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CHARLOTTESVILLE REDEVELOPMENT
& HOUSING AUTHORITY

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Residents *FIRST*!

Resolution No.:1506

RESOLUTION AUTHORIZING THE SUBMISSION OF A DEMOLITION/DISPOSITION APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOMPENT FOR THE WESTHAVEN PHASE I REDVELOPMENT PROJECT

WHEREAS the Board of Commissioners of Charlottesville Redevelopment and Housing Authority ("CRHA" or the "Authority") has formed such limited liability companies, corporations, and other entities as may be necessary or desirable to facilitate the redevelopment of the Westhaven apartments, located at 801 Hardy Drive in the City of Charlottesville (the "Property"); and

WHEREAS, Westhaven is a public housing development consisting of 126 units in 19 buildings, and one community center, situated on 10.01 acres; and

WHEREAS, Westhaven is currently subject to a Declaration of Trust between the U.S. Department of Housing and Urban Development ("HUD") and CRHA; and

WHEREAS, CRHA, working in tandem with the Resident Advisory Board (the Public Housing Association of Residents), seeks to demolish 19 residential buildings and redevelop the site with two five-story multifamily apartment buildings with approximately 150 units in Phase I, with future phases projected to deliver approximately 102 townhome units; and

WHEREAS, CRHA has applied to Virginia Housing, formerly known as Virginia Housing Development Authority ("VHDA"), for Low-Income Housing Tax Credits ("LIHTC") for the

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Project and Virginia Community Development Corporation ("VCDC") has offered to contribute equity to the Project in return for a limited partnership interest therein; and

WHEREAS, as part of the financing structure necessary for the use of LIHTC, Westhaven Phase One, LLC, a Virginia Limited Liability Company (the "Company"), was created to own the Project, Westhaven Redevelopment Management Phase One, LLC, a Virginia Limited Liability Company ("Management Company") was created to serve as the managing member of the Company; and Charlottesville Community Development Corporation ("CCDC"), a Virginia corporation and instrumentality of CRHA, serves as the sole member of the Management Company; and

WHEREAS, CRHA serves as the sole shareholder of CCDC; and

WHEREAS, CRHA owns the Property and wishes to ground lease the Property to the Company to facilitate the development of the Project; and

WHEREAS, CRHA, through the special purpose entities identified above, desires to participate in the Project as developer during the construction phase and as property manager upon completion of construction of the housing units; and

WHEREAS, the development costs for the project will be financed, in part, with LIHTC equity; and

WHEREAS, a Physical Needs Assessment ("PNA") conducted in 2025 estimated rehabilitation costs at Westhaven at $29,270,978.18, which is 71.47% of Total Development Cost ("TDC"), thus meeting the physical obsolescence threshold; and

WHEREAS, the Authority has held meetings with Westhaven residents and the Resident Advisory Board to receive input relating to the demolition and redevelopment; and

WHEREAS, the relocation resources are decent, safe and sanitary and comply with HUD regulations as set forth in 24 CFR 970.21(a); and

WHEREAS, consultation regarding the proposed demolition and disposition has occurred with Mayor Juandiego Wade and the local government is supportive of the project; and

WHEREAS, CRHA desires to assist the Company with the development, financing, and operation of the Project and in furtherance thereof, seeks approval for the submission of HUD Section 18 Demolition and Disposition Application under 24 CFR 970.17(c).

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Charlottesville Redevelopment and Housing Authority as follows:

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1. The participation of CRHA in the Project as the sole shareholder of CCDC (the managing member of the Management Company), as landlord under the Ground Lease, as developer, as property manager and as guarantor is hereby authorized.
2. The execution of the Ground Lease by the Authority in its capacity as landlord is hereby authorized.
3. The Executive Director or his designee is hereby authorized to prepare, execute, and submit any and all applications, certifications, agreements and other documents to the U.S. Department of Housing and Urban Development ("HUD"), including but not limited to a HUD Section 18 Demolition and Disposition Application, in conjunction with the Project and to take other actions and to sign other documents as he may deem necessary or desirable to carry out the intent of this resolution.
4. This Resolution shall be in effect from and after the date of its adoption.

Signed by:
Brigid O'Rourke
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Brigid O'Rourke
CRHA Board Chair

John Sales
CRHA Board Secretary

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