

MINUTES OF A SPECIAL MEETING OF
THE HOUSING AUTHORITY OF THE CITY OF RALEIGH
BOARD OF COMMISSIONERS
OCTOBER 23, 2025

The members of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina met at 900 Haynes Street on Thursday, October 23, 2025, at 5:00 p.m. The meeting was held in-person and via Zoom.

The Board Chair called the meeting to order and upon roll call the following were present and absent:

Present: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Absent: Evan Covington Chavez, Susan Ellinger, Arne Morris, Bahati Mutisya.

Visitors: Whitney Mitchell, Francis Law Firm; Zach Popp, Harmony Housing; Chalie Heritage, South Creek Development; Tyler Adams; Jacqueline Williams, Glenwood Towers resident; Paula Coppola, Walnut Terrace resident.

RHA Staff: Rachel Agunbiade, Sonia Anderson, Will Biggs, Wendy Blain, Shannon Bowen, Liz Edgerton, Michael Eliahu, Jim Farrell, Katie Lebrato, Ashley Lommers-Johnson, Laura McCann, Jennifer Morgan, Kenya Pleasant, Gwen Wall, Chris Whitenhill .

The Board Chair declared a quorum present and welcomed everyone to the meeting.

RECOGNITION OF VISITORS

The Board Chair welcomed the visitors to the meeting.

PUBLIC COMMENTS

There were no public comments this evening.

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine and may be enacted by one motion and second. If a Commissioner requests that an item be removed from the Consent Agenda it will be done and considered as a separate item. The vote will be a roll call vote.

Item 1

Charge-off of delinquent resident accounts for September 2025

Item 2

Occupancy Report as of October 17, 2025

Item 3

Minutes from September 25, 2025 regular meeting

Commissioner Morris moved and Commissioner Braun seconded approval of the Consent Agenda.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Gregg Warren, Joe Whitehouse.

Nay: None

The Consent Agenda has been adopted.

REPORT OF THE BOARD CHAIR

The Board Chair had no report.

REPORT OF THE CEO

Topics

Federal Government Shutdown

Kentwood RAD Conversion

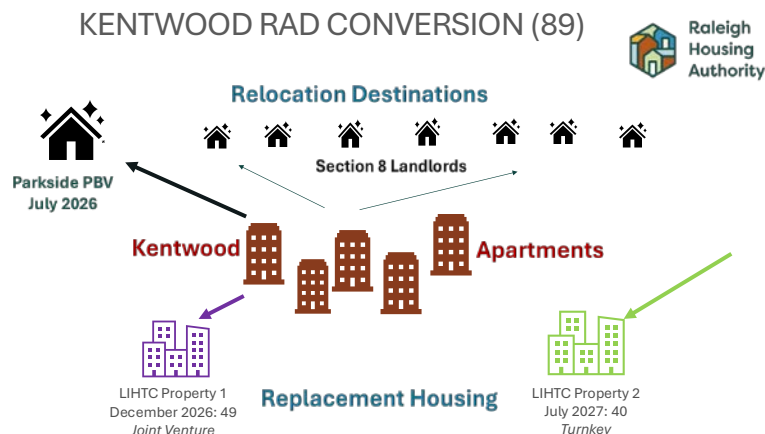
- RAD Conversion Application Resolution
- Preliminary Relocation and Permanent Replacement Plan

Program/Policy Discussion:

- Successful HCV Program/Financial Operations

Shutdown

- HUD Communication about shutdown. <https://www.hud.gov/#close>
- HUD Staff (Termination/Furlough)
- Housing Choice Voucher Funding (Thru 12/31/25)
- Public Housing Funding (Thru 11/30/250)



Commissioner Warren

Will this be a demolition and redevelopment?

Ashley Lommers-Johnson

Kentwood will go through a demolition and a redevelopment process. Because it's being converted under RAD, there is no Section 18 equivalent, and we have to get a Section 18 application so that we'll be able to move forward with demolition and redevelopment.

We have published an RFQ for architectural firms to develop some ideas and options for RHA to redevelop Kentwood, as well as other projects. At some point, we will be focusing on the redevelopment. In the short run, we will be selecting firms to give us some plans and options for the future.

Commissioner Braun

So, are these firms who won't be the final developer with detailed plans?

Kenya Pleasant

That is correct – they won't be the final developer. This is just for design purposes. There must be a separate process for developer selection.

Commissioner Braun

Are these people who are going to show us what we can do with the properties?

Kenya Pleasant

They could be the ones who do the actual design. It depends on the scope for the service. RHA did something similar where an architect did the preliminaries for Heritage Park – but that's not the firm that we ultimately are using for Heritage Park.

Commissioner Warren

Are Kentwood and Heritage Park basically the same HUD process now? Are Section 18 demo and dispo still happening at Heritage Park?

Kenya Pleasant

That is moving forward. We just submitted a 4% application for block one. Between the 9% and the 4% are 160 units that we're planning to close on next year. That is definitely still moving forward.

Commissioner Braun

Did Kentwood not pass the obsolescence test, or did staff decide this emerging blend is a better tool for us?

Ashley Lommers-Johnson

A couple of years we did an analysis about the properties, and only Heritage Park met that test. However, under the RAD conversion program, in particular, this version that we're using, in order to be eligible for that, we have to replace the units, regardless of the conditions. So, there is no physical test at all. Once we replace the units, we have the property to develop it. It belongs to us.

REPORT OF THE REIC CHAIR

There was no report of the REIC Chair. The committee is in the process of selecting a date for the next meeting.

COMMISSIONER COMMENTS

Commissioner Braun

RHA has received a couple of awards and I wanted to thank the staff for all of their hard work.

Ashley Lommers-Johnson

In addition to those 2 awards, we also received an award for our website.

Commissioner Braun

Thank you to Katie Lebrato and the other people who were behind that award for their hard work. I know it takes a lot of effort to coordinate and test out the website.

NEW BUSINESS

Jennifer Morgan said this resolution authorizes the issuance of \$24.5 million in Multifamily Housing Revenue Bonds to support the development of Maple Ridge, a 146-unit multifamily residential development located on Rawls Drive in Raleigh. South Creek Development is the developer for Maple Ridge.

The Bonds are expected to be sold in the public market during construction and converted to permanent financing through a private placement with Freddie Mac via Regions Bank.

The development will include 16 one-bedroom units, 82 two-bedroom units, and 48 three-bedroom units. These units are designated to serve residents earning between 20% and 70% of the Area Median Income, with 16 units reserved for households earning 30% AMI or below. The property will also accept Housing Choice Vouchers as required by the Low-Income Housing Tax Credit program.

The total development cost is approximately \$47 million, financed through a combination of bonds, 4% tax credits, City of Raleigh and Wake County funding, and deferred developer fee. The Tenant Selection Plan will include a preference for RHA residents who have been displaced due to redevelopment.

With this resolution, the CEO, Chair, and/or Vice Chair are authorized to execute all documents related to the issuance of the bonds.

This has been reviewed by RHA’s legal counsel with no exceptions.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 68 (2025)

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY
HOUSING REVENUE BONDS (MAPLE RIDGE APARTMENTS), SERIES 2025

WHEREAS, Maple Ridge Apts Limited Partnership, a North Carolina limited partnership, or an affiliated or related entity (the “Borrower”), has requested that the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) assist it in financing a portion of the cost of the acquisition, construction and equipping of a 146-unit multifamily residential rental facility to be known as Maple Ridge Apartments and located at approximately 500 Rawls Drive in the City of Raleigh, North Carolina (the “Development”), and the Authority has agreed to do so; and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Maple Ridge Apartments), Series 2025 (the “Bonds”) in an aggregate principal amount not to exceed \$24,500,000; and

WHEREAS, it is anticipated that the Bonds will be sold in the public market during construction of the Development pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), and privately placed with the Federal Home Loan Mortgage Corporation through Regions Bank (the “Initial Funding Lender”) as a Multifamily Note once the Development converts to permanent financing; and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture (the “Indenture”), between the Authority and Regions Bank, as trustee (the “Trustee”); and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Borrower, for the purpose of paying a portion of the costs of the acquisition, construction and equipping of the Development; and

WHEREAS, during the construction phase, the Borrower’s obligations with respect to the Bonds will be secured by cash, and during the permanent phase the Borrower’s obligations will be secured by, among other things, a Multifamily Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing (the “Deed of Trust”), from the Borrower to the deed of trust trustee named therein for the benefit of the Authority, which will be assigned to the Fiscal Agent; and

WHEREAS, the Borrower has received an allocation of volume cap for the Bonds and the Project from the North Carolina Housing Finance Agency and the North Carolina Federal Tax Reform Allocation Committee as required by Section 146 of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, there have been presented to this meeting draft forms of the following instruments (collectively, the “Authority Documents”), which the Authority proposes to authorize and, where applicable, execute to carry out the transactions described above:

- (a) the Indenture, together with the form of the Bonds attached thereto;
- (b) the Loan Agreement, together with the form of the promissory note of the Borrower in favor of the Authority (the “Borrower Note”), which will be assigned by the Authority to the Trustee;
- (c) the Regulatory Agreement and Declaration of Restrictive Covenants, pursuant to which the

Borrower will be required to operate the Development in accordance with Section 142(d) of the Code;

(d) the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the offering and sale of the Bonds;

(e) the Bond Purchase Agreement;

(f) the form of the Funding Loan Agreement among the Authority, Regions Bank, as Fiscal Agent, and the Initial Funding Lender, relating to the permanent financing for the Development;

(g) the form of the Project Loan Agreement among the Authority, the Borrower and the Fiscal Agent, relating to the permanent financing for the Development; and

(h) the form of the Deed of Trust;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The Authority hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Bonds pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the deposit of such proceeds with the Trustee in accordance with the Authority Documents.

2. The Authority hereby authorizes the issuance and sale of the Bonds pursuant to the Indenture and in accordance with the terms set forth in the Bond Purchase Agreement and the Indenture. The Bonds will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Indenture; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$24,500,000.

3. Each of the Chairman, Vice Chairman, or Chief Executive Officer of the Authority or his or her respective designee is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee, is authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note and other security documents to the Trustee.

4. Each of the Chairman and Vice Chairman of the Authority or their respective designees is hereby authorized and directed to execute and deliver the Bonds in the manner and subject to the conditions provided in the Indenture to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriter, or any affiliate thereof, upon payment of the purchase price therefor as provided in the Bond Purchase Agreement.

5. The distribution of the Preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. The Authority is authorized to deem the Preliminary Official Statement to be “final” within the meaning of Rule 15c2-12 of the Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended. Each of the Chairman, Vice Chairman or Chief Executive Officer of the Authority or his or her respective designees are hereby authorized and directed to approve and deliver the final Official Statement (in substantially the form of the Preliminary Official Statement, but incorporating the final terms and details of the Bonds) to the Underwriter and the Underwriter is hereby authorized and directed to distribute the Official Statement to the purchasers of the Bonds.

6. The Authority Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Bonds, including any changes that may be required by any rating agency that is rating the Bonds, any changes in dates as may be required to reflect the date of the actual closing, and as otherwise approved by the officers of the Authority executing them after consultation with bond counsel and counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

7. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman or Chief Executive Officer of the Authority, or their respective designees, to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Authority Documents.

8. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority and to take such other actions on behalf of the Authority as may be necessary or desirable for the issuance of the Bonds. All other acts of the officers of the Authority previously taken or to be taken that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Bonds are hereby authorized, ratified, confirmed and approved.

9. This resolution shall take effect immediately.

Commissioner Goodwin moved and Commissioner Crutchfield seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 68 (2025) has been adopted.

Jennifer Morgan said this resolution is also related to the issuance and sale of the \$24.5 million Multifamily Housing Revenue Bonds for Maple Ridge. This resolution is to approve the finance team. This resolution is required by the North Carolina Local Government Commission.

This has been reviewed by RHA's legal counsel with no exceptions and I recommend approval.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 69 (2025)
RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN
FINDINGS WITH RESPECT TO THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS (MAPLE RIDGE APARTMENTS), SERIES 2025

WHEREAS, Maple Ridge Apts Limited Partnership, a North Carolina limited partnership, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Raleigh, North Carolina (the "Authority") assist it in financing a portion of the cost of the acquisition, construction and equipping of a 146-unit multifamily residential rental facility to be known as Maple Ridge Apartments and located at approximately 500 Rawls Drive in the City of Raleigh, North Carolina (the "Development"), and the Authority has agreed to do so; and

WHEREAS, the Authority finds that the financing of the Development through tax-exempt bonds will fulfill the Authority's purpose under the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the "Act") to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, which is defined in the statute to include "loans and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income;" and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Maple Ridge Apartments), Series 2025 (the "Bonds") in an aggregate principal amount not to exceed \$24,500,000; and

WHEREAS, it is anticipated that the Bonds will be sold in the public market during construction of the Development pursuant to a Bond Purchase Agreement among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated, and privately placed with the Federal Home Loan Mortgage Corporation through Regions Bank as a Multifamily Note once the Development converts to permanent financing; and

WHEREAS, the North Carolina Local Government Commission has requested the Authority to make certain findings with respect to the Bonds consistent with Section 159-153 of the North Carolina General Statutes; and

WHEREAS, the Borrower has requested that the Authority approve its selection of the following financing team members for the issuance and sale of the Bonds, on the terms and at the fees set forth in the documents and financial information relating to the financing, providing for the issuance and sale by the Authority of the Bonds and in the financial information provided to the Authority with respect to the Bonds:

Bond Counsel:	McGuireWoods LLP
Authority's Counsel:	The Francis Law Firm, PLLC
Borrower's Counsel:	Coleman Talley LLP
Trustee/Fiscal Agent:	Regions Bank
Trustee/Fiscal Agent's Counsel:	Smith Gambrell Russell
Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel:	Tiber Hudson LLC
Permanent Lender:	Federal Home Loan Mortgage Corporation
Freddie Mac Servicer:	Regions Bank
Freddie Mac/Servicer's Counsel:	Ballard Spahr LLP
Tax Credit Investor:	RAH Investor 481 LLC
Tax Credit Investor's Counsel:	Kutak Rock LLP

WHEREAS, based upon information and evidence received by the Authority, it has determined to approve the Borrower's request;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The above financing team for the issuance and sale of the Bonds by the Authority is hereby authorized and approved.
2. The Authority hereby finds that the financing is necessary and expedient to further the Authority's purpose of promoting low and moderate income housing in the City of Raleigh, North Carolina, and that the acquisition, construction and equipping of the Development proposed by the Borrower are necessary and sufficient to accomplish the Authority's purposes with respect to the properties involved.
3. The Authority hereby finds that the Borrower has demonstrated that the amount of debt to be incurred in connection with the Development and the fees to be paid in connection therewith are sufficient but not excessive for the purpose of acquiring, constructing and equipping the Development.
4. The Authority hereby finds, based on (i) information provided by the Borrower, (ii) the commitments of the lenders for the Bonds, and (iii) the award of bond volume cap allocation by the North Carolina Federal Tax Reform Allocation Committee at the recommendation of the North Carolina Housing Finance Agency, that the Borrower has demonstrated that (a) it is financially responsible and capable of fulfilling its obligations to make loan repayments and other payments under the Loan Agreement between the Authority and the Borrower (the "Loan Agreement"), which will provide the funds to pay principal and interest on the Bonds, and (b) the Development will generate sufficient revenues to make loan repayments and other payments under the Loan Agreement and the Project Loan Agreement, to operate, repair and maintain the Development at its own expense and to discharge such other responsibilities as may be imposed under the Loan Agreement and the Project Loan Agreement. The Authority further finds that adequate provision has been made for the payment of the principal of,

redemption premium, if any, and interest on the Bonds, and the operation, repair and maintenance of the Development at the expense of the Borrower.

5. The Authority hereby finds that the use of the proceeds of the Bonds for a loan to finance the costs of the Development and for the other purposes stated above will accomplish the public purposes set forth in the Act and hereby approves such use of proceeds.

6. This Resolution shall take effect immediately upon its passage.

Commissioner Goodwin moved and Commissioner Braun seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 69 (2025) has been adopted.

Jennifer Morgan said this resolution authorizes the issuance of \$31,682,000 in Multifamily Housing Revenue Bonds to finance the cost of the ground lease and construction of Moore Square, a 160-unit multifamily housing community located on E. Martin Street in Raleigh.

The Bonds are expected to be sold in the public market during construction and later converted to permanent financing through a private placement with Freddie Mac via Regions Bank.

Moore Square will feature a mix of 51 one-bedroom, 77 two-bedroom, and 32 three-bedroom apartments. The homes will serve residents earning between 30% and 80% of the Area Median Income, including 24 units reserved for households at or below 30% AMI. The property will also accept Housing Choice Vouchers as required by the 4% tax credits.

The total development cost is approximately \$60 million, funded through a combination of bonds, 4% tax credits, City of Raleigh funding, and a deferred developer fee.

Harmony Housing Affordable Development is the developer for Moore Square. The Tenant Selection Plan will include a preference for RHA residents who have been displaced due to redevelopment.

With this resolution, the CEO, Chair, and/or Vice Chair are authorized to execute all documents related to the issuance of the bonds.

This has been reviewed by RHA's legal counsel with no exceptions.

Gregg Warren

Will this property have podium parking?

Zach Popp

There is a concrete pillar that you can park underneath, and there will be units above that. However, there is no elevated parking deck. It's one level of parking and the units will be on top of that.

Gregg Warren

Is that cost added in to your development cost?

Zach Popp

Yes, our development cost is comprehensive.

Gregg Warren

How much does that cost per unit?

Zach Popp

For true structured, I believe we were around \$30,000 per parking space. This was more efficient, and I don't remember exactly what that cost was.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 70 (2025)

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY
HOUSING REVENUE BONDS (MOORE SQUARE APARTMENTS), SERIES 2025

WHEREAS, Moore Square Harmony Housing LLC, a North Carolina limited liability company, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Raleigh, North Carolina (the "Authority") assist it in financing a portion of the cost of the ground leasing, construction and equipping of a 160-unit multifamily residential rental facility to be known as Moore Square Apartments and located at approximately 319 E. Martin Street in the City of Raleigh, North Carolina (the "Development"), and the Authority has agreed to do so; and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Moore Square Apartments), Series 2025 (the "Bonds") in an aggregate principal amount not to exceed \$31,682,000; and

WHEREAS, it is anticipated that the Bonds will be sold in the public market during construction of the Development pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), and privately placed with the Federal Home Loan Mortgage Corporation through Regions Bank (the "Initial Funding Lender") as a Multifamily Note once the Development converts to permanent financing; and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture (the "Indenture"), between the Authority and Regions Bank, as trustee (the "Trustee"); and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower pursuant to a Loan

Agreement (the “Loan Agreement”), between the Authority and the Borrower, for the purpose of paying a portion of the costs of the ground leasing, construction and equipping of the Development; and

WHEREAS, during the construction phase, the Borrower’s obligations with respect to the Bonds will be secured by cash, and during the permanent phase the Borrower’s obligations will be secured by, among other things, a Multifamily Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing (the “Deed of Trust”), from the Borrower to the deed of trust trustee named therein for the benefit of the Authority, which will be assigned to the Fiscal Agent; and

WHEREAS, the Borrower has received an allocation of volume cap for the Bonds and the Project from the North Carolina Housing Finance Agency and the North Carolina Federal Tax Reform Allocation Committee as required by Section 146 of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, there have been presented to this meeting draft forms of the following instruments (collectively, the “Authority Documents”), which the Authority proposes to authorize and, where applicable, execute to carry out the transactions described above:

- (a) the Indenture, together with the form of the Bonds attached thereto;
- (b) the Loan Agreement, together with the form of the promissory note of the Borrower in favor of the Authority (the “Borrower Note”), which will be assigned by the Authority to the Trustee;
- (c) the Regulatory Agreement and Declaration of Restrictive Covenants, pursuant to which the Borrower will be required to operate the Development in accordance with Section 142(d) of the Code;
- (d) the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the offering and sale of the Bonds;
- (e) the Bond Purchase Agreement;
- (f) the form of the Funding Loan Agreement among the Authority, Regions Bank, as Fiscal Agent, and the Initial Funding Lender, relating to the permanent financing for the Development;
- (g) the form of the Project Loan Agreement among the Authority, the Borrower and the Fiscal Agent, relating to the permanent financing for the Development; and
- (h) the form of the Deed of Trust;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

10. The Authority hereby determines to provide financing to the Borrower for the ground leasing, construction and equipping of the Development through the issuance of the Bonds pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the deposit of such proceeds with the Trustee in accordance with the Authority Documents.

11. The Authority hereby authorizes the issuance and sale of the Bonds pursuant to the Indenture and in accordance with the terms set forth in the Bond Purchase Agreement and the Indenture. The Bonds will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Indenture; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$31,682,000.

12. Each of the Chairman, Vice Chairman, or Chief Executive Officer of the Authority or his or her respective designee is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee, is authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note and other security documents to the Trustee.

13. Each of the Chairman and Vice Chairman of the Authority or their respective designees is hereby authorized and directed to execute and deliver the Bonds in the manner and subject to the conditions provided in the Indenture to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriter, or any affiliate thereof, upon payment of the purchase price therefor as provided in the Bond Purchase Agreement.

14. The distribution of the Preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. The Authority is authorized to deem the Preliminary Official Statement to be “final” within the meaning of Rule 15c2-12 of the Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended. Each of the Chairman, Vice Chairman or Chief Executive Officer of the Authority or his or her respective designees are hereby authorized and directed to approve and deliver the final Official Statement (in substantially the form of the Preliminary Official Statement, but incorporating the final terms and details of the Bonds) to the Underwriter and the Underwriter is hereby authorized and directed to distribute the Official Statement to the purchasers of the Bonds.

15. The Authority Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Bonds, including any changes that may be required by any rating agency that is rating the Bonds, any changes in dates as may be required to reflect the date of the actual closing, and as otherwise approved by the officers of the Authority executing them after consultation with bond counsel and counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

16. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman or Chief Executive Officer

of the Authority, or their respective designees, to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Authority Documents.

17. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority and to take such other actions on behalf of the Authority as may be necessary or desirable for the issuance of the Bonds. All other acts of the officers of the Authority previously taken or to be taken that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Bonds are hereby authorized, ratified, confirmed and approved.

18. This resolution shall take effect immediately.

Commissioner Warren moved and Commissioner Crutchfield seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 70 (2025) has been adopted.

Jennifer Morgan said this resolution is also related to the issuance and sale of the \$31.68 million Multifamily Housing Revenue Bonds for Moore Square. This resolution is to approve the finance team. This resolution is required by the North Carolina Local Government Commission.

This has been reviewed by RHA's legal counsel with no exceptions and I recommend approval.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 71 (2025)
RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN
FINDINGS WITH RESPECT TO THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS (MOORE SQUARE APARTMENTS), SERIES 2025

WHEREAS, Moore Square Harmony Housing LLC, a North Carolina limited liability company, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Raleigh, North Carolina (the "Authority") assist it in financing a portion of the cost of the ground leasing, construction and equipping of a 160-unit multifamily residential rental facility to be known as Moore Square Apartments and located at approximately 319 E. Martin Street in the City of Raleigh, North Carolina (the "Development"), and the Authority has agreed to do so; and

WHEREAS, the Authority finds that the financing of the Development through tax-exempt bonds will fulfill the Authority's purpose under the North Carolina Housing Authorities Law, Article 1

of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”) to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, which is defined in the statute to include “loans and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income;” and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Moore Square Apartments), Series 2025 (the “Bonds”) in an aggregate principal amount not to exceed \$31,682,000; and

WHEREAS, it is anticipated that the Bonds will be sold in the public market during construction of the Development pursuant to a Bond Purchase Agreement among the Authority, the Borrower and Stifel, Nicolaus & Company, Incorporated, and privately placed with the Federal Home Loan Mortgage Corporation through Regions Bank as a Multifamily Note once the Development converts to permanent financing; and

WHEREAS, the North Carolina Local Government Commission has requested the Authority to make certain findings with respect to the Bonds consistent with Section 159-153 of the North Carolina General Statutes; and

WHEREAS, the Borrower has requested that the Authority approve its selection of the following financing team members for the issuance and sale of the Bonds, on the terms and at the fees set forth in the documents and financial information relating to the financing, providing for the issuance and sale by the Authority of the Bonds and in the financial information provided to the Authority with respect to the Bonds:

Bond Counsel:	McGuireWoods LLP
Authority’s Counsel:	The Francis Law Firm, PLLC
Borrower’s Counsel:	Womble Bond Dickinson LLP
Trustee/Fiscal Agent:	Regions Bank
Trustee/Fiscal Agent’s Counsel:	Maynard Nexsen PC
Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter’s Counsel:	Tiber Hudson LLC
Permanent Lender:	Federal Home Loan Mortgage Corporation
Freddie Mac Servicer:	Regions Bank
Freddie Mac/Servicer’s Counsel:	Ballard Spahr LLP
Tax Credit Investor:	Regions Bank, or an affiliate
Tax Credit Investor’s Counsel:	Jones Walker LLP

WHEREAS, based upon information and evidence received by the Authority, it has determined to approve the Borrower’s request;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The above financing team for the issuance and sale of the Bonds by the Authority is hereby authorized and approved.
2. The Authority hereby finds that the financing is necessary and expedient to further the Authority's purpose of promoting low and moderate income housing in the City of Raleigh, North Carolina, and that the ground leasing, construction and equipping of the Development proposed by the Borrower are necessary and sufficient to accomplish the Authority's purposes with respect to the properties involved.
3. The Authority hereby finds that the Borrower has demonstrated that the amount of debt to be incurred in connection with the Development and the fees to be paid in connection therewith are sufficient but not excessive for the purpose of acquiring, constructing and equipping the Development.
4. The Authority hereby finds, based on (i) information provided by the Borrower, (ii) the commitments of the lenders for the Bonds, and (iii) the award of bond volume cap allocation by the North Carolina Federal Tax Reform Allocation Committee at the recommendation of the North Carolina Housing Finance Agency, that the Borrower has demonstrated that (a) it is financially responsible and capable of fulfilling its obligations to make loan repayments and other payments under the Loan Agreement between the Authority and the Borrower (the "Loan Agreement"), which will provide the funds to pay principal and interest on the Bonds, and (b) the Development will generate sufficient revenues to make loan repayments and other payments under the Loan Agreement and the Project Loan Agreement, to operate, repair and maintain the Development at its own expense and to discharge such other responsibilities as may be imposed under the Loan Agreement and the Project Loan Agreement. The Authority further finds that adequate provision has been made for the payment of the principal of, redemption premium, if any, and interest on the Bonds, and the operation, repair and maintenance of the Development at the expense of the Borrower.
5. The Authority hereby finds that the use of the proceeds of the Bonds for a loan to finance the costs of the Development and for the other purposes stated above will accomplish the public purposes set forth in the Act and hereby approves such use of proceeds.
6. This Resolution shall take effect immediately upon its passage.

Commissioner Braun moved and Commissioner Warren seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 71 (2025) has been adopted.

Laura McCann said the Raleigh Housing Authority benefits from partnerships with organizations that provide services to its residents and communities. RHA and Raleigh Nursery School have maintained a long-standing partnership that dates back to the 1940s.

The Raleigh Nursery School was originally established within the historic Chavis Heights community by the United War Mothers during World War II. Today, it operates as a nonprofit organization, serving children from infancy to age 12, with a focus on providing a high quality educational environment, developing confident children, promoting positive self images and encouraging healthy habits. As part of the Hope VI redevelopment of Halifax Court and Chavis Heights, a daycare facility was constructed in Capitol Park, which Raleigh Nursery School has occupied since completion.

RHA and Raleigh nursery school seek to continue the successful collaboration through a new three-year lease agreement with the option for two additional one-year extensions. Key updates to the lease include a 5% annual rent adjustment, clarified timelines and procedures for repairs and Incorporation of RHA's HUD-mandated no smoking policy. Staff requests Board approval to execute and implement this lease agreement with Raleigh nursery school for continued use of 1035 Halifax Street.

Commissioner Whitehouse

Is the current rent that's being requested a break even for us, or is there profit involved with that? Do we need to increase the rent by 5% for them?

Laura McCann

I do not know about the breakeven amount. I know that we have done an evaluation by square footage of all of our commercial lessees, and we are recommending a range to try to get everybody within our lease agreements to be paying comparable rent to each other, and that is one reason we are escalating at 5% per year.

Commissioner Whitehouse

With a program that provides such a benefit, do we really need to do that?

Commissioner Braun

It's a larger question, because we have other tenants and other properties, and I don't know if this is something we can put on the agenda for discussion. We need to decide what we think we should be doing relative to all of our leases, and some of them may make more sense to have reduced rents for some of our tenants than others. I'd be reluctant to address this in isolation without considering kind of the broader picture. Maybe put a pin in this for something for us to consider.

Commissioner Whitehouse

I'd like to see a staff review of all our tenant spaces and look at the current rent structures and who they are. I like the idea of bringing this up with a strategic plan to talk further with this. I would make a motion to approve this, with the option of looking at reducing this later, if we find in our study that we can do that. I do think part of our vision and what we're trying to accomplish is to bring those services to our residents, and if we can give a reduced rent to those that have a big benefit for a resident such as this, I would really like to see that we do something like that.

Commissioner Braun

I think that's reasonable. We'll save it for a future discussion.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 72 (2025)

WHEREAS, the Housing Authority of the City of Raleigh ("RHA") constructed a day care facility as part of its 1999 HOPE VI redevelopment of Halifax Court; and

WHEREAS, this facility was specifically designed to accommodate the Raleigh Nursery School (RNS), a 501(c)(3) non-profit day care center that had operated in the Chavis Heights community since 1949; and

WHEREAS, RHA constructed a new day care facility at 1035 Halifax Street to enable RNS to relocate from Chavis Heights; and

WHEREAS, RHA and RNS entered into a lease agreement which is set to expire on December 31, 2025; and

WHEREAS, both parties wish to continue this successful partnership for an additional lease term; and

WHEREAS, RNS requested greater flexibility in the lease terms to support their long-term operational stability in light of evolving federal funding conditions; and

WHEREAS, RHA has modified certain provisions of the previous lease agreement, including a 5% annual rent adjustment, clarified timelines and procedures for repairs, and incorporated the HUD-mandated non-smoking policy adopted by RHA since the last lease was executed; and

WHEREAS, RNS remains committed to serving children from low-income families, many of whom may be eligible for RHA rental assistance; and

WHEREAS, the attached lease agreement has been reviewed and approved by Raleigh Nursery School;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Raleigh that staff is hereby authorized and directed to execute the attached Lease Agreement with Raleigh Nursery School, allowing for continued occupancy of 1035 Halifax Street.

BE IT FURTHER RESOLVED that staff may execute the renewal terms included in this Agreement if so desired by both parties.

Commissioner Warren moved and Commissioner Goodwin seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 72 (2025) has been adopted.

Laura McCann said RHA owns property at 1256 Macaulay Street in Raleigh. This serves as a space for resident and community activities.

The facility was constructed during the redevelopment of Walnut Terrace and includes a property management office, which occupies approximately 1/3 of the space. The remaining two thirds were designated to host onsite programming that supports residents and the surrounding community.

RHA has partnered with the City of Raleigh's Parks Recreation and Cultural Resources department for nearly 50 years to provide programming for Walnut Terrace families. In 2015, RHA and the city entered into a 10-year lease agreement for the space, which will expire on November 30th. Programs offered in this space have varied over the years and have included healthy wellness activities for seniors, artistic programs such as painting and quilting, entertainment and recreational games, creative writing workshop and physical movement classes. Both RHA and the city wish to continue this successful collaboration through a new lease agreement.

Staff recommends a one-year lease extension as the city has requested time to evaluate future uses for the facility, including potential renovations to accommodate administrative offices. Both agencies agree that this extension will allow adequate time to assess improvements and establish a shared vision for the site's future.

Staff requests Board approval for this lease addendum, extending the current agreement for 1256 Macaulay Street for an additional one year, while maintaining all other existing terms.

Commissioner Warren

Do we get a report from Parks and Rec as to what kind of programs they actually are delivering with attendance levels – or anything like that?

Laura McCann

We have annual reporting that we require, and then Parks and Rec also helps by giving us monthly calendars of everything that their programs are at that site.

Commissioner Warren

Is it your sense that it is well used and utilized, and the attendance levels are pretty good?

Laura McCann

I think it is. Specifically with our senior population, they have a lot of senior programming at that site. They have also allowed us to do some other non-parks training. For example, DHIC did home ownership training on that site. So, they have been a very good partner in that space.

Commissioner Warren

You mentioned that the city wanted to evaluate the space, perhaps for administrative activity or some sort of administrative use. I'm not keen on that. It seems to me that we shouldn't be providing administrative space to the city.

Laura McCann

That is why we will work with them on what our plan will be going forward.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 73 (2025)

WHEREAS, the Raleigh Housing Authority (RHA) owns real property located at 1256 McCauley Street in Raleigh, which serves as resident and community spaces; and

WHEREAS, the facility at 1256 McCauley Street was originally constructed to house the Walnut Terrace property management office and to support resident and community services; and

WHEREAS, RHA and the City of Raleigh's Parks, Recreation and Cultural Resources Department have collaborated for nearly 50 years to provide programming at Walnut Terrace; and

WHEREAS, RHA and the City of Raleigh entered into a lease agreement in 2015 for a ten-year partnership at Walnut Terrace, which is set to expire on November 30, 2025; and

WHEREAS, both parties wish to extend this successful partnership for at least one additional year; and

WHEREAS, the City of Raleigh is currently exploring more flexible future uses for the space, including the potential relocation of interior walls for administrative offices; and

WHEREAS, both agencies agree that additional time is necessary to evaluate potential improvements and strategize future uses of the property, with the understanding that this process can be effectively completed within one year; and

WHEREAS, staff proposes a Lease Addendum that maintains all existing terms of the lease agreement, with the exception of extending the lease term;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Raleigh that staff is hereby authorized and directed to execute the attached Lease Addendum with the City of Raleigh, allowing continued occupancy of 1256 McCauley Street by the Parks, Recreation and Cultural Resources Department for an additional one-year period.

Commissioner Braun moved and Commissioner Crutchfield seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 73 (2025) has been adopted.

Kenya Pleasant said Kentwood Apartments is an 89 unit walk up public housing community built in 1974 for low income families. Kentwood apartments has significant capital repair needs, including extensive plumbing improvements due to multiple failures in recent months, with an estimated repair expense of approximately \$30,000 per affected unit.

Whereas RHA will receive approximately \$3 million in capital funds from HUD over the next three years, intended to cover the entire public housing portfolio, totaling more than 1900 units. The total capital needs for a capital needs assessment for Kentwood alone are \$2.75 million.

HUD issued a notice in December 2024 which increases the percentage of units that can convert to a fair market rent in a RAD Section 18 construction blend to 90% for both new construction and transfer of assistance. This new PIH notice provides additional funding opportunities and flexibility for Kentwood apartments.

RHA Board of Commissioners approved for RHA to submit a RAD application in August 2019. In February 2020 RHA submitted a RAD portfolio application to HUD for all of RHA's public housing properties to provide for RAD conversion authority for all properties.

This resolution authorizes the CEO to move forward with the RAD Section 18 blend application. This application is similar to what was submitted for Glenwood earlier this year, and that application has been approved by HUD, and we've received the chat for Glenwood.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 74 (2025)

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") introduced the Rental Assistance Demonstration ("RAD") program in 2012 that, upon successful conversion, provides long-term Section 8 contracts to Public Housing Authorities ("PHAs"); and

WHEREAS, RAD allows Public Housing Agencies ("PHAs") to convert public housing subsidies into a long term, Project-Based Section 8 rental assistance subsidy, with more stable and predictable revenues, and further allows PHAs to seek other sources of financing; and

WHEREAS, on August 22, 2019 with Resolution No. 46, Raleigh Housing Authority's ("RHA") Board of Commissioners approved RHA to submit a RAD application; and

WHEREAS, in February 2020, RHA submitted a RAD portfolio application to HUD for all of RHA's Public Housing properties which provides RAD conversion authority for all properties; and

WHEREAS, in January 2025, RHA confirmed with HUD that the portfolio application is active; and

WHEREAS, Kentwood Apartments is an 89-unit, walk-up public housing community built in 1974 for low-income families; and

WHEREAS, Kentwood Apartments has significant capital repair needs, including extensive plumbing improvements due to multiple failures in recent months with an estimated repair expense of approximately \$30,000 per affected unit; and

WHEREAS, RHA will receive approximately \$3 million in Capital Funds from HUD over the next three years intended to cover the entire public housing portfolio totaling more than 1,900 units; and

WHEREAS, HUD issued PIH Notice 2024-40 on December 26, 2024 which increases the percentage of units that can convert to a fair market rent in a RAD/Section 18 Construction Blend to 90% for both new construction and transfer of assistance; and

WHEREAS, the updated notice will provide additional funding opportunities and flexibility for Kentwood Apartments; and

WHEREAS, two resident meetings were held September 3, 2025 and a third resident meeting was held September 23, 2025 with Kentwood Apartments residents to discuss RAD and RAD/Section 18 Blend process; and

WHEREAS, RHA will not be locked into any specific terms and can withdraw the application up until contract closing;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NC that staff is authorized to submit an application to HUD for Kentwood Apartments for participation in the RAD program.

BE IT FURTHER RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NC that staff is authorized to submit an application to HUD for Kentwood Apartments under a RAD/Section 18 Blend.

Commissioner Warren moved and Commissioner Crutchfield seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Valerie Crutchfield, Jeronica Goodwin, Arne Morris, Gregg Warren, Joe Whitehouse.

Nay: None.

Resolution No. 74 (2025) has been adopted.

POLICY & PROGRAMS DISCUSSION

Ashley Lommers-Johnson Shared a HUD-created spreadsheet about the HCV program.

Successful HCV financial/ program operations

- Key Performance Indicator:
 - Maximize number of households served (voucher utilization)?
 - Or Maximize budget utilization?
 - Or both?
- What is HAP Funding? How much do we get?
 - In 2023, the initial budget authority funding that we received was \$35 million. There were also provisions that for HUD to capture some of reserves if needed. We received new funding for new vouchers. The total funding that was provided was \$37 million including the new funding that was made available.

Commissioner Warren

Are those reserves restricted?

Ashley Lommers-Johnson

Those reserves are restricted only to paying for the HCV program.

- The agency at that time had \$3.25 million in reserves and these reserves are paying rental assistance. Given the data at that time, it was projected that the following year, the agency would have \$4.9 million and the year after that, \$5 million in reserves.
- It was projected at the end of 2025, by continuing the way we were operating, RHA would have \$6.7 million in reserves. At the beginning of 2025, the initial funding that was provided to us was \$49 million. We did receive additional funding units so the total adjusted budget authority that we have for this year was \$50.4 million. We have \$0 reserve dollars.
- How (and why) has HAP increased so drastically in past two years?
- What is shortfall? Why are we in shortfall? Is it bad?
 - In 2024 we spent more money than we were going into shortfall. When that happens, and HUD notices, you need to stop doing what you're doing. You can't lease anymore. If you jump through HUD's hoops, you are eligible for "shortfall funding". We received \$1.5 million in shortfall funding last year and that becomes part of our funding increment this year.

- Is it advisable to have some HAP reserves?
 - Most of the time, it is good to have some reserves. In this program, sometimes it doesn't make sense because they can capture your reserves.

The HUD spreadsheet predicts that by the end of the year, RHA will not be in shortfall, but at this point, it looks like at the end of this year, we will have spent 100.4% of our total budget authority and we will be in shortfall by \$197,000 – and we expect to get that in shortfall funding.

ADJOURNMENT

There being no further business to come before the Board, the RHA Board Meeting adjourned at 6:18pm.