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BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 23-4C

LIMITED PARTNERSHIP AUTHORIZATION FOR

CHICO NORTH CREEK, LP

BY ITS MANAGING GENERAL PARTNER

**Butte County Affordable Housing Development Corporation
a California nonprofit public benefit corporation,**

BY RESOLUTION OF THE BOARD OF DIRECTORS OF

**BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION
a California nonprofit public benefit corporation**

NORTH CREEK CROSSINGS

A majority of the Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (the “Corporation”) as the Managing General Partner of Chico North Creek, LP, a California limited partnership (the “Limited Partnership”), hereby consent to, adopt and ratify the following resolution:

**RESOLUTION AUTHORIZING THE MANAGING GENERAL PARTNER TO EXECUTE AN
INFILL INFRASTRUCTURE GRANT PROGRAM COVENANT ON BEHALF OF THE
LIMITED PARTNERSHIP**

WHEREAS, the State of California, Department of Housing and Community Development (the “Department”) issued a Notice of Funding Availability (“NOFA”) under its Infill Infrastructure Grant Program of 2019 (“IIG”), dated February 14, 2020, and established under Assembly Bill 101 (Chapter 159, Statutes of 2019) Infill Infrastructure Grant program funding for approximately \$194 million. The Notice of Funding Availability provides grants to for-profit or nonprofit developers, localities, or public agencies for Capital Improvement Projects in support of Qualifying Infill Projects or Qualifying Infill Areas, and;

WHEREAS, the Partnership is the owner of an affordable multifamily housing project within the Qualifying Infill Area for the City of Chico’s application for Capital Improvement Project funding under the NOFA, and;

WHEREAS, the Corporation and Limited Partnership are authorized to do business in the State of California, and;

WHEREAS, the Corporation represents and warrants that the Limited Partnership has validly designated Butte County Affordable Housing Development Corporation as the Managing General

Partner of the “Limited Partnership”.

NOW, THEREFORE, BE IT RESOLVED: That the Corporation, acting as the Managing General Partner of the Partnership does hereby determine and declare as follows:

SECTION 1. In connection with the IIG award to the City of Chico, the Partnership is authorized and directed to enter into, execute and deliver an affordable housing covenant and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the IIG Grant, the Corporation’s obligations related thereto, and the Department’s security therefore to the State of California.

SECTION 2. That Edward S. Mayer, Executive Director, or Hope Stone, Chief Financial Officer, acting alone, are hereby authorized to execute IIG Documents, and any amendments or modifications thereto, on behalf of the Corporation, in its capacity as the Managing General Partner of the Partnership.

SECTION 3. That this resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of April 20, 2023, by the consent of the Board of Directors of the Corporation by the following vote:

AYES: _____ NAYS: _____ ABSTAIN: _____ ABSENT: _____

Edward S. Mayer, President

CERTIFICATE OF THE SECRETARY

The undersigned, Marysol Perez, Secretary of the Corporation does hereby attest and certify that the foregoing Resolution No. 23-4C is a true, full and correct copy of a resolution duly adopted at a meeting of said Corporation which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

Marysol Perez, Secretary

Date

*Butte County Affordable Housing Development Corporation
Resolution No. 23-4C
April 20, 2023
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BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 23-5C

LIMITED PARTNERSHIP AUTHORIZATION FOR

CHICO NORTH CREEK II, LP

BY ITS MANAGING GENERAL PARTNER

**Butte County Affordable Housing Development Corporation
a California nonprofit public benefit corporation,**

BY RESOLUTION OF THE BOARD OF DIRECTORS OF

**BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION
a California nonprofit public benefit corporation**

NORTH CREEK CROSSINGS II

A majority of the Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (the “Corporation”) as the Managing General Partner of Chico North Creek II, LP, a California limited partnership (the “Limited Partnership”), hereby consent to, adopt and ratify the following resolution:

**RESOLUTION AUTHORIZING THE MANAGING GENERAL PARTNER TO EXECUTE AN
INFILL INFRASTRUCTURE GRANT PROGRAM COVENANT ON BEHALF OF THE
LIMITED PARTNERSHIP**

WHEREAS, the State of California, Department of Housing and Community Development (the “Department”) issued a Notice of Funding Availability (“NOFA”) under its Infill Infrastructure Grant Program of 2019 (“IIG”), dated February 14, 2020, and established under Assembly Bill 101 (Chapter 159, Statutes of 2019) Infill Infrastructure Grant program funding for approximately \$194 million. The Notice of Funding Availability provides grants to for-profit or nonprofit developers, localities, or public agencies for Capital Improvement Projects in support of Qualifying Infill Projects or Qualifying Infill Areas, and;

WHEREAS, the Partnership is the owner of an affordable multifamily housing project within the Qualifying Infill Area for the City of Chico’s application for Capital Improvement Project funding under the NOFA, and;

WHEREAS, the Corporation and Limited Partnership are authorized to do business in the State of California, and;

WHEREAS, the Corporation represents and warrants that the Limited Partnership has validly designated Butte County Affordable Housing Development Corporation as the Managing General

Partner of the “Limited Partnership”.

NOW, THEREFORE, BE IT RESOLVED: That the Corporation, acting as the Managing General Partner of the Partnership does hereby determine and declare as follows:

SECTION 1. In connection with the IIG award to the City of Chico, the Partnership is authorized and directed to enter into, execute and deliver an affordable housing covenant and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the IIG Grant, the Corporation’s obligations related thereto, and the Department’s security therefore to the State of California.

SECTION 2. That Edward S. Mayer, Executive Director, or Hope Stone, Chief Financial Officer, acting alone, are hereby authorized to execute IIG Documents, and any amendments or modifications thereto, on behalf of the Corporation, in its capacity as the Managing General Partner of the Partnership.

SECTION 3. That this resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of April 20, 2023, by the consent of the Board of Directors of the Corporation by the following vote:

AYES: _____ NAYS: _____ ABSTAIN: _____ ABSENT: _____

Edward S. Mayer, President

CERTIFICATE OF THE SECRETARY

The undersigned, Marysol Perez, Secretary of the Corporation does hereby attest and certify that the foregoing Resolution No. 23-5C is a true, full and correct copy of a resolution duly adopted at a meeting of said Corporation which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

Marysol Perez, Secretary

Date

*Butte County Affordable Housing Development Corporation
Resolution No. 23-5C
April 20, 2023
Page 2 of 2*

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 23-6C

ORCHARD VIEW APARTMENTS, GRIDLEY
CORPORATE AUTHORIZATIONS

At a duly constituted meeting of the Board of Directors (the “Board”) of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation (“BCAHDC”), held on April 20, 2023, the following resolutions were adopted:

WHEREAS, BCAHDC and Pacific West Communities, Inc. (“PWC”) are parties to that certain Memorandum of Agreement executed on or about September 16, 2021 (the “MOA”) with respect to the development of an affordable housing project to be known as “Orchard View”, that will contain 48 apartment units, including one manager’s unit, to be located on land located on the West side of Hwy 99, APN 021-110-033, Gridley, CA 95948 (the “Project”); and

WHEREAS, BCAHDC is or will be admitted as the managing general partner of Gridley Orchard Associates, A California Limited Partnership, a California limited partnership (the “Partnership”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to acquire, develop, construct, own and operate the Project; and

WHEREAS, it has been determined to be in the best interests of BCAHDC to assist in the acquisition, construction and development of the Project by the Partnership by: (i) consenting to the withdrawal of the initial limited partner from the Partnership and facilitating the admission of MCC Housing LLC, and/or its affiliate(s), or substitute investors (collectively, “Investor”), as 99.9999% limited partner(s) in the Partnership in exchange for capital contributions to the Partnership in an amount not to exceed \$17,000,000, and (ii) amending and restating the agreement of limited partnership of the Partnership pursuant to that certain Amended and Restated Limited Partnership Agreement (the “Partnership Agreement”) to provide for such other matters as may be required by the Investor (collectively, the “Syndication”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC, as sub-developer, to enter into a subdevelopment agreement with the developer of the Project, Pacific West Communities, Inc., an Idaho corporation, or, in the alternative, for BCAHDC, as co-developer, to enter into a development agreement with the Partnership (in either case, the “Development Agreement”); and

WHEREAS, it has been determined to be in the best interests of BCAHDC for the Partnership to obtain the following financings for the Project, which will be secured by liens on the Project (“Secured Financings”):

(a) A construction loan from KeyBank National Association or substitute lender in the principal amount not to exceed \$10,000,000, which is anticipated to convert to a permanent loan in the principal amount not to exceed \$3,000,000.

(b) A loan from the County of Butte of CDBG Disaster Recovery or other funds in the principal amount not to exceed \$8,650,000.

WHEREAS, as a condition of the Secured Financings and the Syndication, the lenders and the Investor may require that BCAHDC and/or the Partnership assign any fees from the Partnership or pledge other interests in the Project as security for the Secured Financings and the Syndication (the “**Security Assignments**”), and it has been determined to be in the best interests of BCAHDC and the Partnership, to make and enter into Security Assignments; and

WHEREAS, it has been determined to be in the best interests of BCAHDC and the Partnership to execute and deliver any and all documents or agreements necessary or advisable for the acquisition, development, financing, construction, rehabilitation, management, operation and maintenance of the Project, including, but not limited to, all grant deeds, deeds of trust, UCC financing statements, loan agreements, loan documents, regulatory agreements, assignments of rents, leases, income and profits, general assignments, construction contracts, architect agreements, grant agreements, development agreements, sub-development agreements, management agreements, service contracts, housing assistance payments contracts, partnership agreements, and similar or related agreements for housing subsidies, title-related indemnities and affidavits and any other types of agreements (collectively, the “**Project Documents**”).

NOW, THEREFORE, BE IT RESOLVED by the Board that BCAHDC, for itself and in its capacity as the Managing General Partner of the Partnership, does hereby approve and is authorized to enter into the following transactions and documents, as applicable:

1. Partnership Agreement, Security Agreement, Purchase Option Agreement, Closing Certificate, and the Syndication;
2. Development Agreement;
3. Secured Financings;
4. Security Assignments;
5. Project Documents;
6. Such other documents, agreements and contracts deemed necessary or advisable by an Officer in furtherance of these resolutions and/or to assist in the development of the Project (collectively, the “**Transaction Documents**”), using their own independent judgment; and

BE IT FURTHER RESOLVED, that the Board of BCAHDC hereby authorizes each of (a) Edward S. Mayer, President of BCAHDC, (b) Marysol Perez, Secretary of BCAHDC, and (c) Hope Stone, Chief Financial Officer of BCAHDC (each, an “**Officer**”), each acting alone to accept the Transaction Documents subject to any minor conforming, technical or clarifying changes approved by an Officer; and that each Officer is hereby further authorized and directed to take such further actions and execute and record such documents as are necessary to accept the Transaction Documents on behalf of BCAHDC and the Partnership; and

BE IT FURTHER RESOLVED, that all actions previously taken by BCAHDC and the Partnership, and any of their employees, officers and agents, in connection with the Project or the transactions described herein are hereby ratified and approved.

PASSED AND ADOPTED this 20th day of April 2023 by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____ ABSENT: _____

Signature of Attesting Officer:

Edward S. Mayer, President

SECRETARY'S CERTIFICATION

I, the Secretary of BCAHDC, hereby certify that the foregoing is a true copy of Resolution No. 23-6C adopted by the Board of Directors of Butte County Affordable Housing Development Corporation, a California nonprofit public benefit corporation, and that said Resolution No. 23-6C is in full force and effect, and the Board of Directors has, and at the time of the adoption of the Resolution No. 23-6C had, full power and authority to adopt such resolutions.

Marysol Perez, Secretary

Date

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 23-7C

MEMORANDUM OF AGREEMENT WITH PACIFIC WEST COMMUNITIES FOR DEVELOPMENT AND OPERATION OF NORTHWIND SENIOR APARTMENTS, PARADISE

WHEREAS, the Butte County Affordable Housing Development Corporation (BCAHDC), in response to need, seeks to increase the availability of affordable housing in the communities and jurisdiction it serves; and

WHEREAS, the Pacific West Communities (PWC) has approached the Butte County Affordable Housing Development Corporation (BCAHDC) to participate in development of a 21-unit affordable low-income housing development serving seniors, such development known as Northwind Senior Apartments, to be located at 6983 Pentz Road in the Town of Paradise, California (Project); and

WHEREAS, such development is proposed to be accomplished by means of corporate partnership, such partnership structured and suitable for access to affordable housing subsidy sources, such as, but not limited to, the federal IRS Low Income Housing Tax Credit program as administered by the State of California Tax Credit Allocation Committee; and

WHEREAS, BCAHDC, seeks to act as Managing General Partner in the Limited Partnership (Partnership) that will own and operate the Project, in materially participating in the development and operation of the Property, and ensuring its ongoing affordability to the community; and

WHEREAS, a Memorandum of Agreement (MOA) has been drafted which substantially identifies the roles of the parties to the MOA; and,

WHEREAS, time is of the essence in proceeding with development of the Project; and

WHEREAS, the MOA has been determined sufficient for purposes of identifying roles and advancing project interests until such time as the formal Partnership Agreement is determined, based on the best interests of BCAHDC, and PWC;

THEREFORE BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation (BCAHDC) to authorize its President to execute the Memorandum of Agreement (MOA) between BCAHDC and Pacific West Communities (PWC) for purposes of participation in the 21-unit affordable housing development project known as Northwind Senior Apartments, Paradise, to be located at 6983 Pentz Road, Paradise, California, such participation to be in accordance with the MOA, attached to and made a part of this Resolution Number 23-7C,

Dated: April 20, 2023.

Edward S. Mayer President

ATTEST:

Marysol Perez, Secretary

MEMORANDUM OF AGREEMENT

THIS AGREEMENT is entered into this 21st day of April, 2023 by and between ***Pacific West Communities, Inc.***, an Idaho corporation (hereafter “PWC”), and ***Butte County Affordable Housing Development Corporation***, a California nonprofit public benefit corporation (hereafter “BCAHDC”).

RECITALS

WHEREAS, PWC and its affiliates have the experience and expertise necessary to prepare Tax Credit applications, prepare architectural designs and plans, obtain construction and permanent financing, construct the Project, and syndicate tax credits; and

WHEREAS, PWC, or related party, has secured site control of an approximately 1.66-acre property located 6983 Pentz Road, Paradise, CA, and desires to develop 21 units of affordable senior housing on the site (“Project”) as described in the attached Exhibit A; and

WHEREAS, BCAHDC provide affordable housing opportunity to households in Butte County, including the Town of Paradise; and

WHEREAS, PWC has approached BCAHDC to seek BCAHDC’s participation as non-profit Managing General Partner in the LIHTC Partnership that would develop, own and operate such affordable senior housing developments in Paradise; and

WHEREAS, BCAHDC have determined it in the best interest of BCAHDC, their clients, and the community they serve to work with PWC in seeking to create affordable housing opportunity through construction of new residential units meeting the needs of low-income seniors in Paradise;

IT IS, THEREFORE, AGREED AS FOLLOWS:

1. PWC shall seek financing for the Project suitable to BCAHDC. PWC shall also use its best possible efforts to obtain a commitment to purchase tax credits at the best possible terms. PWC shall also perform any and all procedures and pay all expenses necessary to syndicate said tax credits. This agreement is conditional upon securing an allocation of low-income housing tax credits that PWC deems sufficient for financing of the Project.
2. PWC and BCAHDC shall work jointly to prepare and submit any financing applications required for the development of the Project. BCAHDC shall be given an opportunity to review any tax credit or other financing applications submitted for the Project. PWC shall advance any and all predevelopment funds required for the applications and will also pay any other costs incurred prior to the start of construction.
3. Providing financing sufficient for development of the Project is awarded, PWC and BCAHDC shall work jointly together to obtain all federal, state and local approvals necessary to develop the Project, and shall further execute any and all documents and/or agreements, subject to appropriate review, as may be necessary to move the Project forward.

4. PWC shall work with SDG Architects, Inc. to provide all the necessary design work and building plans subject to mutual approval by PWC and BCAHDC. PWC's affiliate, Pacific West Builders, Inc., being a licensed general contractor in the State of California, shall construct the Project.
5. At the initial closing of the construction loan, PWC, and BCAHDC shall be reimbursed from funding proceeds all project development expenses previously paid relating to the Project. BCAHDC shall also be entitled to a fee of \$10,000 that will represent payment for overhead expenses incurred. PWC shall be paid a fee equal to 90% of the developer fee for the Project, and BCAHDC shall be paid a fee equal to 10% of the developer fee for the Project. If total financing sources are not sufficient to pay all or a portion of the developer fee earned, proceeds from cash flow shall be used until the entire fee is paid in full. Payments of any developer fees shall follow closing of the permanent loan and final tax credit syndication payments from the investor, unless sufficient financing proceeds are available at an earlier date at which time a partial payment may be made. All cost overruns shall be borne by PWC, after full deferral of the developer fee. BCAHDC shall be entitled to reimbursement of up to \$25,000 in legal fees at construction loan closing.
6. BCAHDC shall provide a capital funds loan in the amount of 10% of the developer fee ("NP Loan") to facilitate the development of the Project. NP Loan terms will include a simple interest rate not to exceed 3% with a 55 year term and be secured by a promissory note and deed of trust. Payments on the NP Loan will be a participation in 50% of Residual Receipts, pro rata with all other soft financing of the Project. NP Loan shall be made only after BCAHDC has been paid their portion of the developer fee for the Project.
7. Upon completion of construction and passing of all inspections, the limited partnership established by an affiliate of PWC and BCAHDC during the predevelopment period, along with the investor limited partner under an amended and restated partnership agreement, shall thereafter own and operate the Project as an affordable housing project subject to the requirements set forth by the tax credit program and other financing agreements. All cash flow and ownership benefits, including the sale of the property shall be 100% owned by PWC. The Managing General Partner of the Project shall also receive an annual fee of \$2,100 (\$100 per unit) after stabilization to the extent the Managing General Partner has and continues to take care of the customary Manager General Partner duties.
8. Managing General Partner – BCAHDC will serve as a Managing General Partner to the Limited Partnership, to be formed, that will own and operate the Project. Upon admittance, BCAHDC shall have all rights and obligations of a Managing General Partner under California law. Notwithstanding, the assignment, delegation or reservation of any duty or obligation under the Partnership or the Property Management Agreement, BCAHDC shall at all times be considered to be continuously and substantially involved in the management and operation of the Partnership and the Project. BCAHDC shall:
 - a) Advise the Partnership concerning particular requirements of low-income housing rules and regulations and monitor compliance with all government regulations and file or supervise the filing of all required documents with government agencies.

- b) Facilitate development and operation of the Project by appearance or correspondence with lenders and government bodies.
 - c) In conjunction with the Administrative General Partner execute and deliver all partnership documents on behalf of the Partnership.
 - d) Participate in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the Partnership business.
 - e) Ensure Supportive Services are coordinated and delivered by BCAHDC or others as “delegated” to pursuant to BOE Rule 140.1;
 - f) BCAHDC shall use its best efforts to obtain and maintain the “Welfare Tax Exemption” available to qualified low-income projects through California State Revenue & Taxation Code §§ 214(g), et seq. and related State Board of Equalization (BOE) administrative rules and rules of procedure.
 - g) BCAHDC shall also have any and all necessary authority to ensure compliance with BOE’s rulings and policies, as well as federal and state tax statutes and court rulings relating directly to the above mentioned obligations.
9. PWC shall select a third party management company, with the approval of BCAHDC, to manage the project in accordance with commercially reasonable terms and in compliance with IRC Section 42 guidelines. BCAHDC or its affiliates may elect to provide certain management operations such as maintenance and landscaping, also on commercially reasonable terms.
10. In the event that the partnership elects to sell the project, BCAHDC shall have, after 15 years from the project’s placed-in-service date, the right of first refusal to purchase the project at its fair market value. Said right shall not terminate unless BCAHDC elects to do so in writing.

TPC HOLDINGS IX, LLC, an Idaho Limited Liability Company (“AGP”), or another affiliate of PWC, is or will be the Administrative General Partner of the LIHTC Partnership. The LPA together with all documents entered into in connection therewith or the admission of the Limited Partner are referred to herein as the “Equity Documents”.

PWC, BCAHDC and AGP hereby agree that if (I) the Limited Partner exercises any “put” or similar right under the Equity Documents to cause the AGP to purchase the Limited Partner interests in the Partnership, or (II) GP or its successor and assigns exercises any option to purchase the Limited Partner interests in the Partnership under the Equity Documents (a “Partnership Interest Option”), then immediately following the conveyance of the Limited Partner interests in the Partnership to an affiliate of AGP (but on the same day), the Equity Documents will be amended so that BCAHDC will own a 10% interest in the therewith Partnership (including, without limitation, in net cash flow and proceeds from capital transactions).

If the AGP exercises any option to purchase the Project under the Equity Documents (a “Project Option”), then immediately following the acquisition of the Project by the AGP or its assignee (“New Owner”) (but on the same day), BCAHDC will be admitted to new Owner such that BCAHDC will own a 10% interest in the New Owner (including, without limitation, in net cash flow and proceeds from capital transactions).

BCAHDC agrees that it will not exercise any right of first refusal (“Refusal Right”) or option under the Equity Documents without providing not less than five (5) business days advance written notice thereof to the AGP. In the event that AGP exercises any Partnership Interest Option of Project Option following receipt of such notice, then BCAHDC shall not exercise its Refusal Right (or if exercised, then PWC and AGP shall have the remedies herein).

Neither BCAHDC nor AGP shall transfer or assign its rights or options under the Equity Documents except to an affiliate assignee that acknowledges and agrees to the terms of this Section 10 in writing reasonably satisfactory to the non-transferring party. AGP and PWC shall be jointly and severally liable for their obligations under this Section 10. Notices to the AGP hereunder shall be made at the same address as PWC.

BCAHDC shall not be required to contribute capital or otherwise provide funds in connection with the purchase of the limited partnership interest in the LIHTC Partnership with respect to the Partnership Interest Options or the Purchase Option under the Equity Documents.

BCAHDC, PWC and AGP shall each have all remedies available at law and equity, including specific performance, to enforce its rights under this Section 10. In the event of any dispute among any of PWC, AGP and BCAHDC, the prevailing party/ies shall be entitled to reimbursement of reasonable attorney’s fees from the non-prevailing party/ies.

11. PWC, or BCAHDC may terminate this Agreement without liability upon written notice to the other party if either party determines, in its sole discretion, that (i) the Project or the partnership is infeasible or is not in such party’s best interests or (ii) that sufficient financing to develop the Project will not be awarded by December 31, 2023. In the event the Project becomes infeasible and does not close, all predevelopment costs of the Project incurred by PWC shall be the responsibility of PWC, except those costs described above incurred by BCAHDC prior to admittance of BCAHDC to the Partnership.
12. BCAHDC shall not be responsible for project “guaranties” or indemnities” to the tax credit investor, lenders and any other financial participant to the Project financing. PWC shall also indemnify BCAHDC for its role and participating in the Partnership. PWC, for itself, its subsidiaries, and affiliates agrees that BCAHDC’s liability for failure to perform any duty or obligation under this MOA, the Partnership or any financing or security agreement entered into by the Partnership shall be limited to BCAHDC’s interest in the Partnership.
13. The Parties realize that although it is the sincere desire of each of them for the proposed Project to come completely to fruition, that there is always a degree of risk in pre-development activities and that the Parties each acknowledge that there may be certain circumstances, the occurrence of which may result in the decision that the best course of action is to terminate this Memorandum of Agreement. Such circumstances might include the inability of the project to secure sufficient funds, LIHTC’s, or bond cap authority; the inability of the project despite the best efforts of the Parties to obtain other necessary portions of the project’s financing package (such as loans, or other city funding) or other causes which are not within the control of the parties to this agreement.

14. In the event such a termination is necessary for any reason by either Party, PWC and BCAHDC hereto agree that each of them shall indemnify and hold harmless each of the other parties from any and all claims, causes of action or alleged injuries other than those caused by the gross negligence of one of the parties.
15. The Parties agree and understand that in all other respects each of them shall move forward and negotiate in good faith all issues necessary to plan the structure and financing of the above-mentioned affordable permanent supportive housing apartment complex.
16. Formal notices, demands, and communications among the Parties shall not be deemed given unless dispatched by certified mail, return receipt requested, by facsimile delivery with correct answerback received, by electronic mail or by reputable delivery service with a delivery receipt, to the Parties' principal offices as follows:

BCAHDC: Butte County Affordable Housing Development Corporation
 2039 Forest Avenue
 Chico, CA 95928
 Attention: Edward S. Mayer, President
 Telephone: 530-895-4474 x 215
 Fax: (530) 895-4459
 Email: edm@butte-housing.com

PWC: Pacific West Communities, Inc.
 430 East State St., Suite 100
 Eagle, ID 83616
 Attention: Caleb Roope
 Telephone: 208-461-0022
 Fax: 208-461-3267
 Email: calebr@tpchousing.com

IN WITNESS WHEREOF, the parties hereto executed this Agreement as of the date first written above.

Pacific West Communities, Inc.

By: Caleb Roope
 Its: President

Butte County Affordable Housing Development Corporation

By: Edward S. Mayer

Its: President

Exhibit A

Project Description

Northwind Senior Apartments

Northwind Senior Apartments is proposed as a 21-unit senior development consisting of two (2) single-story buildings. All 21 units are for seniors earning 30-60% of Butte County's area median income (AMI) and approximately 620 square feet in size.

Seniors will benefit from being near to the Save Mart Shopping Center and Moore Park. Walgreens, Rite Aid Pharmacy, and the County Library are only a short distance from the proposed location. Dial-a-Ride County transit would be available to residents.

The project is designed in a contemporary agrarian architectural style. This style includes exterior plaster grounded with a darker body color at the lower portions and a lighter, complementary color on the upper. The style is further articulated with window trim, and gable end and vent details. The vertically oriented windows and horizontal wood railing style are two distinct elements that are typical of this style. The agrarian elements complement the site and the surrounding area.

The common areas and site amenities include a central drop off location, community garden and ample open space for the residents.

Each unit is designed to meet current building codes and is either fully accessible or adaptable allowing the units to be marketable to a larger population and includes storage space along with energy-efficient fixtures. The units will meet current insulation, natural light, and ventilation standards. The insulation values for the walls, doors, windows, and attic spaces are designed to meet current title 24 energy codes requirements resulting in optimal energy efficiency.

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 23-8C

MEMORANDUM OF AGREEMENT WITH THE RICHMAN GROUP FOR DEVELOPMENT AND
OPERATION OF LINCOLN SENIOR APARTMENTS, OROVILLE

WHEREAS, the Butte County Affordable Housing Development Corporation (BCAHDC), in response to need, seeks to increase the availability of affordable housing in the communities and jurisdiction it serves; and

WHEREAS, The Richman Group of California (TRG) has approached the Butte County Affordable Housing Development Corporation (BCAHDC) to participate in development of a 61-unit affordable low-income housing development serving seniors in Oroville, CA, such development known as Lincoln Senior Apartments, to be located on an approximately 5.36 acre site west of Lincoln Boulevard, Oroville, immediately adjacent to, and north of, the Lincoln Family Apartments (Project); and

WHEREAS, such development is proposed to be accomplished by means of corporate partnership, such partnership structured and suitable for access to affordable housing subsidy sources, such as, but not limited to, the federal IRS Low Income Housing Tax Credit program as administered by the State of California Tax Credit Allocation Committee; and

WHEREAS, BCAHDC, seeks to act as Managing General Partner in the Limited Partnership (Partnership) that will own and operate the Project, in materially participating in the development and operation of the Property, and ensuring its ongoing affordability to the community; and

WHEREAS, a Memorandum of Agreement (MOA) has been drafted which substantially identifies the roles of the parties to the MOA; and,

WHEREAS, time is of the essence in proceeding with development of the Project; and

WHEREAS, the MOA has been determined sufficient for purposes of identifying roles and advancing project interests until such time as the formal Partnership Agreement is determined, based on the best interests of BCAHDC, and TRG;

THEREFORE BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation (BCAHDC) to authorize its President to execute the Memorandum of Agreement (MOA) between BCAHDC and The Richman Group (TRG) for purposes of participation in the 61-unit affordable housing development project known as Lincoln Senior Apartments, Oroville, to be located on an approximately 5.36 acre site west of Lincoln Boulevard, Oroville, CA, such participation to be in accordance with the MOA, attached to and made a part of this Resolution Number 23-8C,

Dated: April 20, 2023.

Edward S. Mayer President

ATTEST:

Marysol Perez, Secretary

MEMORANDUM OF AGREEMENT

THIS AGREEMENT is entered into this 20th day of April, 2023, by and between ***The Richman Group of California Development Company LLC***, a California limited liability company (hereafter “TRG”), and ***Butte County Affordable Housing Development Corporation***, a California nonprofit public benefit corporation (hereafter “BCAHDC”).

RECITALS

WHEREAS, TRG and its affiliates have the experience and expertise necessary to prepare Tax Credit applications, obtain construction and permanent financing, syndicate tax credits and engage the necessary professionals to prepare architectural designs and plans and construct the Project; and

WHEREAS, TRG, or related party, has secured site control of an approximately 5.36 +/- acre property located West of Lincoln Boulevard and South of Wyandotte Avenue, Oroville, CA, and desires to develop 61 units of senior affordable housing on the site (“Project”); and

WHEREAS, BCAHDC provides affordable housing opportunity to households in Butte County, including the City of Oroville; and

WHEREAS, TRG has approached BCAHDC to seek BCAHDC’s participation as non-profit Managing General Partner in the low-income housing tax credit (“LIHTC”) partnership (the “Limited Partnership”), that would develop, own and operate such affordable senior housing development in Oroville; and

WHEREAS, BCAHDC has determined it in the best interest of BCAHDC, their clients, and the community they serve to work with TRG in seeking to create affordable housing opportunity through construction of new residential units meeting the needs of low-income families in Oroville;

IT IS, THEREFORE, AGREED AS FOLLOWS:

1. TRG shall seek financing in an amount sufficient for the construction of the Project. TRG shall also use commercially reasonable efforts to obtain a commitment to purchase LIHTC on market terms. BCAHDC understands that the tax credit investor (the “Limited Partner”) may be an affiliate of TRG. TRG shall also perform any and all procedures and advance all expenses necessary to syndicate said LIHTC prior to closing. This agreement is conditional upon securing an allocation of LIHTC that TRG deems sufficient for financing of the Project.
2. TRG and BCAHDC shall work jointly to prepare and submit any financing applications required for the development of the Project. BCAHDC shall be given an opportunity to review any tax credit or other financing applications submitted for the Project. TRG shall advance any and all predevelopment funds required for the applications and will also pay any other costs incurred prior to the start of construction.
3. Provided financing sufficient for development of the Project is awarded, TRG and BCAHDC shall work jointly together to obtain all federal, state and local approvals necessary to develop

the Project, and shall further execute any and all documents and/or agreements, subject to appropriate review, as may be necessary to move the Project forward.

4. TRG shall be responsible for obtaining the services of design professionals for the design of the site plan and design of the Project. BCAHDC will be provided copies of the final plans and specifications for the Project, including all construction contracts. BCAHDC will have the right to promptly review, comment and approve such plans, specifications and contracts prior to the execution of the contracts, such approval not to be unreasonably withheld, conditioned or delayed and provided that TRG shall have the final consent right to any such documents.
5. At the initial closing of the construction loan, TRG shall be reimbursed from funding proceeds all project development expenses previously paid relating to the Project, including interest at the rate of twelve percent (12%) per annum. While it is anticipated that TRG shall advance all predevelopment costs and BCAHDC shall not be required to incur any predevelopment expenses, to the extent BCAHDC incurs any predevelopment expenses, such costs up to an aggregate of \$25,000 shall likewise be reimbursed from funding proceeds (but not in duplication of the overhead and start-up costs described below), provided BCAHDC provides TRG with reasonable back-up so that TRG can include such reimbursement request with its closing draw. Any predevelopment expenses in excess of \$25,000 shall require the written approval of TRG prior to making the expenditure. BCAHDC shall also be entitled to reimbursement in the amount of \$10,000, to be paid as of the closing of construction financing, for overhead expenses and start-up costs incurred by BCAHDC and internal staff time, for which BCAHDC shall not be required to provide back-up. TRG shall be paid a fee equal to 90% of the developer fee for the Project, and BCAHDC shall be paid a fee equal to 10% of the developer fee for the Project; such allocation shall be used for each installment or payment of the developer fee. If total financing sources are not sufficient to pay all or a portion of the developer fee earned, proceeds from cash flow shall be used until the entire fee is paid in full. Payments of any developer fees shall follow closing of the permanent loan and final tax credit syndication payments from the investor, unless sufficient financing proceeds are available at an earlier date at which time a partial payment may be made. All cost overruns shall be borne by TRG, after full deferral of the developer fee and any other fees then due to TRG and BCAHDC. BCAHDC shall be entitled to reimbursement of up to \$15,000 in legal fees at construction loan closing (if a non-profit Welfare Tax Opinion is not required), or up to \$25,000 in the event a non-profit Welfare Tax Opinion is required. TRG's or the Limited Partnership's counsel shall issue all enforceability opinions on behalf of the Limited Partnership and its general partners. Cost overruns, operating deficits and amounts needed to convert to permanent financing, all to the extent funded by TRG, shall be repaid to TRG on a priority basis (prior to developer fee and other fees due to TRG, but after payment of the annual partnership administrative fee due to BCAHDC), including interest at the rate of twelve percent (12%) per annum.
6. BCAHDC shall have the following substantial management duties, unless prohibited by a funding source, in which case the parties shall mutually agree on alternative substantial management duties:
 - (A) participates in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the limited partnership business;

- (B) executes and enforces all contracts executed by the limited partnership;
- (C) executes and delivers all partnership documents on behalf of the limited partnership; and
- (D) rents, maintains and repairs the low-income housing property, or if such duties are delegated to a property management agent, participates in hiring and overseeing the work of the property management agent;
- (E) coordinates all present and future development, construction, or rehabilitation of low-income housing property that is the subject of the limited partnership agreement.

The Managing General Partner may delegate its substantial management duties to the Administrative General Partner who, under its supervision, performs such duties for the Partnership. If the Managing General Partner elects to delegate one or more of its Substantial Management Duties, then the Managing General Partner shall maintain appropriate records to demonstrate that it is actually supervising the performance of the delegated duties. Subject to the Property Tax Rules (as hereinafter defined), the Managing General Partner shall delegate to the Administrative General Partner the duties set forth in Section 6(A), (B) and (E) above.

7. Upon completion of construction and passing of all inspections, the Limited Partnership established by an affiliate of TRG and BCAHDC during the predevelopment period, along with the Limited Partner under an amended and restated partnership agreement (together with all equity documents to be attached thereto, the "LPA"), shall thereafter own and operate the Project as an affordable housing project subject to the requirements set forth by the tax credit program and other financing agreements. All cash flow and ownership benefits, including the sale of the property shall be 100% owned by TRG. The Managing General Partner of the Project shall also receive an annual partnership administrative fee of \$6,100 (\$100 per unit per year, subject to an annual 3% escalator thereafter), subject to cash flow, commencing with the calendar year in which the Project is placed in service, to the extent the Managing General Partner has and continues to take care of the customary Manager General Partner duties. TRG, in its capacity as Administrative General Partner, shall also earn an annual partnership administrative fee of \$8,900 (subject to an annual 3% escalator thereafter), subject to cash flow, which shall be subordinate to the annual partnership administrative fee due to the Managing General Partner.

Because the success of the Partnership is dependent on the timely uninterrupted closing of the construction and equity financing, completion and lease-up of the Project, and closing on permanent financing, and because TRG will be providing all of the guarantees required for same, BCAHDC will agree not to seek or obtain legal or equitable relief against TRG or any of its affiliates in connection with this Agreement or the Project (collectively, the "Claims") prior to closing of the permanent financing for the Project and release of TRG's guarantees (the "Deferral"). The foregoing shall not constitute a waiver by BCAHDC of any cause of action it may have for events rising prior to permanent financing and release of TRG's guarantees, only a waiver by BCAHDC of its right to seek relief for such causes of action until such events have occurred. TRG hereby agrees to toll any statutes of limitations in connection with the Claims to the extent of the Deferral, and to cause any of its affiliates involved in the Project to execute a commercially reasonable document tolling such statutes of limitations in connection with the Claims upon the written request of BCAHDC. TRG agrees and acknowledges that failure to execute such document within thirty (30) days of receipt of written request from

BCAHDC shall terminate the Deferral. The form of Tolling Agreement attached to this Agreement as Attachment “A” shall be considered a commercially reasonable document.

8. Managing General Partner – BCAHDC will serve as a Managing General Partner to the Limited Partnership to be formed to own and operate the Project. Upon admittance, BCAHDC shall have all rights and obligations of a Managing General Partner under California law. Notwithstanding, the assignment, delegation or reservation of any duty or obligation under the Partnership or the Property Management Agreement, BCAHDC shall at all times be considered to be continuously and substantially involved in the management and operation of the Limited Partnership and the Project. BCAHDC shall:
 - a) Advise the Limited Partnership concerning particular requirements of low income housing rules and regulations and monitor compliance with all government regulations and file or supervise the filing of all required documents with government agencies.
 - b) Facilitate development and operation of the Project by appearance or correspondence with lenders and government bodies.
 - c) In conjunction with the Administrative General Partner execute and deliver all partnership documents on behalf of the Limited Partnership.
 - d) Participate in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the Limited Partnership business.
 - e) BCAHDC shall use its best efforts to obtain and maintain the “Welfare Tax Exemption” available to qualified low-income projects through California State Revenue & Taxation Code §§ 214(g), et seq. and related State Board of Equalization (BOE) administrative rules and rules of procedure (the “Property Tax Rules”).
 - f) BCAHDC shall also have any and all necessary authority to ensure compliance with BOE’s rulings and policies, as well as federal and state tax statutes and court rulings relating directly to the above-mentioned obligations.
9. An affiliate of TRG, Richman Property Services, Inc., a Connecticut corporation, or such other management company selected by TRG with input from BCAHDC, shall be engaged to manage the Project in accordance with commercially reasonable terms and in compliance with IRC Section 42 guidelines. BCAHDC or its affiliates may desire to provide certain management operations such as maintenance and landscaping, also on commercially reasonable terms, and in such event will discuss such services with TRG, but TRG shall have the final decision as to whether to hire BCAHDC or its affiliates for such services.
10. TRG, BCAHDC and the Limited Partnership’s Administrative General Partner (“AGP”), being an affiliate of TRG, hereby agree that if AGP has any right, option or opportunity (including under a put option by the limited partner) to acquire all or any portion of the limited partner interests in the Limited Partnership (collectively, the “AGP Interest Rights”), then immediately following the conveyance of the Limited Partner interests in the Limited Partnership to an affiliate of AGP (but on the same day), the LPA will be amended so that BCAHDC will own a 10% interest in the Partnership at no cost to BCAHDC (including, without limitation, in Net Cash Flow and proceeds from Capital Transactions).

If the AGP has the right, option or opportunity (including under a put option by the limited partner) to acquire the Project (together with the “AGP Interest Rights”, the “AGP Rights”), then immediately following the acquisition of the Project by the AGP or its assignee (“New

Owner") (but on the same day), BCAHDC will be admitted to new Owner such that BCAHDC will own a 10% interest in the New Owner (including, without limitation, in Net Cash Flow and proceeds from Capital Transactions).

BCAHDC agrees that it will not exercise any right, option or opportunity (including under a put option by the limited partner) to acquire all or any portion of the limited partner interests in the Limited Partnership or the Project (collectively, the "MGP Rights") under the LPA without providing not less than five (5) business days advance written notice thereof to the AGP. In the event that AGP exercises any of its AGP Rights following receipt of such notice, then BCAHDC shall not exercise any of its MGP Rights (or if exercised, then TRG and AGP shall have the remedies herein).

Neither BCAHDC nor AGP shall transfer or assign its rights or options under the LPA except to an affiliate assignee that acknowledges and agrees to the terms of this Section 10 in writing reasonably satisfactory to the non-transferring party. AGP and TRG shall be jointly and severally liable for their obligations under this Section 10. Notices to the AGP hereunder shall be made at the same address as TRG.

Neither BCAHDC nor AGP shall be required to contribute capital or otherwise provide funds in connection with the purchase of the Project or the interests of the Limited Partner in the Limited Partnership with respect to any of the AGP Rights; provided, however, that the AGP shall make the determination, in its sole discretion as to whether to exercise any of the AGP Rights and shall be solely responsible for arranging any financing therefor (and, in the event of the exercise of such option, BCAHDC shall be not be required to contribute capital or provide a guaranty unless BCAHDC agrees to do so in its sole and absolute discretion); and provided further that in the event the Limited Partner exercises its put option, AGP shall pay the put price and the terms above shall apply.

BCAHDC, TRG and AGP shall each have all remedies available at law and equity, including specific performance, to enforce its rights under this Section 10. In the event of any dispute among any of TRG, AGP and BCAHDC, the prevailing party/ies shall be entitled to reimbursement of reasonable attorney's fees from the non-prevailing party/ies.

The continued ownership and development of the Project by the Limited Partnership or New Owner, to the extent both TRG and BCAHDC participate in New Owner, shall be pursuant to the same terms and conditions as provided herein, including with respect to the developer and partnership management fees.

11. TRG or BCAHDC may terminate this Agreement without liability upon written notice to the other party if either party determines, in its sole discretion, that (i) the Project or the Limited Partnership is infeasible or is not in such party's best interests or (ii) that sufficient financing to develop the Project will not be awarded by December 31, 2024. In the event the Project becomes infeasible and does not close, all predevelopment costs of the Project incurred by TRG shall be the responsibility of TRG, except those costs described above incurred by BCAHDC prior to admittance of BCAHDC to the Limited Partnership.

12. BCAHDC shall not be responsible for Project “guaranties” or indemnities” to the tax credit investor, lenders and any other financial participant to the Project financing. To the extent TRG or its affiliated guarantor (for purposes of this Section 12, the “Guarantor”) is required to make a payment under a guaranty for any reason, funds which would have otherwise been distributed by the Partnership to TRG, BCAHDC, or their affiliates, as part of the distributions set forth in the Partnership Agreement, shall instead be paid to the Guarantor, to reimburse such payments, with interest at a rate equal to 12% per annum, prior to the TRG, BCAHDC, or their affiliates, receiving any further funds from the Partnership, including, without limitation, any sale and refinancing proceeds; provided, however, the foregoing shall not apply to the annual partnership administrative fee due to BCAHDC, which shall be paid prior to any such reimbursements to the extent cash flow is available. The parties acknowledge that neither TRG, nor its affiliates, will be required to guarantee any items or indemnify for any items over which such entities are not given control. TRG shall also indemnify BCAHDC for its role and participating in the Limited Partnership, unless resulting from the gross negligence or willful misconduct of BCAHDC. TRG, for itself, its subsidiaries, and affiliates agrees that BCAHDC’s liability for failure to perform any duty or obligation under this MOA, the Limited Partnership or any financing or security agreement entered into by the Limited Partnership shall be limited to BCAHDC’s interest in the Limited Partnership.
13. The Parties realize that although it is the sincere desire of each of them for the proposed Project to come completely to fruition, that there is always a degree of risk in pre-development activities and that the Parties each acknowledge that there may be certain circumstances, the occurrence of which may result in the decision that the best course of action is to terminate this Memorandum of Agreement. Such circumstances might include the inability of the Project to secure sufficient funds, LIHTC’s, or bond cap authority; the inability of the Project despite the best efforts of the Parties to obtain other necessary portions of the Project’s financing package (such as loans, or other city funding) or other causes which are not within the control of the parties to this agreement.
14. In the event such a termination is necessary for any reason by either Party, TRG and BCAHDC hereto agree that each of them shall indemnify and hold harmless the other party from any and all claims, causes of action or alleged injuries other than those caused by the gross negligence of the party seeking indemnification.
15. The Parties agree and understand that in all other respects each of them shall move forward and negotiate in good faith all issues necessary to plan the structure and financing of the above-mentioned affordable housing apartment complex.
16. Formal notices, demands, and communications among the Parties shall not be deemed given unless dispatched by certified mail, return receipt requested, by facsimile delivery with correct answerback received, by electronic mail or by reputable delivery service with a delivery receipt, to the Parties' principal offices as follows:

BCAHDC: Butte County Affordable Housing Development Corporation
2039 Forest Avenue
Chico, CA 95928
Attention: Edward S. Mayer, President

Telephone: (530) 895-4474 x 215
Fax: (530) 895-4459
Email: edm@butte-housing.com

TRG:

The Richman Group of California Development Company LLC
777 West Putnam Avenue
Greenwich, CT 06830
Attn: Kristin M. Miller
Telephone: (203) 869-0900
Email: millerk@richmancapital.com;

The Richman Group of California Development Company LLC
2727 Newport Blvd., Suite 203
Newport Beach, CA 92663
Attn: Rick Westberg
Telephone: (949) 612-7293
Email: westbergr@richmancapital.com

[Remainder of Page Intentionally Left Blank – Signatures Contained on Following Page]

IN WITNESS WHEREOF, the parties hereto executed this Agreement as of the date first written above.

THE RICHMAN GROUP OF CALIFORNIA
DEVELOPMENT COMPANY LLC, a California
limited liability company

By: _____
Name: _____
Title: _____

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION

By: _____
Edward S. Mayer, President

Attachment “A”

Form of Tolling Agreement

TOLLING AGREEMENT

This Tolling Agreement (hereinafter, this “Agreement”) is entered into between [TRG Entity] (hereinafter “TRG”), and Butte County Affordable Housing Development Corporation (hereinafter “BCAHDC”) (TRG and BCAHDC may be referred to collectively hereinafter as the “Parties”, or individually as a “Party”).

RECITALS

WHEREAS, TRG and BCAHDC are partners in Richman Oroville Senior Apartments, LP (the “Partnership), which has been formed to acquire, develop and construct a multifamily project in Oroville, California, known as “ _____ ” (hereinafter the “Project”);

WHEREAS, [describe matter at issue] which the Parties have agreed will be tolled until certain benchmarks described in Section ___ of [name of agreement] have been met (the “Benchmarks”);

WHEREAS, in order to preserve the status quo until the Benchmarks are met, the Parties therefore wish to toll all applicable statutes of limitations, statutes of repose, doctrines of laches, estoppels, waivers, and/or under any other time-related defenses and/or equitable doctrines regarding any claims they might otherwise have against the other with respect to the Project;

NOW, THEREFORE, in consideration of the promises, covenants and agreements made in this Agreement, the execution hereof, the above recitals which are incorporated herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereby agree as follows:

1. Tolling Period. The Parties agree that the running of any and all notices, applicable statutes of limitations, statutes of repose, doctrines of laches, estoppels, waivers, and/or any other notice or time-related defense and/or equitable doctrine which may apply to any and all of their rights, claims or causes of action against each other and any of their parent, related or affiliate corporations concerning, relating to, or arising out of the Project, shall be suspended and tolled as of (and including) _____ (hereinafter “Effective Date”), until (and including) _____ (hereinafter “End Date”) unless first terminated in accordance with Paragraph 2, and shall not commence to run again as to any party to this Agreement until the day after the End Date or until ten (10) days after the Agreement is terminated, whichever comes first. This Agreement covers any and all causes of action, whether grounded in tort, indemnity, warranty, breach of contract, statute, or otherwise.

2. Termination of Agreement. A Party may terminate this Agreement by serving written notice to the other in accordance with Paragraph 3, no less than ten (10) days prior to the desired termination date. This Agreement will otherwise terminate automatically on the End Date. Upon termination of this Agreement, the “Deferral” under Section 7 of the Memorandum of Agreement between The Richman Group of California Development Company LLC and BCAHDC entered into on ____, 2023, shall also terminate.

3. Notice. Any notice to be provided in connection with this Agreement shall be delivered by overnight mail service by national overnight courier (*e.g.*, FedEx, UPS, USPS Overnight), with copy by email, and addressed as follows to the recipients and addresses below. Notice is effective two business days after it is deposited with a national overnight courier for overnight delivery.

As to TRG:

Heather Toft, Esq.

As to BCAHDC:

Henry Loh, Esq.

Nelson Mullins Riley & Scarborough
LLP
390 North Orange Ave., Suite 1400
Orlando, FL 32801
heather.toft@nelsonmullins.com

Carle, Mackie, Power & Ross LLP
100 B St., Ste. 400
Santa Rosa, CA 95401
hloh@cmprlaw.com with a copy to
thardy@cmprlaw.com

4. Covenant Not to Assert Certain Defenses. The Parties hereto represent and warrant that the terms, extent and duration of this Agreement are reasonable and that they will not challenge or contest the authority of the Parties to agree to suspend the running or tolling of the statute of limitations, and statute of repose and no party hereto will assert the defense of any otherwise applicable statute of limitations or repose, laches period, or other time-related defense against any party to this Agreement to the extent inconsistent with the scope of this Agreement. However, nothing in this Agreement shall constitute a waiver of any other defense, including but not limited to any statute of limitations or time-related defense that may have accrued prior to the Effective Date. Only the period from (and including) the Effective Date to (and including) the End Date, and any subsequent renewal period, or such shorter period of time if the tolling period is shortened by termination of this Agreement, shall be excluded for any calculation of any applicable statute of limitations or time-related defense. The terms of this Paragraph shall survive any termination of this Agreement.

5. No Admission. This Agreement shall not be construed as an admission by any Party that valid claims or defenses exist against that Party.

6. Successors in Interest. This Agreement will be binding and effective with respect to any successor in interest of the Parties.

7. Applicable Law. The Parties mutually agree that this Agreement shall be governed by California law.

8. Entire Agreement. This document constitutes the entire agreement of the Parties hereto and supersedes any written or oral agreements previously made by and between these parties concerning the tolling of limitation periods or repose periods on any claims identified herein. This Agreement may be amended or modified only by a written agreement signed by the Parties.

9. Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but also which together will constitute one and the same instrument.

10. All Parties have participated or had the opportunity to participate in the drafting of this Agreement. Accordingly, the Parties agree that the rule of construction, which typically allows ambiguities in an agreement to be construed against the drafting party shall not be employed in the interpretation of this Agreement.

11. The Parties each represent that the other Party has made no promise, inducement, or agreement regarding the subject matter of this Agreement that has not been duly expressed herein. The terms of this Agreement are contractual in nature and not mere recitals.

12. If any Party to this Agreement breaches this Agreement, the aggrieved Party may file a lawsuit for breach of contract, file a motion to enforce this Agreement, and terminate this Agreement.

13. In the event of any controversy, claim, or dispute following the date of this Agreement, in connection with or relating to this Agreement, or the subject matter hereof, the prevailing party shall be entitled to recover all costs and expenses (including, but not limited to, reasonable attorneys' fees) incurred by the prevailing party in connection therewith.

IN WITNESS WHEREOF, the Parties have executed this agreement on the dates indicated

below.

TRG

BCAHDC

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

EXECUTED: _____, 202__

EXECUTED: _____, 202__