

MINUTES OF A REGULAR MEETING OF
THE HOUSING AUTHORITY OF THE CITY OF RALEIGH
BOARD OF COMMISSIONERS
AUGUST 22, 2024

The members of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina met at 900 Haynes Street on Thursday, August 22, 2024, at 5:00 p.m. The meeting was held in-person and via Zoom.

The Board Vice Chair called the meeting to order and upon roll call the following were present and absent:

Present: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Absent: Niya Fonville-Swint, Bahati Mutisya, Gregg Warren.

Visitors: Jacqueline Williams, ICC President; Phyllis Hicks, Glenwood Towers resident; Paula Coppola, Walnut Terrace resident; Charles Francis, Francis Law Firm, PLLC; Kristen Kirby, McGuire Woods LLP; Harrison Ellinwood, Ellinwood Properties; Kevin Sturgeon, Roers Co.; Mark Tipton, Whistler Investment Group; Noah Wagner, Oppidan; Sam Weldon, Blue Ridge Atlantic.

RHA Staff: Rachel Agunbiade, Sonia Anderson, Priscilla Batts, Shannon Bowen, Liz Edgerton, Katie Lebrato, Ashley Lommers-Johnson, Laura McCann, Jennifer Morgan, Donna Perez, Kenya Pleasant, Gwen Wall, Chris Whitenhill.

The Board Chair declared a quorum present and welcomed everyone to the meeting.

RECOGNITION OF VISITORS

The Board Chair welcomed the visitors to the meeting.

PUBLIC COMMENTS

Paula Coppola

I wanted to state that I have several issues that need to get addressed, and they include:

- I have a request for reimbursement of my keys being taken from my housing while I was going out of state. I gave them a letter requesting that no one enter my property while I'm gone, and they did anyway. When I came back, the keys were gone and they forced me to buy new keys to enter into the apartment, and also my vehicle key is on that.
- Once I returned home, we found that there was a water leak that had not been completely taken care of, and the mold was all over the closet and the bedroom wall and water seeping in through the floor. I responded to call that in to have that resolved right away, as we're supposed to, but it took them a week to be able to come out to look at it, and then they still didn't do anything to address it.

- They told me I had to leave my apartment while they do the repairs, and they forced me to sign a form that states that if I don't leave the apartment, I will be responsible to pay all these fees, the contractors, the hotel room, and everything else. I signed the form, and I stated I wanted a copy of it, I still have not received that. And they kept saying, we'll put it in your room and your apartment, on your kitchen counter. They keep saying we'll get it to you and they haven't done it.
- The night prior to having to leave to go to the hotel room, I put my things into the vehicle and was going to drive off, but a tow truck came in and started to tow my truck and I would not have the ability to go to the hotel room. They said it was on the lift and I would have to pay \$215 or else come to the shop and pay \$260 – so had to pay with \$215. I request that to be reimbursed.

There are multiple things and I'd like to be able to get these addressed in more detail, but I know this is not the place for that, but I do want you to be aware.

Commissioner Braun said they will get a report from staff about these complaints.

Mr. Lommers-Johnson said he spoke with Ms. Coppola briefly at a conference and asked her to contact Ms. Anderson, since she had already spoken with her property manager.

Ms. Coppola said she has tried to contact the office and is having a difficult time getting through.

Mr. Lommers-Johnson said I will follow up with Ms. Anderson after the meeting and will ask the regional manager to get in contact with you.

Ms. Coppola said she also requested a formal hearing, and I've gotten no response on that either.

Mr. Lommers-Johnson said we'll follow up on that.

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine and may be enacted by one motion and second. If a Commissioner requests that an item be removed from the Consent Agenda it will be done and considered as a separate item. The vote will be a roll call vote.

Item 1

Charge-off of delinquent resident accounts for June 2024
Charge-off of delinquent resident accounts for July 2024

Item 2

Financial statements

Item 3

Vacancy and turnover report will be discussed during the Report of the Board Secretary

Item 4

Minutes from May 23, 2024 regular meeting

Minutes from June 17, 2024 special meeting
Minutes from June 27, 2024 special meeting

(Commissioner Whitehouse corrected the May 23, 2024 minutes to show that he was present. That edit has been made.)

Commissioner Braun moved and Commissioner Whitehouse seconded approval of the Consent Agenda.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None.

The Consent Agenda has been adopted.

REPORT OF THE BOARD CHAIR

The Board Chair had no report this evening.

REPORT OF THE BOARD SECRETARY

YARDI Implementation

- Went live on April 1.
- Didn't go smoothly on the part of Yardi.
- They have acknowledged their part of the implementation not being smooth. For all of our staff, it's been a steep learning curve. All staff have to learn some aspect of YARDI.
- Staff had to do this with a normal workload and we've seen some struggles that not only affect staff, but also our clients. In addition to that, we've gone through significant reorganization in the agency, and that's been a learning curve.

Occupancy Report

- Historically, our occupancy rate has been 99%.
- Some things have changed for some of our properties.
- There have been some market changes for the affordable market rate units, so we have more vacancies than normal in our affordable market rate units – at least in one property.
- When four of our properties converted to RAD, they became project based voucher units. Under RAD, when somebody has lived in a unit for a year, if vouchers are available, they are eligible to get a voucher and go to the top of the waiting list. Sometimes it happens in large groups, and it's happened recently. So, we've seen our RAD properties at a lower occupancy rate.
- The offline units don't affect our occupancy rate. We set them aside when we calculate our occupancy rate, but we have several units currently that are offline permanently, like Heritage Park, where there are vacant units and we don't reoccupy them.

- We also have units that are under contract, and so those units are not part of the calculation.
- Our current Occupancy Report is 97.3%.
- When we have an occupancy rate of 97% or more, or vacancy rate of less than 3%, we still get full public housing subsidy.

Commissioner Morris asked how Heritage Park will affect all this as we start going through the redevelopment.

Mr. Lommers-Johnson said once a property goes through redevelopment, through a section 18 disposition, at some point the subsidy is decreased, and it steps down over a period of time. You don't lose complete subsidy. We will continue to get some form of capital subsidy.

Maintenance Work Orders

- In Housing Operations, occupancy is the key performance measure, because we want to make sure that we house as many people as we can. A close second is our customer service and how we serve our residents. How we do in maintenance determines how people feel about our customer service and their property.
- A key measure for measuring customer service through maintenance is a turnaround time for resident requests.
- When a resident requests a work order it is documented and so we can separate out the resident requests versus work orders that the staff put in based on what they hear and see.
- What we will do from here on forward is to provide the Board and our community a report on how we're doing specifically on resident requests.
- We'll provide other information too, but this is a priority for us.
- For emergencies, the standard is 24 hours – the emergency should be abated within 24 hours.
- For routine work orders, our target is to do it at an average of three days.
- Currently, given what we have gone through learning to deal with new software and using new devices, that has been a struggle for some of our staff. We're seeing results in the data that indicate that we're not meeting that three day average.
- We discovered a buildup of incomplete work orders. With the new devices, when work orders build up in their property more than 50, the others don't display. We just discovered this and are working to correct it.

RHA Annual Audit

- We had a couple of issues, and the one that was more serious had to do with the lateness of our annual recertifications of our tenants and our Section Eight participants eligibility to continue on the program.
- We developed a corrective action plan and have implemented all aspects of the corrective action plan in order to improve. Most of them don't have an immediate impact, but over time, things will improve.
- We have reports that show the progress that we've made in productivity.
- We have increased our staff, which was part of our plan, but we're still not fully staffed.
- We've increased the output, meaning the number of recertifications, and we have reduced the percentage of late recertifications.

- This month is the first month since we started that there will be no late recertifications since last year.
- In less than three quarters of this year we have recertified three quarters of the public.
- For the remainder of this year, we have roughly 1000 recertifications to do, and we'll be able to do them on time, except for cases when residents are not responsive.

Commissioner Braun asked if staff has completely caught up with the backlog.

Mr. Lommers-Johnson said what the finding said was that 27% of our annual recertifications are late, more than 60 days after the due date. It's a tough standard, given where we were in terms of my staffing levels and other issues. Where we need to get to is the due date, which is 30 days before the effective date. The October recertifications, that will be effective October 1, have to be completed by the end of August. The finding was that these 27% were more than 60 days after the due date, or more than 30 days after the effective date. We've got a lot of ground to make up, but we're making adequate progress given our productivity.

Housing Choice Voucher Utilization

- The Housing Choice Voucher department has increased lease up significantly this year.
- We have housed approximately 240 people more this year.
- The North Carolina housing authorities on average lease up 80.5% of their vouchers.
- RHA's current utilization rate is at 97.6%.
- Given the rate at which we are leasing up, and the project based vouchers that have started to lease up, we will likely be over 100% by the end of this year.

Commissioner Braun asked if staff had an approximate number of additional revenue RHA is bringing in because of that.

Mr. Lommers-Johnson said RHA has \$3.8 million in administrative fee. That translates to approximately \$1,000 per voucher. If you multiply 250 new people that we are housing times \$1,000 that's a quarter of a million dollars in additional revenue to pay by administration of staff. This is a significant achievement. Very few housing authorities around the country get to 100%. Congratulations go to Mrs. Batts and her staff.

Heritage Park Relocation

- There are 87 families that are currently occupying the site.
- Surveys have been completed for all of the residents at Heritage Park, and 28 families have said they want to return to Heritage Park.
- Approximately 26% of the residents intend to come back.
- Our HCV staff have been offering information sessions on site for residents.
- So far, seven families have actually relocated as a result of our plans to redevelop the site.
- Six families have been approved at Rock Quarry, which is one of the project based voucher sites that we have contracted with.
- An additional seven families have been approved at Thrive at South Bend, so there's quite a bit of movement already.
- We have one staff member currently on board, who's a relocation specialist, and we've hired a relocation manager who starts in September.

Heritage Park Update

- On behalf of RHA, the city of Raleigh engaged Kimley-Horn.
- Kimley-Horn is also RHA's civil engineer.
- Kimley-Horn is working on a downtown mobility study – they're studying the potential change to the cloverleaf.
- Kimley-Horn proposed some options to the city, and those required studying. But it wasn't just an impact to Heritage Park. It impacts that entire region and all of the other projects around it, including the potential closure of South Street.
- We don't yet have the final options, but it's anticipated that Kimley-Horn's report will go to the city, and we've asked to make sure that what we're proposing in the street plan for Heritage Park is reflected in that report.
- There was a City Council meeting that we attended on August 20 regarding the South Street closure, and the result of that was the City Council approved to advance the closure. That meeting will take place on September 17.
- We are proceeding with our pre-application meeting with the city for the rezoning.
- We've had good conversations with potential tenants that could be in that mixed-use space.
- One of those is Advanced Community Health. They participate in DHIC developments. They have an interest in a presence at Heritage Park.
- We had a conversation with the Wake County public library team. There is some interest in trying to think creatively about what a presence might look like – even if it's not a traditional library.

Commissioner Braun asked if RHA can accept donations from the public – for example, toward a library fund. Or do we need to think about how to do that? I can see developing relationships with potential private funders that might be interested in helping with things like a library. Do we have the ability to accept?

Mrs. Pleasant said that's a good question and it's something that we can look into.

Financial Reports

- We have a number of budgets, one for our public housing program, one for the Housing Choice Voucher Program, and one we refer to as the CCC (Central Office Cost Center), and then Other Budgets.
- What we have available today are reports on a year-to-date for three of the budgets.
- The public housing year to date budget comparison shows:
 - Total income of \$3.6 million exceeds our budgeted amount that we projected we would get to.
 - Tenant income is more than what we budgeted approximately \$166,000 more. We will get less operating subsidy because of the higher tenant income, so they'll balance each other out.
 - When it comes to our expenses, the biggest variance is 28% and in dollar amount, that's just over a quarter of a million dollars, where we have spent a quarter of a million dollars less than what we budgeted.
 - Employee expenses line of \$660, 5000 versus \$922,000 budgeted. Most of that has to do with the fact that we haven't filled all of the positions that are vacant.

- Large variances in protective services, mainly due to security at Heritage Park. We have had a contract for security at Heritage Park that has increased that line item substantially.

Commissioner Whitehouse asked if there is anything staff can be doing to help alleviate systemic issues with the violence taking place. Are the tenants creating the issues or people coming in from outside the community?

Sonia Anderson said I have seen a change in the neighborhood since we have been able to provide the security. We've received feedback from families how their children are able to play outside. We have also added surveillance cameras on site. We are working closely with the security firm that took the contract and they are interacting with the families. They're very approachable, and the families are enjoying their interaction. We have contemplated changing the contract, putting it out for bid, but we are also still struggling to interact with the families. We have activities that we set up and we get less than 10 residents who come to the program. I appreciate your concern, and I do want you to know that we are working with the families. We work closely with the schools. However, to be honest, we struggle with participation from our residents.

Commissioner Winstead said DHIC has had a similar experience. We just started a contract for security patrol after hours at our Washington Terrace property. There's a general concern in a lot of the communities across the city of folks not feeling safe and being concerned about who's coming and going through the properties. We've struggled with when to provide extra security, beyond cameras, and we've actually started implementing this at a couple properties. The residents are asking for it, and it makes them feel safer to know that there's someone there when the office is closed who can pay attention and keep an eye on things. It's also a deterrent for neighbors coming into the property, causing problems.

The Housing Choice Voucher comparison shows:

- Administrative fee earned approximately \$60,000 more than projected. This was due in part because we are serving more people, and we'll end up at an average of more than we projected. The largest variance is in staffing.
- The total variance in operating expenses is mostly due to staffing.
- The administrative expenses is significant due to consulting in Yardi.

Commissioner Braun asked about setting up additional committees.

Mr. Lommers-Johnson said the intent is to do quarterly meetings with the Finance Committee so that's where we can spend a lot of time going through detail based on questions and then come back to the Board.

REPORT OF THE REIC COMMITTEE CHAIR

There was no REIC Committee Chair report this evening.

COMMISSIONER COMMENTS

There were no commissioner comments this evening.

NEW BUSINESS

Jennifer Morgan said this resolution approves the issuance of \$23 million Multifamily Housing Revenue Bonds for Parkside Apartments, a 144-unit multifamily residential development at 1329 Kent Road in Raleigh. Blue Ridge Atlantic Development is the developer for this property.

The property serves residents between 30% to 80% AMI with 15 units restricted to 30% AMI. Also, with the tax credits, the property is required to accept housing choice vouchers.

The Tenant Selection Plan for Parkside Apartments will include a preference for RHA residents displaced due to redevelopment.

With this resolution you are approving the CEO, Chairman, and/or Vice Chair to execute any documents related to the issuance of the Multifamily Housing Revenue Bonds.

This has been reviewed by RHA's legal counsel with no exceptions.

HOUSING AUTHORITY OF THE CITY OF RALEIGH RESOLUTION NO. 44 (2024)

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY HOUSING REVENUE BONDS (PARKSIDE APARTMENTS), SERIES 2024

WHEREAS, BRAD Parkside Apartments, LLC, a North Carolina limited liability company, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Raleigh, North Carolina (the "Authority") assist it in financing a portion of the cost of the acquisition, construction and equipping of a 144-unit multifamily residential rental facility to be known as Parkside Apartments and located at approximately 1329 Kent Road in the City of Raleigh, North Carolina (the "Development"), and the Authority has agreed to do so; and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Fannie Mae MBS Secured) (Parkside Apartments), Series 2024A and Multifamily Housing Revenue Bonds (Parkside Apartments), Series 2024B (collectively, the "Bonds") in an aggregate principal amount not to exceed \$23,000,000; and

WHEREAS, it is anticipated that the Bonds will be sold in a public offering pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated (the "Underwriter"); and

WHEREAS, the Bonds will be issued pursuant to an Indenture of Trust (the "Indenture"), between the Authority, as issuer, and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower pursuant to a Financing Agreement (the "Financing Agreement"), among the Authority, the Trustee and the Borrower, for the purpose of (i) paying a portion of the costs of the acquisition, construction and equipping of

the Development, and (ii) paying certain issuance expenses in connection with the issuance of the Bonds; and

WHEREAS, a portion of the cost of the Development will be financed with funds provided by a tax credit investor as a result of the syndication of 4% low income housing tax credits available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrower has received, or expects to receive, an allocation of volume cap for the Bonds and the Project from the North Carolina Housing Finance Agency and the North Carolina Federal Tax Reform Allocation Committee as required by Section 146 of the Code; and

WHEREAS, there have been presented to this meeting draft forms of the following instruments (collectively, the "Authority Documents"), which the Authority proposes to authorize and, where applicable, execute to carry out the transactions described above:

- (a) the Indenture, together with the form of the Bonds attached thereto;
- (b) the Financing Agreement, together with the form of the promissory notes of the Borrower in favor of the Authority (the "Borrower Notes") attached thereto, which will be assigned by the Authority to the Trustee;
- (c) the Regulatory Agreement and Declaration of Restrictive Covenants, pursuant to which the Borrower will be required to operate the Development in accordance with Section 142(d) of the Code;
- (d) the Preliminary Official Statement (the "Preliminary Official Statement") relating to the offering and sale of the Bonds; and
- (e) the Bond Purchase Agreement;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The Authority hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Bonds pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the deposit of such proceeds with the Trustee in accordance with the Authority Documents.
2. The Authority hereby authorizes the issuance and sale of the Bonds pursuant to the Indenture and in accordance with the terms set forth in the Bond Purchase Agreement and the Indenture. The Bonds will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Indenture; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$23,000,000.
3. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee, is authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Notes and other security documents to the Trustee.

4. Each of the Chairman and Vice Chairman of the Authority or their respective designees is hereby authorized and directed to execute and deliver the Bonds in the manner and subject to the conditions provided in the Indenture to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriter, or any affiliate thereof, upon payment of the purchase price therefor as provided in the Bond Purchase Agreement.

5. The distribution of the Preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. The Authority is authorized to deem the Preliminary Official Statement to be “final” within the meaning of Rule 15c2-12 of the Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designees are hereby authorized and directed to approve and deliver the final Official Statement (in substantially the form of the Preliminary Official Statement, but incorporating the final terms and details of the Bonds) to the Underwriter and the Underwriter is hereby authorized and directed to distribute the Official Statement to the purchasers of the Bonds.

6. The Authority Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Bonds, including any changes that may be required by any rating agency that is rating the Bonds, any changes in dates as may be required to reflect the date of the actual closing, and as otherwise approved by the officers of the Authority executing them after consultation with bond counsel and counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

7. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman and Chief Executive Officer of the Authority, or their respective designees, to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Authority Documents.

8. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority and to take such other actions on behalf of the Authority as may be necessary or desirable for the issuance of the Bonds. All other acts of the officers of the Authority previously taken or to be taken that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Bonds are hereby authorized, ratified, confirmed and approved.

9. This resolution shall take effect immediately.

Commissioner Braun moved and Commissioner Winstead seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 44 (2024) has been adopted.

Jennifer Morgan said this resolution is also related to the \$23 million in Multi-family Housing Revenue Bonds for Parkside Apartments. This resolution is to approve the finance team. This resolution is required in deals where the approval of the North Carolina Local Government Commission is required. The Local Government Commission wants to see that RHA has approved the Finance Team.

This has been reviewed by RHA’s legal counsel with no exceptions.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 45 (2024)

RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN FINDINGS
WITH RESPECT TO THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS
(PARKSIDE APARTMENTS), SERIES 2024

WHEREAS, BRAD Parkside Apartments, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), has requested that the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) assist it in financing a portion of the cost of the acquisition, construction and equipping of a 144-unit multifamily residential rental facility to be known as Parkside Apartments and located at approximately 1329 Kent Road in the City of Raleigh, North Carolina (the “Development”), and the Authority has agreed to do so; and

WHEREAS, the Authority finds that the financing of the Development through tax-exempt bonds will fulfill the Authority’s purpose under the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”) to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, which is defined in the statute to include “loans and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income;” and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Fannie Mae MBS Secured) (Parkside Apartments), Series 2024A and Multifamily Housing Revenue Bonds (Parkside Apartments), Series 2024B (collectively, the “Bonds”) in an aggregate principal amount not to exceed \$23,000,000; and
WHEREAS, it is anticipated that the Bonds will be sold in a public offering pursuant to a Bond Purchase Agreement among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated; and

WHEREAS, the North Carolina Local Government Commission has requested the Authority to make certain findings with respect to the Bonds consistent with Section 159-153 of the North Carolina General Statutes; and

WHEREAS, the Borrower has requested that the Authority approve its selection of the following financing team members for the issuance and sale of the Bonds, on the terms and at the fees set forth in the documents and financial information relating to the financing, providing for the issuance and sale by the Authority of the Bonds and in the financial information provided to the Authority with respect to the Bonds:

Bond Counsel:	McGuireWoods LLP
Authority's Counsel:	The Francis Law Firm, PLLC
Borrower's Counsel:	Arnall Golden Gregory LLP
Trustee:	U.S. Bank Trust Company, National Association
Trustee's Counsel:	Maynard Nexsen PC
Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel:	Tiber Hudson LLC
Construction Lender:	Fifth Third Bank
Mortgage Lender:	Lument Real Estate Capital, LLC
Tax Credit Investor:	RBC Community Investments, LLC

WHEREAS, based upon information and evidence received by the Authority, it has determined to approve the Borrower's request;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The above financing team for the issuance and sale of the Bonds by the Authority is hereby authorized and approved.
2. The Authority hereby finds that the financing is necessary and expedient to further the Authority's purpose of promoting low and moderate income housing in the City of Raleigh, North Carolina, and that the acquisition, construction and equipping of the Development proposed by the Borrower are necessary and sufficient to accomplish the Authority's purposes with respect to the properties involved.
3. The Authority hereby finds that the Borrower has demonstrated that the amount of debt to be incurred in connection with the Development and the fees to be paid in connection therewith are sufficient but not excessive for the purpose of acquiring, constructing and equipping the Development.
4. The Authority hereby finds, based on (i) information provided by the Borrower, (ii) the commitments of the lenders for the Bonds, and (iii) the award of bond volume cap allocation by the North Carolina Federal Tax Reform Allocation Committee at the recommendation of the North Carolina Housing Finance Agency, that the Borrower has demonstrated that (a) it is financially responsible and capable of fulfilling its obligations to make loan repayments and other payments under the Financing Agreement among the Authority, the Trustee and the Borrower (the

“Financing Agreement”), which will provide the funds to pay principal and interest on the Bonds, and (b) the Development will generate sufficient revenues to make loan repayments and other payments under the Financing Agreement, to operate, repair and maintain the Development at its own expense and to discharge such other responsibilities as may be imposed under the Financing Agreement. The Authority further finds that adequate provision has been made for the payment of the principal of, redemption premium, if any, and interest on the Bonds, and the operation, repair and maintenance of the Development at the expense of the Borrower.

5. The Authority hereby finds that the use of the proceeds of the Bonds for a loan to finance the costs of the Development and for the other purposes stated above will accomplish the public purposes set forth in the Act and hereby approves such use of proceeds.

6. This Resolution shall take effect immediately upon its passage.

Commissioner Winstead moved and Commissioner Braun seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 45 (2024) has been adopted.

Jennifer Morgan said this resolution is the inducement resolution for up to \$33,500,000 in multifamily housing revenue bonds for Old Poole Apartments. Per state statute, RHA is the issuer for these bonds. They are non-recourse bonds, so if the developer were to default on these bonds, RHA is not financially responsible.

Old Poole Apartments is a 181-unit family property located at 4900 Old Poole Road. The developer is Roers Companies.

The property includes 36 1-bedroom units, 108 2-bedroom units, and 37 3-bedroom units with all units serving residents at 60% AMI. The net rents will range from \$1,297 - \$1,778. The property is also required to accept housing choice vouchers due to a requirement of the 4% tax credits.

The total project is approximately \$52 million including funding from bonds, 4% Tax Credits, and deferred developer fee.

Amenities will include a community room, fitness center, and outdoor amenity areas.

The developer is willing to include a preference in their Tenant Selection Plan for RHA residents displaced due to redevelopment.

This has been reviewed by RHA’s legal counsel with no exceptions.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 46 (2024)

RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF MULTIFAMILY
HOUSING REVENUE BONDS (ROERS RALEIGH APARTMENTS)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) held a regular meeting at 5:00 p.m. on the 22nd day of August, 2024; and

WHEREAS, the Authority is organized and operates pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”); and

WHEREAS, the Act defines “housing project” in N.C.G.S. § 157-3(12) to include “property, buildings and improvements . . . acquired or constructed . . . pursuant to a . . . plan or undertaking . . . [t]o provide grants, loans, interest supplements and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income”; and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Authority the power “to provide for the construction, reconstruction, improvement, alteration or repair of any housing project” and “to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues”; and

WHEREAS, Roers Raleigh Apartments LLC, a Minnesota limited liability company, or an affiliated or related entity (the “Company”), intends to provide low and moderate income housing in the City of Raleigh, North Carolina (the “City”); and

WHEREAS, the Company has requested that the Authority assist it or an affiliate in financing the acquisition, construction and equipping of a multifamily housing development consisting of 181 units and located at approximately 4900 Old Poole Road, in the City (the “Development”); and

WHEREAS, the Company has described to the Authority the benefits of the Development to the City and the State of North Carolina and has requested the Authority to agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the Authority is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA:

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore,

pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to provide reasonable assistance to the Company in issuing bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority's multifamily housing revenue bonds (the "Bonds") in an amount now estimated not to exceed Thirty-Three Million Five Hundred Thousand Dollars (\$33,500,000) to provide all or part of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of Section 1.150-2 of the Treasury Regulations issued by the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the "Code").

3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Company. The Authority and the Company shall enter into a "financing agreement" pursuant to the Act for a term and with payments sufficient to pay the principal of, premium if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the Authority and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority's rights to payments under the financing agreement, except the Authority's right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

4. The Authority hereby authorizes the Company to proceed, upon the prior advice, consent and approval of the Company and bond counsel, and consistent with the Company's representations to the Authority, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City Council of the City of Raleigh, North Carolina, and, if required, the North Carolina Local Government Commission, and to obtain an allocation of a sufficient amount of the State of North Carolina's "private activity bond limit", as required by Section 141 of the Code and as defined in Section 146 of the Code, for the Bonds.

5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Company may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred by it as permitted by Treasury Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Company to terms for the issuance, sale and delivery of the Bonds, and the

execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, including the reasonable fees and expenses of the Authority's counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

8. The Authority hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

9. This resolution shall take effect immediately.

Commissioner Winstead moved and Commissioner Whitehouse seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 46 (2024) has been adopted.

Jennifer Morgan said this resolution is the inducement resolution for up to \$25,000,000 in multifamily housing revenue bonds for Strickland Apartments. Per state statute, RHA is the issuer for these bonds. They are non-recourse bonds, so if the developer were to default on these bonds, RHA is not financially responsible.

Strickland Apartments is a 148-unit family property located at 13120 Strickland Road in Raleigh. The developer is Oppidan.

The property includes 37 1-bedroom units, 75 2-bedroom units, and 36 3-bedroom units, serving residents from 20 to 70% AMI. The property includes 7 units at 20% AMI and 8 units at 30% AMI. The net rents will range from \$337 - \$1,905. The property is also required to accept housing choice vouchers due to a requirement of the 4% tax credits.

The total project is approximately \$41 million including funding from bonds, 4% Tax Credits, City and County funds, and deferred developer fee.

Amenities will include a clubhouse, fitness center, computer room, playground, and picnic area.

The developer is willing to include a preference in their Tenant Selection Plan for RHA residents displaced due to redevelopment.

This has been reviewed by RHA’s legal counsel with no exceptions.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 47 (2024)

RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF MULTIFAMILY
HOUSING REVENUE BONDS (STRICKLAND APARTMENTS)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) held a regular meeting at 5:00 p.m. on the 22nd day of August, 2024; and

WHEREAS, the Authority is organized and operates pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”); and

WHEREAS, the Act defines “housing project” in N.C.G.S. § 157-3(12) to include “property, buildings and improvements . . . acquired or constructed . . . pursuant to a . . . plan or undertaking . . . [t]o provide grants, loans, interest supplements and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income”; and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Authority the power “to provide for the construction, reconstruction, improvement, alteration or repair of any housing project” and “to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues”; and

WHEREAS, KTJ 427, LP, or another affiliated or related entity of Oppidan, Inc. and Affordable Housing Institute, Inc. (the “Company”), intends to provide low and moderate income housing in the City of Raleigh, North Carolina (the “City”); and

WHEREAS, the Company has requested that the Authority assist it or an affiliate in financing the acquisition, construction and equipping of a multifamily housing development to be known as Strickland Apartments, consisting of 148 units located at approximately 13120 Strickland Road in the City (the “Development”); and

WHEREAS, the Company has described to the Authority the benefits of the Development to the City and the State of North Carolina and has requested the Authority to agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the Authority is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA:

10. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to provide reasonable assistance to the Company in issuing bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority's multifamily housing revenue bonds (the "Bonds") in an amount now estimated not to exceed Twenty-Five Million Dollars (\$25,000,000) to provide all or part of the cost of the Development.

11. The Authority intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of Section 1.150-2 of the Treasury Regulations issued by the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the "Code").

12. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Company. The Authority and the Company shall enter into a "financing agreement" pursuant to the Act for a term and with payments sufficient to pay the principal of, premium if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the Authority and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority's rights to payments under the financing agreement, except the Authority's right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

13. The Authority hereby authorizes the Company to proceed, upon the prior advice, consent and approval of the Company and bond counsel, and consistent with the Company's representations to the Authority, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City Council of the City of Raleigh, North Carolina, and, if required, the North Carolina Local Government Commission, and to obtain an allocation of a sufficient amount of the State of North Carolina's "private activity bond limit", as required by Section 141 of the Code and as defined in Section 146 of the Code, for the Bonds.

14. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Company may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Company may be

reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred by it as permitted by Treasury Regulations Section 1.150-2.

15. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Company to terms for the issuance, sale and delivery of the Bonds, and the execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, including the reasonable fees and expenses of the Authority's counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

16. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

17. The Authority hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

18. This resolution shall take effect immediately.

Commissioner Braun moved and Commissioner Winstead seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 47 (2024) has been adopted.

Jennifer Morgan said this resolution is the inducement resolution for up to \$42,000,000 in multifamily housing revenue bonds for The Pointe at Town Center. Per state statute, RHA is the issuer for these bonds. They are non-recourse bonds, so if the developer were to default on these bonds, RHA is not financially responsible.

The Pointe at Town Center is a 192-unit family property located at 3900 Sumner Boulevard in Raleigh. The developer is Carolina Project Equities.

The property includes 6 1-bedroom units, 100 2-bedroom units, and 86 3-bedroom units. The net rents will range from \$602 - \$2,119. The property is also required to accept housing choice vouchers due to a requirement of the 4% tax credits.

The total project is approximately \$59 million including funding from bonds, 4% Tax Credits, City and County funds and deferred developer fee.

Amenities will include a community building, multi-purpose room, fitness center, and outdoor amenities.

The developer is willing to include a preference in their Tenant Selection Plan for RHA residents displaced due to redevelopment.

This has been reviewed by RHA’s legal counsel with no exceptions

Commissioner Ellinger asked who the underlying entities are that are involved in this transaction.

Mr. Ellinwood said it is a single-purpose entity.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 48 (2024)

RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF MULTIFAMILY
HOUSING REVENUE BONDS (THE POINTE AT TOWN CENTER)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) held a regular meeting at 5:00 p.m. on the 22nd day of August, 2024; and

WHEREAS, the Authority is organized and operates pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”); and

WHEREAS, the Act defines “housing project” in N.C.G.S. § 157-3(12) to include “property, buildings and improvements . . . acquired or constructed . . . pursuant to a . . . plan or undertaking . . . [t]o provide grants, loans, interest supplements and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income”; and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Authority the power “to provide for the construction, reconstruction, improvement, alteration or repair of any housing project” and “to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues”; and

WHEREAS, The Pointe at Town Center LP, a North Carolina limited partnership, or an affiliated or related entity (the “Company”), intends to provide low and moderate income housing in the City of Raleigh, North Carolina (the “City”); and

WHEREAS, the Company has requested that the Authority assist it or an affiliate in financing the acquisition, construction and equipping of a multifamily housing development to be known as The

Pointe at Town Center, consisting of 192 units located at approximately 3900 Sumner Boulevard in the City (the “Development”); and

WHEREAS, the Company has described to the Authority the benefits of the Development to the City and the State of North Carolina and has requested the Authority to agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the Authority is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA:

19. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to provide reasonable assistance to the Company in issuing bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority’s multifamily housing revenue bonds (the “Bonds”) in an amount now estimated not to exceed Forty-Two Million Dollars (\$42,000,000) to provide all or part of the cost of the Development.

20. The Authority intends that the adoption of this resolution be considered as “official action” toward the issuance of the Bonds within the meaning of Section 1.150-2 of the Treasury Regulations issued by the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the “Code”).

21. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Company. The Authority and the Company shall enter into a “financing agreement” pursuant to the Act for a term and with payments sufficient to pay the principal of, premium if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the Authority and a trustee (the “Trustee”) or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority’s rights to payments under the financing agreement, except the Authority’s right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

22. The Authority hereby authorizes the Company to proceed, upon the prior advice, consent and approval of the Company and bond counsel, and consistent with the Company’s representations to the Authority, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City Council of the City of Raleigh, North Carolina, and, if required, the North Carolina Local Government Commission, and to obtain an

allocation of a sufficient amount of the State of North Carolina’s “private activity bond limit”, as required by Section 141 of the Code and as defined in Section 146 of the Code, for the Bonds.

23. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Company may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority’s adoption of this resolution. The Authority agrees that the Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred by it as permitted by Treasury Regulations Section 1.150-2.

24. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Company to terms for the issuance, sale and delivery of the Bonds, and the execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, including the reasonable fees and expenses of the Authority’s counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

25. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

26. The Authority hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

27. This resolution shall take effect immediately.

Commissioner Braun moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 48 (2024) has been adopted.

Mrs. Edgerton said Murphey School Apartments is a 46-unit, mod rehab, Section Eight property owned by Murphey School LLC. Their 15-year contract expired in 2005. Since that time, RHA annually requests to seek renewal funding from HUD. The current contract extension expires in December 2024 and the LLC has asked RHA to pursue another year from HUD.

This resolution authorizes staff to draft a letter to HUD seeking approval. If approved, it is also authorizes RHA to requisition the additional funding, which is just over \$389,000 for half the administrative fees for the upcoming year.

Commissioner Braun asked if there is a way to approve this for a longer period of time than annually.

Mrs. Edgerton said HUD gets their approved budget annually for disbursement of funds so that is likely the reason we need to have it approved annually.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 49 (2024)

WHEREAS, in June 1988, the Housing Authority of the City of Raleigh (“RHA”) entered into a contract with the U.S. Department of Housing and Urban Development (“HUD”) for the administration of a Section Eight Moderate Rehabilitation program (A-2900-K) in the amount of \$14,148,000 to provide project-based housing assistance for a period of fifteen years; and

WHEREAS, the contracts for the Housing Assistance Payments (“HAP”) with the property owners were executed in stages with each stage having a separate fifteen-year term resulting in contracts that expired at different times; and

WHEREAS, of the initial 104 units originally under contract in this program, only 46 remain; and

WHEREAS, the remaining units are part of Murphey School Apartments located at 443 North Person Street, which is owned by Murphey School, LLC; and

WHEREAS, the original contract for these units expired on December 4, 2005; and

WHEREAS, RHA has received approvals from HUD in the eighteen previous fiscal years to extend the contract for additional twelve-month terms; and

WHEREAS, the current contract will expire on December 4, 2024; and

WHEREAS, Murphey School, LLC has asked RHA to contact HUD to request a one-year renewal of the contract for these 46 units; and

WHEREAS, the available funding remaining in the HUD-held project reserves is approximately \$143,858; and

WHEREAS, RHA estimates \$389,876 is needed for the HAP payments and administrative fees for these units for an additional year;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that staff is authorized to seek renewal funding from HUD for the 46 units at Murphey School Apartments.

BE IT FURTHER RESOLVED that following HUD's approval of the renewal funding, staff be authorized to prepare and submit the HUD forms necessary to renew the contract and request the additional funding needed to support these units through the end of the current fiscal year which will end on March 31, 2025.

(Commissioner Winstead recused herself from the vote since Murphey School is an affiliate of DHIC.)

Commissioner Braun moved and Commissioner Whitehouse seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse.

Nay: None

Resolution No. 49 (2024) has been adopted.

Jennifer Morgan said over the past year, Raleigh Housing Authority has implemented a project based voucher program and began the master planning process for the redevelopment of Heritage Park. Since these are HUD-assisted projects, an environmental review is required. The regulation that governs environmental reviews allows the reviews to be completed by a responsible entity which are units of general local government. RHA requested the City of Raleigh to act as the responsible entity for the environmental reviews that are required for all project based voucher awards and HUD-assisted development activity.

The City of Raleigh has agreed to act as the responsible entity and to perform all environmental reviews related to project based vouchers and for all activities that require environmental review pursuant to RHA projects.

The City of Raleigh drafted a Memorandum of Understanding to define each party's responsibilities as it relates to the environmental reviews.

This has been reviewed by RHA's attorney and provided to the RHA Board for review. If approved, RHA is authorized to enter into the attached Memorandum of Understanding with the City of Raleigh for the purpose of said entity acting as a Responsible Entity for Environmental Reviews.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 50 (2024)

WHEREAS, the Raleigh Housing Authority (“RHA”) implemented a Project Based Voucher (“PBV”) program at the end of 2023; and

WHEREAS, RHA issued a Request for Proposal for PBVs in February 2024; and

WHEREAS, RHA has begun the master planning process for the redevelopment of Heritage Park; and

WHEREAS, an environmental review process is required for all HUD-assisted projects to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users; and

WHEREAS, HUD regulations at 24 CFR 58, Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities, allow the assumption of authority to perform the environmental reviews by responsible entities, which are units of general local government, such as a town, city, county, tribe, or state; and

WHEREAS, The City of Raleigh has requested that this Memorandum of Understanding, which is attached hereto and by reference made part of this resolution, be signed in order for the City to act as a Responsible Entity for Environmental Reviews for RHA;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH approves RHA to enter into the attached Memorandum of Understanding with the City of Raleigh for the purpose of said entity acting as a Responsible Entity for Environmental Reviews.

(Commissioner Ellinger recused herself from voting.)

Commissioner Winstead moved and Commissioner Braun seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None

Resolution No. 50 (2024) has been adopted.

Shannon Bowen said as RHA staff encounter various personnel matters throughout the year, it might be necessary to make changes to the Personnel Policy to provide guidelines on how to address specific issues. Periodically, staff brings these Personnel Policy changes to the Board for approval.

This resolution proposes changes to Section 4.3, Dismissal During Probationary Period. This section provides guidelines for employees who are in their probationary period.

The probationary period is an extension of the selection process, providing time for the adjustment of an employee and/or the identification and removal of employees whose performance does not meet acceptable standards for the position for which they were hired. New hires must serve a minimum probationary period of six months. Probationary employees are provided with performance appraisals every three months during their initial probationary period.

If an employee is not suited for the position they have been hired for, and it appears that performance gaps cannot be corrected within a reasonable amount of time, effort, or training, separation is recommended.

The current policy provides that if an employee is dismissed during their probationary period, they must be given notice of dismissal, which includes the specific reasons for dismissal being documented and placed in the employee's personnel file.

North Carolina is an at-will employment state, which means that an employer can terminate employment at any time and for any reason, as long as the reason is not unlawful or discriminatory. The proposed revision to the RHA Personnel Policy would allow for the probationary employee's dismissal, as approved by the CEO, without documentation of the specific reasons for the dismissal.

The proposed changes have been reviewed by RHA's legal counsel without issue.

Commissioner Braun suggested, for clarity that staff is not required to provide a reason for dismissal, to make the following change:

*The employee must be given notice of dismissal, which may, **but is not required**, to include the reasons thereof.*

Mr. Francis said he is good with that change.

(The resolution was approved, subject to the edit stated above.)

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 51 (2024)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh is responsible for establishing policies to govern the agency; and

WHEREAS, the policy relating to employment, benefits, and personnel administration is collected together into a single document referred to as the Personnel Policy; and

WHEREAS, the last major revision to the Personnel Policy was adopted by Resolution Number 47 on August 22, 2019; and

WHEREAS, some sections of the Personnel Policy need to be amended to reflect changes in the Housing Authority's operating procedures; and

WHEREAS, the attachments denote additions and changes being proposed for one section of the Personnel Policy at this time; and

WHEREAS, attached to this resolution and thereby made part of this resolution are the proposed revisions to Section 4.3, Dismissal During Probationary Period.

WHEREAS, staff prepared and reviewed the changes in the Personnel Policy and recommends approval of these changes;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the Personnel Policy be adopted with an effective date of August 22, 2024.

Commissioner Braun moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Susan Ellinger, Arne Morris, Joe Whitehouse, Yolanda Winstead.

Nay: None.

Resolution No. 51 (2024) has been adopted.

ADJOURNMENT

There being no further business to come before the Board, the RHA Board Meeting adjourned at 6:45 pm.

Arne Morris
Board Chair

Ashley Lommers-Johnson
Secretary