

RESOLUTION NO. 13608-23

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, AUTHORIZING THE FORMATION OF THE CHOICE NEIGHBORHOOD V-DOWNTOWN LLC, CHOICE NEIGHBORHOOD VI-DOWNTOWN LLC, CHOICE NEIGHBORHOOD DOWNTOWN COMMERCIAL PARTNERS LLC, CHOICE NEIGHBORHOOD V-DOWNTOWN DEVELOPMENT CORPORATION, CHOICE NEIGHBORHOOD VI-DOWNTOWN DEVELOPMENT CORPORATION, AND CHOICE NEIGHBORHOOD DOWNTOWN COMMERCIAL PARTNERS DEVELOPMENT CORPORATION BY THE NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY.

WHEREAS, the Choice Neighborhood Initiative (“CNI”) Transformation Plan jointly prepared by the City of Newport News, Virginia (“City”) and the Newport News Redevelopment and Housing Authority (“NNRHA”) was accepted by the U.S. Department of Housing and Urban Development in June 2018; and

WHEREAS, a CNI Implementation Grant was awarded to NNRHA and the City on May 13, 2019; and

WHEREAS, the CNI plan involves the development of new mixed-use, mixed-income housing to be developed in several phases; and

WHEREAS, the Federal Low-Income Housing Tax Credit (LIHTC) program, and proceeds from the sale of tax credits can be used to support this project; and

WHEREAS, participation in the LIHTC Program requires the formation of legal entities to enable NNRHA to accept and utilize LIHTCs to undertake this redevelopment; and

WHEREAS, NNRHA has successfully utilized LIHTCs in combination with other funds to accomplish the goal of affordable housing and CNI housing development; and

WHEREAS, it is necessary and desirable to separate the ownership of the residential and commercial uses of the development; and

WHEREAS, the NNRHA has selected Pennrose, LLC as its development partner for the Choice Neighborhood Initiative and they are to assist in the development of LIHTC applications to be submitted to the Virginia Housing Development Authority for NNRHA-owned properties; and

WHEREAS, on December 20, 2022, the NNRHA Board of Commissioners approved a resolution authorizing the formation of the Choice Neighborhood V-Downtown LLC, Choice Neighborhood VI-Downtown LLC, and Choice Neighborhood Downtown Commercial Partners LLC, Choice Neighborhood V-Downtown Development Corporation, Choice Neighborhood VI-Downtown Development Corporation, and Choice Neighborhood Downtown Commercial Partners Development Corporation and has requested that the Newport News City Council approve such action in accordance with Section 36-19 (12) of the Code of Virginia; and

WHEREAS, the Council finds that it is in the best interest of the City to approve the formation of the aforementioned entities.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News, Virginia:

1. That it hereby approves the formation by NNRHA of the Choice Neighborhood V-Downtown LLC, Choice Neighborhood VI-Downtown LLC, and Choice Neighborhood Downtown Commercial Partners LLC, Choice Neighborhood V-Downtown Development Corporation, Choice Neighborhood VI-Downtown Development Corporation, and Choice Neighborhood Downtown Commercial Partners Development Corporation.

2. That this resolution shall be in effect on and after the date of its adoption, February 14, 2023.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON FEBRUARY 14, 2023

Mabel Washington Jenkins, MMC
City Clerk

Phillip D. Jones
Mayor

A true copy, teste:

City Clerk