

RESOLUTION 18-04

TO AUTHORIZE AMENDMENT OF RESOLUTION 08-38 CONVEYING TO WILLIAM C. SMITH CERTAIN REAL PROPERTY AT THE CAPPER/CARROLLSBURG HOPE VI SITE

WHEREAS, on September 10, 2008, the DCHA Board of Commissioners approved Resolution 08-38 authorizing DCHA to convey a portion U.S. Reservation 17A and Square 737 ("Square 737") to W.C. Smith Company ("Smith");

WHEREAS, Smith agreed to construct a mixed-income housing development on Square 737 to include thirty (30) public housing units subject to the Annual Contributions Contract (the "ACC units");

WHEREAS, in 2012, DCHA recorded against Square 737 a covenant including the requirement to construct thirty (30) ACC units, and included a provision permitting Smith to transfer the requirement to another parcel subject to DCHA's approval;

WHEREAS, due to economic and other considerations, Smith cannot develop all thirty ACC units at the Square 737 site;

WHEREAS, DCHA has determined that it is in its best interests release Smith from its obligations in consideration of a payment in the amount of Eight Million Two Hundred Thousand Dollars (\$8,200,000.00) to compensate DCHA for the 30 ACC units;

WHEREAS, DCHA has determined that Smith will evidence its obligation to compensate DCHA for the cost to develop thirty ACC units by executing a Confessed Judgment Note, to be secured by a security agreement against a Smith asset; and

WHEREAS, DCHA has determined that if Smith provides the DCHA-required payment and documentation, DCHA may negotiate and execute of a Release of the Declarations of Affordability Covenants currently recorded against Square 737.

NOW THEREFORE, BE IT RESOLVED, the Board of Commissioners hereby adopts Resolution 18-04 to amend Resolution 08-38, and authorizing: (1) the Executive Director release the covenant requiring that Smith deliver the thirty (30) ACC Units, in exchange for Smith's payment of compensation in the amount of Eight Million Two Hundred Thousand Dollars (\$8,200,000.00), or upon such other comparable terms as the Executive Director shall deem advisable, consistent with this Resolution; (2) the Executive Director to negotiate the terms of a Confessed Judgment Note and a security agreement against a Smith asset, and any other such documents as shall be necessary to effectuate the terms of this settlement, pursuant to and consistent with this Resolution; and (3) the Executive Director to take such further steps as may be necessary to effectuate this Resolution.

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**TO AUTHORIZE AMENDMENT OF
RESOLUTION 08-38 CONVEYING TO
WILLIAM C. SMITH CERTAIN REAL
PROPERTY AT THE
CAPPER/CARROLLSBURG HOPE VI SITE**

ADOPTED, by the Board of Commissioners and signed in authentication of its passage the 14th day of March 2018.

ATTEST:

APPROVAL:

Tyrone Garrett
Executive Director/Secretary

Neil Albert
Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Kenneth S. Slaughter
General Counsel