

RESOLUTION NO. 2240

RESOLUTION AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON TO FORM A LIMITED LIABILITY COMPANY TO SERVE AS OWNER OF THE REDWOOD CROSSINGS PROJECT; TO CAUSE SUCH COMPANY TO EXECUTE A PURCHASE AND SALE AGREEMENT FOR REAL PROPERTY FOR THE PROJECT; TO ACQUIRE THE PROPERTY; AND TO CAUSE THE OWNER ENTITY TO ENTER INTO A SUBRECIPIENT AGREEMENT WITH THE CITY OF SALEM TO BORROW CDBG FUNDS TOWARD THE PURCHASE OF THE PROPERTY

Whereas, the Housing Authority of the City of Salem, Oregon, an Oregon quasi-municipal corporation (the “**Authority**”) desires to acquire two parcels of partially improved real property for the purposes of completion of construction and development of an affordable housing project (the “**Project**”);

Whereas, the parcels are located at 4075 and 4107 Fisher Road NE, Salem, Oregon (collectively, the “**Property**”);

Whereas, in furtherance of the Project, the Authority seeks to form Redwood Crossings LLC, an Oregon limited liability company (the “**Company**”) of which the Authority will serve as the sole member and manager;

Whereas, the Authority seeks to cause the Company to enter into a Purchase and Sale Agreement for the Property with the Urban Renewal Agency of Salem, an Oregon quasi-municipal corporation (the “**URA**”) for a purchase price of \$531,250 (the “**PSA**”);

Whereas, in furtherance of the acquisition of the Property, the Authority, on behalf of the Company, will enter into a subrecipient agreement with the City of Salem for a Community Development Block Grant deferred payment loan in the amount of \$425,000 (the “**CDBG Loan**”);

Whereas, the Authority anticipates or has commitments for additional funding to be used in furtherance of the Project;

Whereas, the Authority desires to contribute Authority funds sufficient to cover the difference in the purchase price of the Property under the PSA and related closing costs for the Property and the amount of funding available under the CDBG Loan;

Whereas, the Board of Commissioners of the Authority (“**Board**”) deems it to be in the best interests of the Authority to take all actions reasonably necessary to facilitate the acquisition of the Property, form the Company, close on the CDBG Loan, and develop the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON AS FOLLOWS:

Section 1. The Board hereby authorizes the Authority, acting in its capacity as a housing authority operating under ORS Chapter 456, and in its capacity as the sole member and manager of the Company, to form the Company with the Authority as its sole member and manager.

Section 2. The Board hereby authorizes the Authority, acting in its capacity as a housing authority operating under ORS Chapter 456, and in its capacity as the sole member and manager of the Company, to cause the Company to execute and deliver the PSA with the URA and to acquire the Property.

Section 3. The Board hereby authorizes the Authority, acting in its capacity as a housing authority operating under ORS Chapter 456, and in its capacity as the sole member and manager of the Company, to cause the Company to close on the CDBG Loan, including execution and delivery of a Subrecipient Agreement, Deferred Payment Loan Note, Trust Deed, Covenant and other such documents as may be necessary to close on the CDBG Loan.

Section 4. The Board hereby authorizes the Authority, acting in its capacity as a housing authority operating under ORS Chapter 456, and in its capacity as the sole member and manager of the Company, to contribute funds sufficient for the Company to acquire the Property in excess of those proceeds that shall become available from the CDBG Loan as set forth herein.

Section 5. The Board hereby authorizes the Authority, acting in its capacity as a housing authority operating under ORS Chapter 456, and in its capacity as the sole member and manager of the Company, to execute and deliver such documents as may be required in furtherance of the above.

Section 6. The Board hereby delegates to the Executive Director of the Authority or his authorized designee, in consultation with legal counsel and the Authority's development consultants, authority to finalize those documents necessary to accomplish the purposes set forth above, and to take such further acts and execute such additional documents, as a housing authority operating under ORS Chapter 456 and as the manager of the Company, as may be reasonably necessary to effectuate the foregoing.

Section 7. The Board hereby delegates the authority to execute any and all documents in connection with the above resolutions to Steven Powers, the Executive Director of the Authority.

Section 8. This resolution is effective upon adoption.

ADOPTED by the Housing Authority of the City of Salem, Oregon Board of Commissioners this 25th day of March, 2019.

ATTEST:

Recording Secretary

Approved by City Attorney: _____