

RESOLUTION NO. 2314

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT TO PERMIT THE HOUSING AUTHORITY TO SERVE AS THE SPECIAL LIMITED PARTNER OF GREEN LIGHT DEVELOPMENT AND HOME FIRST DEVELOPMENT PARTNERS LIMITED PARTNERSHIP

Whereas, NE Salem Apartments Limited Partnership, an Oregon limited partnership (the “Partnership”), intends to develop the Gussie Belle Commons for the purpose of creating 120 rental housing units, consisting of one-, two, and three-bedroom apartments, as affordable housing to serve low and moderate income individuals and household (the “Project”); and

Whereas, ORS 307.092 provides that real property owned by a housing authority or a partnership in which a housing authority is a general partner which leases or rents to persons of lower income is exempt from taxation and special assessments; and

Whereas, The Authority desires to serve as the Special Limited Partnership of the Partnership to enable the Project to continue to serve low and moderate income individuals and households.

NOW, THEREFORE, THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON, RESOLVES AS FOLLOWS:

Section 1. The Housing Authority Board of Commissioners hereby authorizes the Executive Director, or the Executive Director’s designee, to execute the Limited Partnership Agreement, in which the Housing Authority serves as the Special Limited Partner and make an initial \$100 Capital Contribution, provided that the Partnership Agreement contains the following terms:

- No Partner shall be required to make any Additional Capital Contributions unless all of the Partners agree as to the amount and timing of such Additional Capital Contributions.
- The Special Limited Partner’s liability will be limited to its partnership interests and no officer, director or employee of the Special Limited Partner shall have any liability under the Partnership Agreement.
- Withdrawal of the Special Limited Partner. The Special Limited Partner shall have the right to withdraw from the Partnership upon thirty (30) days prior written notice (“Withdrawal Notice”) to the General Partner and Enterprise and Sponsor Limited Partners upon the occurrence of any of the following events, which is not cured within thirty (30) days from the date of the Withdrawal Notice (or such longer period as is reasonably requested by the General Partner in order to effectuate the cure): (i) a material breach by the Partnership of the affordability requirements set forth in Section 7.12; (ii) any act of fraud, intentional misconduct or gross negligence by the General Partner, the Enterprise or Sponsor Limited Partner or the Partnership; (iii) the Project is not operated in accordance with applicable requirements under the Housing Authorities

Act after written notice from the Special Limited Partner to the General Partner and Enterprise and Sponsor Limited Partner; or (iv) the Project is not maintained in a safe and habitable condition, provided that, in the event of an emergency condition or casualty loss (whether in whole or in part) the Partnership shall be permitted to take all actions legally available or required to preserve and protect the Project and the health and safety of its tenants.

Section 2. The Executive Director or designee is authorized to agree to and execute changes, deletions, or additions to the Partnership Agreement and execute other documents that are consistent with and further the purposes of the Partnership Agreement that are in the best interests of the Authority without further Commission approval.

Section 3. This resolution is effective upon adoption.

ADOPTED by the Board of Commissioners of the Housing Authority of the City of Salem this ____ day of ____ 2024.

ATTEST:

Recording Secretary

Approved by City Attorney: _____

Checked by: N. Utz