



AGENDA

ISLAND CITY DEVELOPMENT
Special Meeting
June 7, 2017 at 2:30 PM
701 Atlantic Avenue, Alameda
First Floor Community Room

1. CALL TO ORDER & ROLL CALL
2. CONSENT CALENDAR **(Action)**
 - a. Approval of Minutes – April 27, 2017 Special Meeting
3. UNFINISHED BUSINESS
4. NEW BUSINESS
 - a. Everett and Eagle Project Update and Approve Authorizing Resolution for Syndication and Financing Transaction and Document Execution **(Action)**
5. PUBLIC COMMENT (non-agenda items)
6. WRITTEN COMMUNICATIONS
7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF
8. ADJOURNMENT



NOTES:

Sign language interpreters will be available on request. Please contact Housing Authority

Please contact the Executive Assistant at 747-4325 or 522-8467 (TDD number) at least 72 hours before the meeting to request an interpreter. Accessible seating for persons with disabilities (including those using wheelchairs) is available. Audio tapes of the meeting are available upon request. MINUTES OF THE MEETING ARE AVAILABLE IN ENLARGED PRINT. Please contact Housing Authority Executive Assistant at 747-4325 or 522-8467 (TDD number) at least 72 hours before the meeting to request agenda materials in an alternative format, or any other reasonable accommodations that may be necessary to participate in and enjoy the benefits of the meeting.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City of Alameda exist to conduct the citizen of Alameda's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION: the address is 2263 Santa Clara Avenue, Room 380, Alameda, CA, 94501; phone number is 510-747-4800; fax number is 510-865-4048, e-mail address is lweisige@alamedaca.gov; and contact is Lara Weisiger, City Clerk.

In order to assist the Housing Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

IF YOU WISH TO ADDRESS THE BOARD:

- Anyone wishing to address the Board on agenda items or business introduced by Board members may speak for a maximum of three (3) minutes per agenda item when the subject is before the Board. Please file a speaker's slip with the Board President. Upon recognition by the President, approach the rostrum and state your name.
- Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
- Applause and demonstrations are prohibited during Board meetings.

MINUTES
Draft until approved
ISLAND CITY DEVELOPMENT
Regular Meeting
April 27, 2017, 2:00 PM
Independence Plaza, 703 Atlantic Avenue, Alameda

1. CALL TO ORDER & ROLL CALL

President Cooper called the meeting to order at 2:04 p.m., with the following Board Members present: Vice President McCahan and Secretary/Treasurer Basta. Members absent: none. Staff in Attendance: Victoria Johnson and Kathleen Mertz.

2. CONSENT CALENDAR **(Action)**

- a. Approval of Minutes – November 28, 2016 Regular Meeting
- b. Approval of Regular Meeting Schedule
- c. Acceptance of the FY 2016 Summary Report on Promissory Notes

Director McCahan moved to accept all items on the Consent Calendar, Director Basta seconded. The motion carried unanimously.

3. UNFINISHED BUSINESS *(none)*

4. NEW BUSINESS

- a. Approve Operating Capital loan from the Housing Authority in the amount of \$250,000. **(Action)**

Director Basta moved to approve the Operating Capital loan, Director McCahan seconded. Motion carried unanimously.

- b. Eagle Avenue Project Update: Accept a New \$1 MM Loan from Alameda County A-1 Bond Funds, Accept a New \$1.5 MM Bridge Loan from Housing Authority, Approve Increase in Contract Amount for Architectural & Engineering Services from \$650,000 to \$700,000 and Authorize the Board President to Execute Any Related Documents. **(Action)**

Director McCahan moved to accept the two new loans, approve the contract increase, and authorize the Board President to execute documents, Director Basta seconded. Motion carried unanimously.

5. PUBLIC COMMENT (non-agenda items) *(none)*

6. WRITTEN COMMUNICATIONS

President Cooper read aloud written correspondence that was received from Housing Authority Commissioner Rickard.

7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF (*none*)

8. ADJOURNMENT

The meeting was unanimously adjourned at 2:31 p.m.

Respectfully submitted,

Draft until approved

Janet Basta
Secretary

ITEM 4.A

To: Board of Directors
Island City Development

From: Victoria Johnson
Director of Housing and Community Development

Date: June 7 2017

Re: Everett and Eagle Project Update and Approve Authorizing Resolution for Syndication and Financing Transaction and Document Execution (**Action**)

BACKGROUND

Everett and Eagle Avenue (Project) is an affordable rental project located on an infill lot at the corner of Eagle Avenue and Everett Street. There are 20 one, two and three-bedroom units including a two-bedroom manager's unit. The Project will be developed by the Housing Authority and Island City Development. The funding sources for the Project include Low-Income Housing Tax Credit equity, a permanent bank loan, Alameda County bond loan funds, a Housing Authority loan that will include AHA funds plus the funding available through the Successor Agency ROPS account, and a City HOME loan. The operating budget includes subsidy from Project Based Vouchers and VASH vouchers.

The tax credit investor and limited partner will be Enterprise Community Partners; the construction and permanent lender will be Chase Bank. A sole member LLC (2437 Eagle Ave) has been formed to serve as the general partner of the tax credit partnership, Everett and Eagle LP (Partnership). Island City Development is the sole member of the general partner LLC. The Partnership will serve as the owner of the improvements. The Housing Authority is the land owner.

Staff is actively working with outside counsel to finalize all closing documents and the construction loan closing date is tentatively scheduled for the week of June 19th 2017. The TCAC hard deadline for closing is June 30, 2017. Construction of the affordable project will take approximately 14 months.

DISCUSSION

Staff has been working on this project for several years. Site acquisition was completed in 2014, the necessary Planning Board approvals were granted in 2015 and staff submitted two separate tax credit applications in 2016. The first application included 22 units in four buildings and was not successful. The second application included 20 units in three buildings and scored more competitively due to the larger commitment of public (ROPS) funds. The Board has previously committed \$2.3m in permanent loan funds (in December 2015) and up to \$1.5m in bridge loan (in February 2017) to be used until the ROPS and County funds can be drawn. When the (second) tax credit application was

submitted on June 1, 2016 staff had obtained a professional construction cost estimate of \$9m and tax credit pricing in the Bay Area was generally \$1.10 per dollar of credits. National Equity Fund was the initial proposed investor at this price. The projected total development cost was then approximately \$14m. The project was awarded a preliminary 9% reservation with this budget, even though it was considered a higher cost project (at 130% of the TCAC high cost limit).

The total project cost and cost per unit have always been relatively high for several reasons. These include: small infill site, no economy of scale; complex townhouse design in response to community input and planning board preference; high-efficiency green building systems and materials required to meet the Cal-Green and Title 24 standards (including a PV system); poor soil conditions that require both environmental remediation (soil off haul) and an expensive foundation type (drilled displacement columns); the requirement to pay Federal and State prevailing wages.

In November 2016, in response to uncertainty about corporate tax rates and general uncertainty in the financial markets, the initial proposed investor withdrew their offer and a new solicitation for lender and investor was issued. TCAC also extended the hard deadline to close from March to June 2017. The revised pricing proposals came in at 93 to 95 cents per dollar and resulted in a \$1.5m shortfall. Staff requested and received approved for additional funds through the 17-18 ROPS and through the City's share of the Alameda County bond funds.

Initial proposals from four general contractors were also obtained in November 2016. The proposals included budget estimates of gross price, rather than sealed hard bids, because the construction drawings were not finalized and exact pricing was not feasible. Also, the pool of contractors that are willing to submit a sealed bid for this type of project is slim as the industry standard for affordable multi-family is to negotiate a final price (private owner) or to use a GMP format (public owner). The proposed pricing was in the range of \$5.4m to \$10.6m and were subject to final subcontractor bids. The low bidder had limited affordable new construction or 9% tax credit experience. Additionally, and based on the recent bids for Del Monte, their pricing seemed unrealistic for a project subject to prevailing wage rates. Staff recommended JH Fitzmaurice to construct the project, which was the second highest bidder (\$10m) and the only bidder with actual subcontractor bid proposals included with their response. It should be noted that JH Fitzmaurice is also a signatory to the Carpenter's and Laborer's Unions which requires union labor for these and associated trades. Staff subsequently worked with the architect and the GC to identify "value engineering" plan changes that were incorporated into the final construction drawings and that were anticipated to net savings of about \$300,000.

In March 2017 the final construction drawings were issued to subcontractors to obtain firm pricing. Since choosing the GC, drawings were updated to include the value engineering, plan check comments, clarifications about details, soils mitigation scope, and solar requirements in the common areas. Bids were recently received by the GC from the subcontractors and are significantly higher than the initial pricing discussed

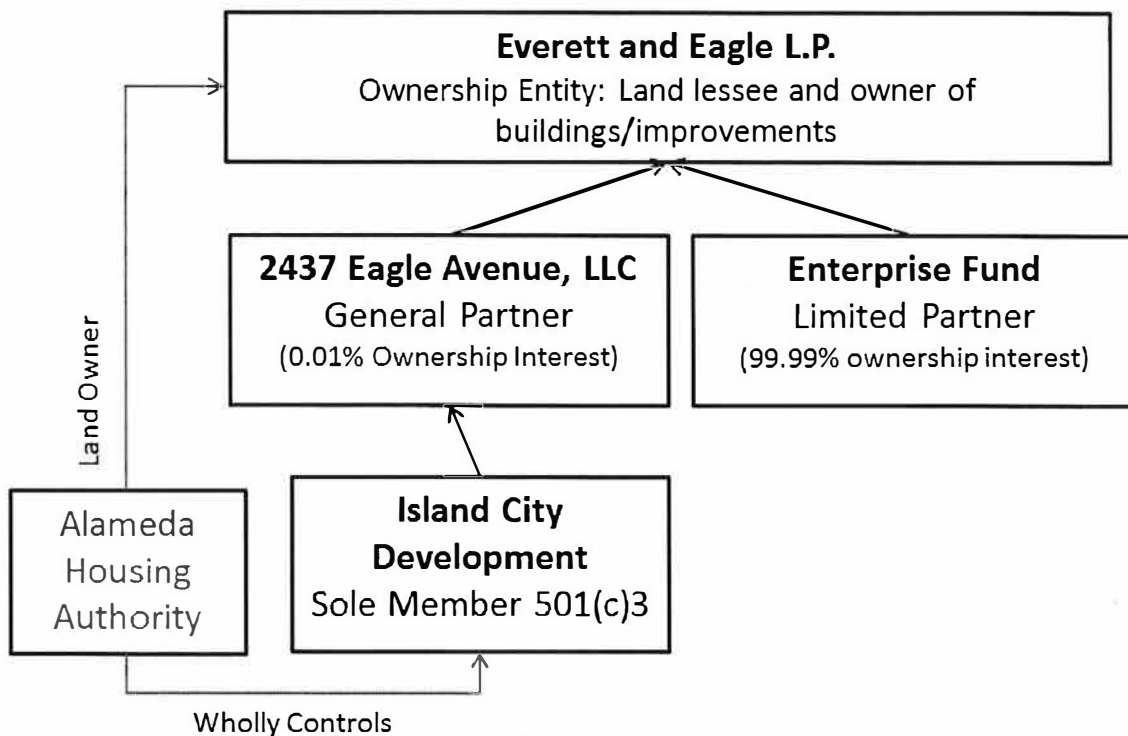
above. This is primarily due to three factors: plan changes that were made in response to building department plan check, soil remediation work that was identified by an updated soils report, and an exceptionally robust/busy construction marketplace that has created a labor shortage. Other projects in Alameda, such as Site A, and projects outside the island are also experiencing cost increases.

As of May 2016, the final bid for construction cost had increased to \$11.5m over the most recently projected cost in November 2016, thereby creating a financing gap. This issue was brought to the Housing Authority Board of Commissioners, who authorized staff to continue with the closing, increase the AHA loan by \$500,000, and increase the permanent loan to a 20 year term. As sources and uses summary is shown below.

Despite the difficulties and high costs, upon Board approval staff is prepared to proceed with project development and to work to close the transaction by the end of June. The details to date are as follows:

Ownership Structure

At the time of the construction loan closing, Everett and Eagle, L.P. (Partnership) will enter into a 99-year ground lease with the Housing Authority. This limited partnership will be the ownership entity of the Project (Improvements) and 2437 Eagle Ave, LLC will be the general partner of the partnership. Enterprise Community Partners will be the limited partner (Investor).



The Housing Authority will continue to own the land. Beginning in the thirteenth year after the project is completed and occupied, the Housing Authority and Island City

Development will have a right of first refusal and an option to purchase the Investor interest; the acquisition price will be the greater of the appraised value or the outstanding debt and taxes (if any).

Subsidy

The Housing Authority has requested approval from HUD to award twelve project-based and five VASH vouchers to the Project and to enter into a 20-year Agreement for Housing Assistance Payments (AHAP) with the Partnership. The Executive Director is also permitted by HUD to execute an “automatic” renewal of the voucher contract for a second 20 year period, although continued funding is subject to federal appropriations. The voucher units will serve households at 20%, 30%, 40% and 50% of area median income. Tenants for these units will be referred from a waiting list maintained by the Housing Authority.

Financial Structure

The development budget that has been approved by the lenders, investor, and the City is shown below. The lien order is Chase Loan, Housing Authority loan, Alameda County loan and the City HOME loan will be in fourth position. The Housing Authority, County and City loans are repayable from net cash flow (residual receipts) as calculated by the financial audit. There will be four separate affordability restrictions placed on the property (Housing Authority, County, HOME and State) ensuring long-term affordability for no less than 55 years.

The Investor is requiring a large Transition Reserve account that will be available to provide rent supplement if the vouchers are not fully funded. If not needed before then, or if partially used, the reserve balance can be drawn in years 12-14 to be used for eligible costs.

SOURCES (rounded)		USES	
Tax Credit Equity	\$7,498,000	Acquisition (Ground Lease)	\$9,900
Permanent Loan	\$3,313,600	Construction (hard) Costs	\$11,550,000
Housing Authority Loan	\$2,800,000	Permits and Fees	\$500,000
City of Alameda Successor Agency Funds	\$1,450,000	Arch/Engineering	935,500
Alameda County A-1 Bond	\$1,000,000	Soft Costs	\$1,927,600
City of Alameda HOME	\$150,000	Reserve Deposits	\$780,000
Deferred Developer Fee	\$366,400	Developer Fee	\$875,000
TOTAL	\$16,578,000.00		\$16,578,000.00

Legal and all other eligible costs incurred during the pre-development period will be reimbursed when the construction loan closes and the balance will be reimbursed in the subsequent draw. Through May, pre-development expenses (including the cost of building permits) total \$1,000,000. Thus, the full amount of the pre-development loan to ICD has been utilized. Once the construction loan is closed, and all expenses are reimbursed, the pre-development loan will be repaid to AHA.

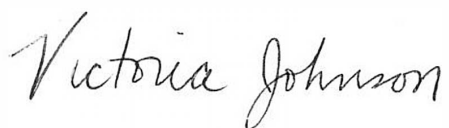
As project developer and in exchange for the services provided, Island City Development will earn a development fee in the amount of \$875,000. Approximately \$360,000 will be deferred and paid from cash flow over 12 years.

Both the Housing Authority and Island City Development will jointly be required to provide financial and performance guarantees. The financial guarantees will be reflected in the financial statements of each entity as "contingent liabilities". The construction guarantee will be released at construction completion and conversion to permanent financing. The tax credit guarantees will extend for the duration of the 15 year tax credit period. The operating deficit guarantee will be released once the property has been operating at a 1.15 debt service coverage ratio for two consecutive years after full occupancy.

The closing Resolution (attached) and all legal documents associated with the transaction have been prepared by outside counsel. Island City Development and the Housing Authority are represented by Downs, Pham, & Kuei LLP for the transaction.

RECOMMENDATION

Approve Authorizing Resolution for Syndication and Financing Transaction and Document Execution



Respectfully submitted,
Victoria Johnson
Director of Housing and Community Development

ISLAND CITY DEVELOPMENT

Resolution No. 2017-01

EAGLE FAMILY HOUSING

At a duly constituted meeting of the Board of Directors (the “**Board**”) of Island City Development, a California nonprofit public benefit corporation (“**ICD**”), held on June 7, 2017 (the “**Meeting**”), the following resolutions were adopted:

WHEREAS, ICD formed 2437 Eagle Avenue, LLC, a California limited liability company (the “**LLC**”), pursuant to that certain Articles of Organization filed with the California Secretary of State (“**Secretary of State**”) on November 22, 2016, and serves as the manager and sole member of the LLC.

WHEREAS, the LLC formed Everett and Eagle L.P., a California limited partnership (the “**Partnership**”), upon filing that certain certificate of limited partnership with the Secretary of State on November 22, 2016, and serves as the sole general partner of the Partnership, together with the Housing Authority of the City of Alameda, a public body, corporate and politic (the “**Housing Authority**”) as the sole limited partner of the Partnership;

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC and the Partnership for ICD and the LLC to assist the Partnership in the acquisition, construction and development of the Project by: (i) allowing the Housing Authority to withdraw as limited partner of the Partnership; (ii) facilitating the admission of Wincopin Circle LLLP, a Maryland limited liability partnership, or a substitute investor (the “**Investor**”) as a 99.99% limited partner in the Partnership in exchange for capital contributions in the approximate aggregate amount of \$7,477,000; (iii) entering into a first amended and restated agreement of limited partnership (as amended, the “**Amended Partnership Agreement**”) to provide for such other matters as may be required by the Investor; and (iv) causing the Partnership to enter into a development services agreement with the Housing Authority and ICD, both of which will serve as the co-developers of the Project, a partnership administration agreement, a property management agreement, an investor services agreement, a right of first refusal agreement, a guaranty agreement and any other agreement, certificate, document or instrument required by the Investor and deemed necessary or appropriate by an Officer of ICD to allow the Housing Authority to withdraw from the Partnership, admit the Investor and syndicate the Partnership (collectively, the “**Equity Documents**”). Items (i) through (iv) are hereinafter referred to as the “**Syndication**”;

WHEREAS, ICD and the Housing Authority are parties to that certain Option Agreement, dated effective as of June 1, 2016 (the “**Initial Option**”), as assigned to the Partnership pursuant to that certain Assignment and Assumption of Option Agreement, dated on or about June 1, 2017 (the “**Assignment**” together with the Initial Option, the “**Option Agreement**”), pursuant to which the Housing Authority granted an option to the Partnership for a long-term ground lease of that certain real property located at 2437 Eagle Avenue, in the City

of Alameda (the “**Property**”), in connection with the Partnership’s development and construction of a twenty (20) unit, including one (1) unrestricted manager’s unit, affordable housing development on the Property to be commonly known as Eagle Family Housing (the “**Project**”) (the Partnership’s leasehold interest in the Property, including the Project, is collectively referred to herein as (the “**Development**”));

WHEREAS, pursuant to the terms of the Option Agreement, the Partnership desires to enter into a ground lease with the Housing Authority with respect to the Land for a term of 99 years and upon such other terms and conditions, set forth in the ground lease (the “**Ground Lease**”);

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for the Partnership, as lessee, to enter into the Ground Lease with the Housing Authority, as lessor, with respect to the Property for a term of 99 years and upon such terms and conditions as deemed necessary or appropriate by an Officer;

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for the Partnership to construct, own, operate and maintain the Project; and

WHEREAS, the Board deems it to be in the best interests of ICD for ICD to enter into a development services agreement with the Partnership to serve as the co-developer of the Project together with the Housing Authority (the “**Development Agreement**”);

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for the Partnership to obtain the following financings for the Project, which will be secured by liens on the Project (“**Secured Financings**”):

(a) A recourse, construction loan from JPMorgan Chase Bank, N.A. (“**Chase**”) in the approximate amount of \$9,930,000 (the “**Construction Loan**”), a portion of which is expected to convert to a nonrecourse permanent loan in the approximate amount of \$3,313,600 (the “**Permanent Loan**” together with the Construction Loan, the “**Chase Construction/Permanent Loan**”), which shall be evidenced by, among other documents, a promissory note, and loan agreement and secured by a leasehold deed of trust, UCC financing statement and any other agreement, certificate, document, or instrument required by Chase and deemed necessary or appropriate by an officer of ICD to consummate the Chase Construction / Permanent Loan (collectively, the “**Chase Loan Documents**”);

(b) A recourse construction to permanent loan to the Partnership in the approximate amount of \$4,250,000 (the “**Housing Authority Loan**”), which will be repaid with the Project’s residual receipts and evidenced by a Promissory Note and a Loan Agreement and secured by a Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing to be recorded against the Development, and encumbered by a Regulatory Agreement and Notice of Affordability Restrictions on Transfer of Property, and any other agreement, document, certificate or instrument required by the Housing Authority and deemed necessary or appropriate

by an Officer of ICD to consummate the Housing Authority Loan (the “**Housing Authority Loan Documents**”);

(c) A nonrecourse permanent loan of Measure A1 funds from the County of Alameda (the “**County**”) in the approximate amount of \$1,000,000 (the “**County Loan**”), which will be repaid with the Project’s residual receipts and be evidenced by a promissory note and a loan agreement, and be secured by a leasehold deed of trust to be recorded against the Development, and encumbered by a regulatory agreement and an inter-creditor agreement and any other agreement, document, certificate or instrument required by the County and deemed necessary or appropriate by an Officer of ICD to consummate the County Loan (collectively, the “**County Loan Documents**”);

(d) A nonrecourse construction/permanent loan of HOME Investment Partnerships Act funds from the City of Alameda (the “**City**”) in the approximate amount of \$150,000 (the “**City HOME Loan**”), which will be repaid with the Project’s residual receipts and be evidenced by a promissory note and a loan agreement and be secured by a leasehold deed of trust to be recorded against the Development, and encumbered by a regulatory agreement and any other agreement, certificate, document or instrument required by the City and deemed necessary or appropriate by an Officer of ICD to consummate the City HOME Loan (the “**City Loan Documents**”);

WHEREAS, as a condition of the Secured Financings and the Syndication, the lenders and the Investor may require ICD to (a) guaranty the payment and performance by the Partnership and / or the LLC of their respective obligations under the documents evidencing and securing the Secured Financings and the Syndication, guaranty timely lien-free completion of the Project and make certain indemnities (collectively the “**Guaranties**”), and/or (b) assign any fees from the Partnership as security for the Secured Financings and the Syndication (the “**Security Assignments**”);

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC and the Partnership, for ICD to make and enter into the Guaranties and the Security Assignments for the benefit of the lenders and Investor in connection with the construction of the Project and Syndication of the Partnership;

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for ICD, the LLC and the Partnership, as applicable, to execute such documents and to perform such actions as may be required in order to obtain all necessary and appropriate entitlements, permits and any other authorization for the acquisition, development, construction, management or operation of the Project and for any waiver of entitlement or similar fees (collectively, the “**Entitlement Documents**”);

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for ICD, the LLC and the Partnership to execute such documents (including, without limitation, any indemnities and guaranties) and to perform such actions as may be required in

order to obtain all necessary and appropriate title insurance (owner and lender policies) for the Project (collectively, the “**Title Documents**”);

WHEREAS, ICD applied for and was awarded an allocation of 9% Low Income Housing Tax Credits (“**LIHTCs**”) from the California Tax Credit Allocation Committee (“**TCAC**”) as evidenced by that certain Preliminary Reservation Letter dated September 21, 2016 (the “**Preliminary Reservation**”) and that certain carryover allocation from TCAC dated November 15, 2016 (the “**Carryover Allocation**” together with the Preliminary Reservation the “**LIHTC Allocation**”), and intends to assign the LIHTC Allocation to the Partnership through an assignment and assumption of Tax Credits (the “**Assignment of Tax Credits**”);

WHEREAS, the Board deems it to be in the best interest of ICD, the LLC and the Partnership for ICD and the Partnership to enter into the Assignment of Tax Credits to allow ICD to assign its right, title and interest in and obligations under the LIHTC Allocation to the Partnership and for the Partnership to assume the same and for ICD, the LLC and the Partnership to submit any and all agreements, documents, and certificates required by TCAC to allow ICD to assign, and the Partnership to assume, the LIHTC Allocation;

WHEREAS, in connection with the construction and development of the Project, ICD and the LLC entered into several service contracts and agreements for professional services with various vendors and professionals, and ICD and the LLC intend to assign their respective rights, title and interest in and obligations under the various service contracts and agreements to the Partnership pursuant to an assignment and assumption of service contracts (the “**Assignment of Contracts**”);

WHEREAS, the Board deems it to be in the best interest of ICD, the LLC and the Partnership for ICD, the LLC and the Partnership to enter into the Assignment of Contracts to allow ICD and the LLC to assign their respective rights, title and interest in, and obligations under, the various service contracts and agreements to the Partnership and for the Partnership to assume and reimburse ICD and the LLC for cost incurred in connection with the various service contracts and agreements;

WHEREAS, the Housing Authority has approved the provision of Veterans Affairs Supportive Housing Vouchers for the Project and a housing assistance payments contract to be entered into with the Partnership, an agreement to enter into a housing assistance payments contract, or such other agreement or document in connection with a project-based voucher assistance with the Housing Authority or such other appropriate party (collectively, the “**VASH and HAP Documents**”);

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC, and the Partnership for the Partnership to execute and deliver and perform its obligations under the VASH and HAP Documents;

WHEREAS, the Board deems it to be in the best interests of ICD, the LLC and the Partnership, for ICD, the LLC and the Partnership, as the case may be, to execute and deliver,

and to perform their respective obligations under, any and all documents or agreements necessary or advisable in furtherance of the Partnership's acquisition, development, financing, construction, operation, management and maintenance of the Project, including, but not limited to, the Amended Partnership Agreement, Equity Documents and any other agreement, certificate, document necessary to consummate the Syndication, Option Agreement, the Ground Lease, all grant deeds and any other document required to transfer the leasehold interest in the Property and the fee interest in the existing and hereinafter constructed improvements thereon to the Partnership, the Development Agreement any other agreement, certificate or document necessary to allow ICD to serve as the co-developer of the Project, the Secured Financings, the Chase Loan Documents, and any and all other agreements, certificates, documents or instruments necessary for the Partnership to consummate the Chase Construction/Permanent Loan, the Housing Authority Loan Documents, and any and all other agreements, documents or instruments necessary for the Partnership to consummate the Housing Authority Loan, the County Loan Documents, and any and all other agreements, documents or instruments necessary for the Partnership to consummate the County Loan, the City Loan Documents and any and all other agreements, documents or instruments necessary for the Partnership to consummate the City HOME Loan, the Development Agreement, the Amended Partnership Agreement, the Guaranty Agreement, the Guaranties and the Security Assignments, the Entitlement Documents, the Title Documents, the Assignment of Tax Credits, the Assignment of Contracts, the VASH and HAP Documents and any similar or related agreements for housing subsidies, regulatory agreements, assignments of rents, leases, income and profits, general assignments, management agreements construction contract, and any other agreement necessary to construct the project, and any resolution required by any lender or Investor, with the advice counsel, deemed to be consistent with the resolutions contained herein (collectively, the "**Project Documents**").

NOW, THEREFORE, BE IT RESOLVED, that ICD for itself, the LLC and the Partnership, does hereby approve and is authorized to enter into the following transactions and documents, as applicable:

1. Project Documents; and
2. Such other agreements, certificates, contracts, instruments and any and all other documents deemed necessary or advisable by an Officer in furtherance of these resolutions and/or to assist in the acquisition, development and construction of the Project (collectively, the "**Transaction Documents**"), using his or her own independent judgment.

BE IT FURTHER RESOLVED, that Board hereby authorizes Vanessa Cooper, Chief Executive Officer and President of ICD, John McCahan, Vice President and Chief Financial Officer of ICD, and (c) Janet Basta, Secretary of ICD (each, an "**Officer**"), each acting alone on behalf of ICD, the LLC and the Partnership, to execute the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by an Officer and ICD counsel. Each Officer is hereby further authorized and directed to take such further actions in furtherance of the resolutions contained herein and to execute and record such documents as are necessary to accept the Transaction Documents, for ICD, the LLC and the Partnership.

BE IT FURTHER RESOLVED, that all actions previously taken by ICD, the LLC and the Partnership, and any of their employees, officers and agents in connection with the Project or the transactions described herein are hereby ratified and approved.

ATTEST:

Vanessa M. Cooper
President

Janet Basta
Secretary

Adopted:

Date