corporation to evidence and secure the Loan, including without limitation, promissory notes, loan agreements, security agreements, certificates, affidavits, and any other instruments of any kind or nature whatsoever and approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same, and (ii) take from time to time any other actions deemed necessary or desirable by the Authorized Officers to effect the transactions described above and to evidence the Loan, and, further

RESOLVED, that it is in the best interest of KHDC to provide the Loan for the purpose of financing the development cost of the Project; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of KHDC by the Authorized Officers to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the Authorized Officers that are in conformity with the

purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved this 28th day of March, 2024.

KNOXVILLE'S HOUSING
DEVELOPMENT CORPORATION

By:-----
Secretary

37500793.3

WESTERN HEIGHTS 1 GP CORPORATION

Date: March 21, 2024

To: Board of Commissioners

From: Nancy White, Secretary

Subject: **AGENDA**

Special Meeting of the Board of Directors

Thursday, March 28, 2024, 5 p.m.

901 N. Broadway Street

Knoxville, TN 37917

1. Call to Order.
2. Approval is requested to execute the minutes from the *annual* meeting held on May 25, 2023. [\(Item 2 Attachment\)](#)

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing Western Heights 1 GP Corporation, on behalf of Western Heights 1 LP, to negotiate and execute all documents required to effectuate the closing of Western Heights CNI Phase 1, a 76-unit mixed-income housing project for families. [\(Item 3 Attachment\)](#)
4. Adjourn.

WESTERN HEIGHTS 1 GP CORPORATION

ANNUAL MEETING MINUTES

The Board of Directors of the Western Heights 1 GP Corporation met on **May 25, 2023** at 901 N. Broadway, Knoxville, Tennessee 37917.

The meeting was called to order and a quorum declared present at 5:57 p.m. Those Directors present and absent were:

Present: Director Kim Henry
Director Scott Broyles
Director Felix Harris

Absent:

Approval to execute the minutes of the *annual* meeting held on May 26, 2022. Director Broyles made a motion to approve. Director Harris seconded the motion. All Directors present voted "Aye."

Approval to elect officers. Director Harris made a motion to elect the following slate of officers. Director Broyles seconded the motion. All Directors present voted "Aye."

| | |
|-----------------------------|------------------|
| President: | Benjamin Bentley |
| Vice President: | Jim Hatfield |
| Secretary/Treasurer: | Nancy White |

With no further business to come before the Board, the meeting adjourned by consent at 5:58 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Nancy White, Secretary

Approved:

WESTERN HEIGHTS 1 GP CORPORATION BOARD ACTION FORM - ITEM 3

| | |
|--|---|
| MEETING DATE | March 28, 2024 |
| AGENDA ITEM DESCRIPTION | Resolution authorizing Western Heights 1 GP Corporation, on behalf of Western Heights 1 LP, to negotiate and execute all documents required to effectuate the closing of Western Heights CNI Phase 1, a 76-unit mixed-income housing project for families . |
| SUBMITTED BY | Name, Title / Department: Jim Hatfield, Vice President, Redevelopment |
| MEETING TYPE | <input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual |
| CLASSIFICATION | <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval |
| BUDGET / FINANCIAL IMPACT | Budgeted: \$ _____ Expenditure: \$ _____ Source of Funds: |
| APPROVAL / REVIEWS | <input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: BBS Other – Name/Title: _____ |
| <u>BACKGROUND</u> | |
| <p>1. What is the objective of this action? The Project's owner entity and the Project's General Partner will need to enter into various customary agreements that are all required in order for the Project to close. Such documents include but are not limited to an amended partnership agreement, loan documents, construction contract, management agreement, assignments, AHAP, capital advance and regulatory agreements, CNI covenants, ground lease and PILOT, construction contract documents, and other related agreements.</p> <p>2. Why is the action needed now? Board approval is needed before closing which is expected to be in April 2024.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? Western Heights 1 LP is the owner entity of the Project. Western Heights 1 GP Corporation is the General Partner. Brinshore Development, and their subsidiaries, will be our partner on this project and will serve as lead developer. JP Morgan Chase is providing the debt financing. Richman Group is providing the tax credit equity. Jenkins & Stiles will serve as the general contractor.</p> <p>4. What are the long-term and short-term exposures? N/A</p> | |
| HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where) | KCDC was previously awarded 9% tax credits from THDA for this project and \$40M HUD CNI grant in 2022. |
| ATTACHMENTS | Resolution |

RESOLUTION NO. 2024-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF WESTERN HEIGHTS 1 GP CORPORATION REGARDING THE DEVELOPMENT AND FINANCING OF WESTERN HEIGHTS PHASE 1 AND THE EXECUTION OF DOCUMENTS RELATING THERETO

WHEREAS, the Board of Directors of Western Heights 1 GP Corporation (the "Corporation") has met pursuant to proper notice; and

WHEREAS, the Corporation has been organized pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated, as an instrumentality of Knoxville's Community Development Corporation ("KCDC"); and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") and is duly incorporated pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated; and

WHEREAS, by Sections 13-20-101 et seq., Tennessee Code Annotated, housing and redevelopment authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing and redevelopment projects; and

WHEREAS, to further the development of a 76-unit mixed-income housing development known as Western Heights Phase 1 on real property located at approximately 1814 Vermont Avenue, 1790 Vermont Avenue, 1787 Virginia Avenue, 1763 Virginia Avenue, and 1775 Virginia Avenue in the Knoxville, Tennessee (the "Project"), the Corporation formed Western Heights 1 LP, a Tennessee limited partnership (the "Partnership"); and

WHEREAS, the Corporation serves as the general partner of the Partnership, with KCDC serving as limited partner and KTW Phase 1, LLC ("KTW") serving as the special limited partner; and

WHEREAS, JP Morgan Chase Bank, N.A. (the "Bank") has agreed to provide construction and permanent financing for the Project in an aggregate amount not to exceed \$20,000,000 for construction financing and \$9,000,000 for permanent financing, all or a portion of which funds will be loaned to the Partnership at a rate of interest equal to the Wall Street Journal Prime Rate minus 4% and a portion of which may be loaned at the prevailing market rate of interest, pursuant to one or more Promissory Notes and Loan Agreements between the Partnership and the Bank (together with such other documents, agreements, and security instruments referred to therein and/or required to be executed in connection therewith and any amendments thereto, the "Bank Loan Documents"); and

WHEREAS, KCDC, the City of Knoxville, Tennessee (the "City") and the United States Department of Housing and Urban Development ("HUD") have entered into a FY 2021 Choice Neighborhoods Implementation Grant Agreement pursuant to which HUD has agreed to provide financing for the development of the Project through HUD's Choice Neighborhoods Implementation grant program (the "CNI Funds"), which CNI Funds will be contributed by HUD in the form of a grant to the KCDC; and

WHEREAS, KCDC desires to make a loan of CNI Funds to the Partnership to assist with the financing of the Project in an amount not to exceed \$5,400,000 (the "CNI Loan"), which loan will be evidenced by a promissory note and secured by a deed of trust (together with such other documents, agreements and instruments referred to therein and/or required to be executed in connection with the KCDC Loan, the "CNI Loan Documents"); and

WHEREAS, Knoxville's Housing Development Corporation, an instrumentality of KCDC, desires to make an additional loan to the Partnership to assist with the financing of the Project in an amount not to exceed \$8,000,000 (the "KHDC Loan"), which loan will be evidenced by a promissory note and a loan agreement and will be secured by a deed of trust (together with such other documents, agreements and instruments referred to therein and/or required to be executed in connection with the KHDC Loan, the "KHDC Loan Documents"); and

WHEREAS, KCDC and the Partnership desire to enter into a ground lease (the "Lease"), pursuant to which KCDC will lease the Project to the Partnership; and

WHEREAS, the Lease also provides for a payment in lieu of taxes agreement between the Partnership and KCDC; and

WHEREAS, upon completion of construction of the Project, approximately 31 units in the Project will be subsidized through project-based Section 8 vouchers pursuant to a Housing Assistance Payments contract between the Partnership and HUD or KCDC, as applicable (the "HAP Contract"), which will be evidenced at closing by an Agreement to Enter Into a Housing Assistance Payments Contract (the "AHAP" and, together with the HAP Contract, the "HAP Documents");

WHEREAS, to proceed with the rehabilitation of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said rehabilitation, the Corporation desires to:

- (i) authorize the transactions contemplated in the Bank Loan Documents, and authorize the execution and delivery by the Corporation, on behalf of itself and on behalf of the Partnership, as applicable, of the Bank Loan Documents;

- (ii) authorize the transactions contemplated by that certain Amended and Restated Agreement of Limited Partnership Agreement of the Partnership (the "Partnership Agreement") among the Corporation, KTW, as Class B Limited Partner, USA Institutional Western Heights LLC, as the investor limited partner, the Richman Group Capital Corporation, as the special limited partner, and KCDC, as withdrawing limited partner;
- (iii) authorize the execution and delivery by the Corporation, on behalf of the Partnership and on its own behalf, as applicable, of the Partnership Agreement and the documents and agreements ancillary thereto, including but not limited to a Development Agreement, Partnership Administration Services Agreement and Right of First Refusal Agreement and Purchase Option Agreement (collectively, and together with the Partnership Agreement, the "Equity Documents");
- (iv) authorize the transactions contemplated by the Lease, including but not limited to KCDC's lease of the Property to the Partnership and the Partnership's agreement to a payment in lieu of taxes arrangement with KCDC, and authorize the execution by the Corporation, on behalf of the Partnership, and the Corporation, as applicable, of the Lease and the documents related thereto (the "Ground Lease Documents");
- (v) authorize the CNI Loan to the Partnership and authorize the execution by the Corporation, on behalf of the Partnership, and the Corporation, as applicable, of the CNI Loan Documents, together with any other documents, instruments and agreements required by HUD in connection with the CNI Funds (collectively, the "CNI Documents"); and
- (vi) authorize the KHDC Loan to the Partnership and authorize the execution by the Corporation, on behalf of the Partnership, and the Corporation, as applicable, of the KHDC Loan Documents; and
- (vii) authorize the HAP Documents and authorize the execution by the Corporation, on behalf of the Partnership, of the HAP Documents; and
- (viii) authorize a construction contract between the Partnership and Jenkins & Stiles, LLC and the documents related thereto for the construction of the Project (collectively, the "Construction Documents"), and authorize the execution by the Corporation, on behalf of the Partnership, and the Corporation, as applicable, of the Construction Documents;

Copies of the Bank Loan Documents, the Equity Documents, the Ground Lease Documents, the Bank Loan Documents, the CNI Documents, the KHDC Loan Documents, the HAP Documents and the Construction Documents shall be filed with the records of the Corporation; and

WHEREAS, the Board of Directors of the Corporation desires to authorize the officers of the Corporation, for and on behalf of the Corporation and the Partnership, to execute such documents as they, individually or collectively, determine is necessary, desirable or appropriate to carry out the transactions contemplated in and to ratify such officers' prior actions related to the Bank Loan Documents, the Equity Documents, the Ground Lease Documents, the CNI Documents, the KHDC Loan Documents, the HAP Documents and the Construction Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that the Corporation hereby authorizes those certain transactions contemplated in the Bank Loan Documents, the Equity Documents, the Ground Lease Documents, the CNI Documents, the KHDC Loan Documents, the HAP Documents and the Construction Documents, and to the execution of the same by the Corporation on its own behalf and on behalf of the Partnership, as applicable; and, further

RESOLVED, that each of the President, the Vice President and any other officer of the Corporation (each, an "Authorized Officer"), or any one of them acting alone, be and hereby is authorized and directed, on behalf of the Corporation and on behalf of the Partnership, without the necessity of the joinder by any other officer of the Corporation, to (i) execute and deliver (a) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer in connection with the transactions contemplated herein and in the Bank Loan Documents, the Equity Documents, the Ground Lease Documents, the CNI Documents, the KHDC Loan Documents, the HAP Documents and the Construction Documents, and (b) any and all other instruments, documents and agreements deemed necessary or advisable by an Authorized Officer to carry out the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same; and further (ii) take all such further action as they may consider necessary or desirable in connection with the transactions described herein and to take from time to time any actions deemed necessary or desirable by such officer to effectuate and comply with the terms of such agreements as are executed on behalf of the Corporation and the Partnership pursuant to the authorization contained herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation (on its own behalf and on behalf of the Partnership, in its capacity as the general partner of the Partnership) by the officers of the Corporation to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the officers of the Corporation that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Directors held this 28th day of March, 2024.

WESTERN HEIGHTS 1 GP CORPORATION

By: _____
President

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