

**DRAFT MEMORANDUM OF AGREEMENT FOR THE
DEVELOPMENT AND LEASE OF WAKE COUNTY PROPERTY
0 CHAPANOKE ROAD, RALEIGH, NC**

Section 1: PURPOSE

The purpose of this Memorandum of Agreement (MOA) is to set forth the framework for collaboration between Wake County (County) and Raleigh Community Partners (RCP), to participate in a process that includes the leasing of land by the County and development by RCP to the collective satisfaction of both named parties (Process), as described herein. This MOA demonstrates the agreement of both named parties to meet mutually agreed upon milestones during a period of due diligence prior to contract execution and leasing of the 6.084-acre parcel located at 0 Chapanoke Rd., Raleigh, NC 27603 (Property). Both parties commit to working with each other and any other necessary entities to achieve desired and mutually agreed upon outcomes.

Subject to conditions set forth in this MOA and subsequent agreements, RCP intends to construct an affordable, mixed-use development that is compact, pedestrian-oriented, responsive to community needs, and employs environmentally sustainable building methods (Development). The Development shall include deed-restricted, affordable rental housing at the 30%, 50%, 60%, and 80% AMI levels as proposed in RCP's Request for Proposals (RFP) submission, with 30% of housing units set-aside for Wake Tech enrolled student populations compliant with IRC §42(i)(3)(D) as a portion of the total development and 70% of units set-aside for general occupancy. The Development is proposed to also include commercial retail and education space for the Wake Technical Community College (Wake Tech) uses. The Development shall comply with all other requirements and shared goals of Request for Proposal (RFP) #22-019. Notwithstanding the above, the parties recognize that the primary goal of the RFP is for the development of affordable housing. While the proposed construction of the housing improvements and commercial development may proceed on different schedules and timelines, the County's leasing of the Property is expressly conditioned on approval by the City of Raleigh (the City) of an affordable housing development meeting the minimum requirements set forth in the RFP.

Nothing herein shall obligate any party to proceed with the Process or appropriate any funding associated therewith or obligate any of the parties to subject matter beyond the scope of this MOA. Participation in this MOA does not guarantee the leasing of the Property or any portion thereof to RCP. It is expressly acknowledged by the parties that leasing of the Property, or any portion thereof, requires approval by the Wake County Board of Commissioners which may include additional terms and conditions not contemplated herein. The parties further recognize that North Carolina law may dictate differing processes and approvals for the proposed ground lease contemplated herein based upon the intended use of the Property, or portion thereof. Nothing herein guarantees a recommendation for a lease of the Property by County staff or requires the local government entities to lease the Property in its entirety or in portions to RCP. The parties recognize the limited scope of this MOA and the limitations expressed hereunder. Each party shall be responsible for their own costs and expenses associated with any work performed hereunder, including any expenses incurred in hiring an agent or broker. In the

event that the development proposed by the parties is approved by the respective governing authorities of the parties, it is anticipated that a separate agreement, such as a ground lease contract, shall be developed and executed to fully address the rights and responsibilities of all participating parties as allowed by law.

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Section 2: DISTRIBUTION OF RESPONSIBILITIES

The following are broad guidelines detailing the anticipated responsibilities of each party, which may be changed by written agreement between the parties:

RCP will take the lead on Project Development and bear all pre-development costs, without a request for contribution from the County or City, associated with the development goals established in the RFP and due diligence milestones. RCP acknowledges the following development conditions are essential to the County's agreement to participate in this MOA:

- a) This MOA is expressly conditioned on land development approvals for the construction of legally-binding, affordable units on a portion of the Property, and acknowledges those units will comply with County development and affordability standards;
- b) RCP acknowledges that the proposed project will require the Property to be rezoned;
- c) RCP agrees to ensure project delivery including satisfying the City entitlement requirements as defined by the City development review process and meeting with the City as necessary throughout the development review process;
- d) RCP agrees to include a mixture of neighborhood-serving uses that considers commercial and educational or multi-purpose space in accordance with the City's zoning ordinances; and
- e) RCP agrees to refrain from any site improvement activity or execute any financial transactions related to site improvement until an environmental review process, as required by the U.S. Department of Housing and Urban Development (HUD), has been completed or determined unnecessary by the County for the site.
- f) RCP agrees to lead all project development planning associated with the proposed affordable housing and commercial development and timely submit any updated plans to the County and City for review as well as submit financial documentation to the County ensuring the project adheres to eligibility requirements outlined in the County programs, including the County Affordable Housing Development Program (AHDP).
- g) RCP agrees to provide the County a copy of the final site plan prior to submitting the plan to the City for plan review.

The County will take the lead on the leasing of the Property and process facilitation, to include:

- a) The County will ensure the Process meets all applicable requirements of Wake County RFP #22-019.
- b) The County will review the site plan prior to submission to the City any substantial deviation from the design elements submitted in the RFP submission prior submission to the City for development review.
- c) The County will draft, review and negotiate a contract to lease and related legal agreements for the proposed development of the Property, subject to approval by the Wake County Board of Commissioners and terms and conditions approved by the County Attorney. The Parties understand that nothing within this MOA binds the County to lease the Property or any portion thereof.
- d) The County will ensure the lease meets regulatory standards, public purpose requirements, and leasing priorities.

- e) The County will not lease any portion of the Property until such entitlement, funding and other conditions as agreed upon by all respective parties are satisfied.
- f) Upon mutual execution of this MOA, the County will permit RCP (and their respective engineers, architects, surveyors, and supporting consultants) physical access to the Property for the express purposes of performing due diligence related activities.
- g) The County agrees to cooperate with RCP in submissions and authorizations needed for the rezoning of the Property and other actions customary of a Property owner. For the avoidance of doubt, RCP remain responsible for the costs associated with the rezoning the Property.

Responsibility for land ownership, management, maintenance and services shall be determined prior to recommendation for leasing to Wake County Board of Commissioners.

Section 3: GOVERNANCE AND DECISION-MAKING

During the term of this MOA, all parties shall work together according to a mutually developed work plan with targeted dates of achievement of significant milestones. The intention is accountability benchmarks that could be 1) shared with the constituents with whom we each are involved, but 2) flexible enough to be revised by the group during this period.

Each party will formulate their initial responsibilities to establish the Project. Information will be shared freely among all parties. The County will have the right to review and approve any material changes to the development plan from what is submitted to the County and to North Carolina Housing Finance Agency (NCHFA). Final decisions concerning the development shall be made through an evaluation process and consensus by all parties involved. Final decisions on project milestones must be mutually agreed upon and RCP and the County agree to meet the restrictions, responsibilities, and timelines laid out in this agreement.

Section 4: EFFECTIVE PERIOD OF MOA

The collaboration described and detailed in the Memorandum of Agreement shall be in effect from the effective date of this MOA until such time as the County leases the Property or a portion thereof, unless the MOA is earlier terminated. Notwithstanding the above, the parties recognize that certain provisions of this MOA may be superseded by subsequent legal agreements between one or more parties, such as leasing agreements. The period of collaboration may be extended through mutual written agreement among the parties. Any party may withdraw from this MOA with or without cause upon written notice to the other parties with a 30-day notice. Entering into this MOA commits no funding from any party for any costs or expenses associated with work done during the period covered and without contribution from any party. During the Term of the MOA, all parties agree to work together according to a mutually developed work plan with targeted dates of achievement of significant milestones. In the event that the parties fail to develop a Project proposal or determine that

development of the Project proposal is not desirable or feasible for any reason, then work under this MOA shall cease with no further obligation of any party.

Section 5: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Participants in this MOA shall each be responsible for complying with all applicable local, state, and federal laws and regulations. Nothing in this MOA alters the existing statutory authority of any participant under state or federal law. If any of the provisions of this MOA are held to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Section 6: MODIFICATIONS AND AMENDMENTS

This MOA can be modified or amended through mutual written agreement among the participants.

SIGNATORIES:

The undersigned individuals hereby execute this Memorandum of Agreement on behalf of their respective local governments and agencies.

RALEIGH COMMUNITY PARTNERS

By: _____

Date: _____

Will Eckstein
Senior Vice President, Greystone Affordable Development
4025 Lake Boone Trail, Raleigh, NC 27607

Federal Tax ID#: _____

WAKE COUNTY, NORTH CAROLINA

By: _____

Date: _____

Wake County Manager or Designee

By: _____

Date: _____

Lorena McDowell, MPNA
Wake County Housing Director

P.O. Box 550
Suite 440 WCOB
Raleigh, NC 27602

Federal Tax ID#: 56-6000347
