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## **RESOLUTION 05-48**

**RESOLUTION TO AUTHORIZE THE  
ACCEPTANCE OF A LOAN AND GRANT  
FROM THE DISTRICT OF COLUMBIA AND  
THE MAKING OF A LOAN TO THE  
DEVELOPER AND EXECUTION OF ALL  
DOCUMENTS IN CONNECTION THEREWITH  
FOR FINANCING OF THE CONSTRUCTION  
OF THE HOPE VI CAPPER SENIOR II  
BUILDING**

**RESOLUTION 05 – 48**

**TO AUTHORIZE THE ACCEPTANCE OF A LOAN AND GRANT FROM THE DISTRICT OF COLUMBIA AND THE MAKING OF A LOAN TO THE DEVELOPER AND EXECUTION OF ALL DOCUMENTS IN CONNECTION THEREWITH FOR FINANCING OF THE CONSTRUCTION OF THE HOPE VI CAPPER SENIOR II BUILDING**

WHEREAS, the District of Columbia Housing Authority (“DCHA”) received a 2001 HOPE VI grant award in the amount of \$34,900,000.00 for the redevelopment of Arthur Capper Family and Senior, and Carrollsburg Dwellings; and

WHEREAS, on February 13, 2002, the Board of Commissioners approved the Arthur Capper/Carrollsburg HOPE VI revitalization grant agreement and authorized the Executive Director to take all necessary actions to implement and effectuate the HOPE VI revitalization plan; and

WHEREAS, on October 20, 2005, DCHA executed two loan agreements and associated security documents with a related entity of the Capper Carrollsburg Venture, LLC (“Venture”), that being the developer selected through the competitive procurement process for the Capper/Carrollsburg HOPE VI, and

WHEREAS, DCHA is providing one loan in the amount up to \$1,883,000.00 and a second loan in an amount up to \$2,032,202.00 (the “Capper Senior II Loans”) all on terms and conditions as detailed in the companion memorandum hereto; and

WHEREAS, the Capper Senior II Loans are necessary to assist in the financing of the construction of the Capper Senior II building because there was a financing gap making it necessary to fund the DCHA loans with non- HOPE VI grant funds; and

WHEREAS, the Capper Senior II Loans are expected to be funded with monies committed to DCHA for the project by the Government of the District of Columbia, in the form of Community Development Block grant funds in an amount up to \$2,800,000.00 (the “District Grant”) and a loan to DCHA in an amount up to \$1,700,000.00 (the “District Loan”) made by the District from the Housing Production Trust funds (the District Loan and District Grant being jointly referred to as the “District Funding”); and

WHEREAS, DCHA will have to execute a grant agreement for the District Grant and a loan agreement and related documents with the Government of the District of Columbia for the District Loan which obligates DCHA to pay back the interest free loan at the end of its 40 year term; and

RESOLUTION 05- 48

To Authorize The Acceptance Of A Loan  
And Grant From The District Of Columbia  
And The Making Of A Loan To The  
Developer And Execution Of All Documents  
In Connection Therewith For Financing  
Of The Construction Of The HOPE VI  
Capper Senior II Building

WHEREAS, the actual disbursement of the Capper II Senior Loans is not expected to occur until several months in to the construction period for the Capper Senior II building and the District Funds are anticipated to be received prior to any DCHA disbursements on the Capper Senior II Loans, which minimizes the liability for DCHA to make any loan disbursements from DCHA cash reserves during the bridge period; and

WHEREAS, it was necessary for DCHA to execute the Capper Senior II Loan agreements and associated documents on October 20, 2005 in order to satisfy time constraints of other financing source obligations prior to what had been anticipated to be the availability of the District Funds.

NOW THEREFORE BE IT RESOLVED, that the Board of Commissioners of the District of Columbia Housing Authority hereby approves and ratifies the execution of Capper Senior II Loan agreements in an amount up to \$3,915,202.00 and all associated documents to be used for the Capper Senior II building loan financed with non-HOPE VI funds and authorizes the execution of a loan agreement for housing production trust funds in an amount up to \$1,700,000.00 with the Government of the District of Columbia.

ADOPTED by the Board of Commissioners and signed in authentication of its passage the 9<sup>th</sup> of November 2005.

ATTEST:

  
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Michael Kelly  
Executive Director/Secretary

APPROVAL:

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Marcie Cohen  
Vice Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

  
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Margaret McFarland  
General Counsel

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