

RESOLUTIONS 67-2022
BOARD OF COMMISSIONERS OF
WASHINGTON COUNTY, COLORADO

The undersigned, as Chair of the Board of Commissioners of Washington County, Colorado, a political subdivision of the State of Colorado (the "County"), hereby certifies that the Board of Commissioners of the County (the "Board") adopted the following resolutions by action of the Board to be effective as set forth below:

WHEREAS, the County has established Washington County Nursing Home as an enterprise of the County ("WCNH"); and

WHEREAS, WCNH and WC Housing and Health Care Access, a Colorado nonprofit corporation ("WCHHCA") have formed and are the sole members of Washington County Green House, LLC, a Colorado limited liability company ("Green House LLC"), and the County has leased certain real estate (the "Property") to Green House LLC, pursuant to a Ground Lease dated May 19, 2015 (the "Ground Lease"), with the intent that Green House LLC would develop and construct a skilled nursing facility (the "Facility") on the property;

WHEREAS, Green House LLC, Impact CDE 52 LLC, a Delaware limited liability company ("Impact CDE") and CNMC Sub-CDE 80, LLC, a Delaware limited liability company ("CNMC CDE," and together with Impact CDE, the "CDEs") entered into that certain Loan Agreement dated as of May 29, 2015 (the "QLICI Loan Agreement"), pursuant to which Impact CDE and CNMC CDE agreed to make a loan in the aggregate principal amount of \$9,640,000 (the "QLICI Loan") to Green House LLC. The QLICI Loan is evidenced by the promissory notes described in Appendix I (collectively, the "QLICI Notes") and secured by a deed of trust and assignment of leases and rents (the "Security Documents"); and

WHEREAS, the proceeds of the QLICI Loan were used by Green House LLC to, among other things, bring about the acquisition, financing, construction, improvement and equipping of the Facility; and

WHEREAS, on May 29, 2015, Capital Impact Partners, made two loans, in the amounts of \$2,483,910 and \$2,000,000, respectively (collectively, the "Senior Leverage Loan"), to CHASE NMTC Washington County Green Homes Investment Fund, LLC, a Delaware limited liability company (the "Investment Fund"), substantially all of the proceeds of which were contributed by the Investment Fund to the CDEs to fund a portion of the QLICI Loan; and

WHEREAS, on or about May 29, 2015, the County entered into agreements with The Colorado Health Foundation and The State of Colorado, through the Department of Local Affairs for the benefit of the Division of Housing, pursuant to which it borrowed funds in the original principal amounts of \$550,000 (the TCHF Loan") and \$1,275,000 (the CDOH CHIF Loan"), respectively, the proceeds of which were used to fund a portion of the Junior Leverage Loan (as described below); and

WHEREAS, on May 29, 2015, the County made loans in the aggregate principal amount of \$2,128,039 (the "Junior Leverage Loan") to the Investment Fund, substantially all of the proceeds of which were contributed by the Investment Fund to the CDEs to fund a portion of the QLICI Loan; and

WHEREAS, upon completion of construction of the Facility, pursuant to a Facilities Management Agreement dated May 29, 2015 (the "Management Agreement"), Green House LLC engaged WCNH to manage the Facility; and

WHEREAS, in connection with the NMTC Financing, the County and Green House LLC were required to enter into certain indemnification and guaranty agreements for the benefit of JPMorgan Chase Bank, N.A., a national banking association ("JPMC") covering matters requested by JPMC, including indemnities and guarantees relating to qualification for and recapture of the new market tax credits, which shall remain in place notwithstanding the transactions described below; and

WHEREAS, the parties to the NMTC Financing contemplate that, on or about June 1, 2022, (i) each of Chase Community Equity, LLC (the "Investor"), the Investment Fund, the Lenders, the managers of each of the Lenders, Green House LLC, WCNH and the county will enter into a certain NMTC Exit Agreement (the "Exit Agreement") relating to the transactions described below, (ii) the County will enter into that certain Fund Interest Purchase Agreement (the "Purchase Agreement") by and among the County, WCNH, the Investment Fund, and the Investor, pursuant to which the County will purchase from the Investor 100% of the membership interests in the Investment Fund, and (iii) each of the Lenders and the Investment Fund will enter into a certain Agreements pursuant to which Lenders will assign and transfer to the Investment Fund all of the rights, title and interests of Lenders in and to QLICI Loan in redemption of the Investment Fund's interest in each of the Lenders (the "QLICI Lender Assignment") (the transactions described in clauses (i) through (iii) above are collectively referred to as the "Unwind", and the Exit Agreement, the Purchase Agreement, the County QLICI Loan Assignment, and every other document, instrument and agreement executed or delivered in connection with the Unwind are collectively referred to as the "Unwind Documents"); and

WHEREAS, following the Unwind, the County will acquire all of the interests of WCHHA and WCNH in Green House LLC, and Green House LLC will then liquidate, and will transfer all of its assets, subject to all of its liabilities, to the County, which will then become the obligor under the QLICI Notes, and Green House LLC and WCNH will terminate and release each other from all obligations under the Ground Lease and the Operating Lease; (collectively, the "Green House LLC Liquidation"), with the result that the County will become the owner of all of the interests in the Property and the Facility; and

WHEREAS, following the consummation of the transactions contemplated by the Exit Agreement and the Purchase Agreement, the County, as the sole owner of the Investment Fund, wishes to (i) terminate the existence of the Investment Fund and (ii) liquidate the Investment Fund such that the County may (A) receive all assets of the Investment Fund, including the QLICI Loan, in part in satisfaction of the obligations of the Investment Fund to the County under the Junior Leverage Loan and in part in consideration of the County's ownership interest in the Investment Fund, and (B) assume all of the obligations of the Investment Fund, including the Senior Leverage Loan, by entering into that certain Assignment and Assumption Agreement, that certain Assignment of Deed of Trust and that certain Assignment of Assignment of Losses and Rents, and (iii) following the completion of all other transactions, the Investment Fund will be dissolved and a certificate of cancellation will be filed with the Delaware Secretary of State (collectively, the "Fund Liquidation Documents") (the transactions described in clauses (i), (ii) and (iii) above are referred to as the "Fund Liquidation"), with the result that the County

will become the obligor on the Senior Leverage Loan and the QLICI Loan will be deemed satisfied; and

WHEREAS, in order to repay the Senior Leverage Loan, the TCHF Loan and the CDOH CHIF Loan, the County has separately authorized a lease purchase of the Facility, which will take place following the Fund Liquidation and the Green House LLC Liquidation, and pursuant to which the County will receive proceeds in the approximate amount of \$4,935,000, and the County will then repay the outstanding balance of the Senior Leverage Loan, the TCHF Loan and the CHIF Loan (collectively, the "Loan Repayment"); and

WHEREAS, in connection with the Green House LLC Liquidation and the Fund Liquidation, and in connection with the Loan Repayment, the Security Documents will be released; and

WHEREAS, the Unwind, the Green House LLC Liquidation, the Fund Liquidation, the Loan Repayment and the release of the Security Documents, including all documents evidencing such transactions, are referred to as the "Transactions"; and

WHEREAS, the Board believes it to be in the best interests of the County to enter into the Transactions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WASHINGTON COUNTY, COLORADO:

1. All actions previously taken by the Board and the officers of the County and WCNH directed toward the acquisition, financing, construction, and operation of the Facility and the Transactions are hereby ratified, approved and confirmed.

2. The County, on its own behalf, on behalf of WCNH, and in its capacity as manager of and on behalf of Green House LLC, is authorized to carry out the Transactions, including executing and delivering the Unwind Documents, the documents to give effect to the Green House LLC Liquidation, and Fund Liquidation and the Loan Repayments, and all other agreements, instruments, and other documents, whether necessary, advisable or convenient to carry out the Transactions.

3. The County, on its own behalf, on behalf of WCNH, and in its capacity as manager of and on behalf of Green House LLC, is hereby authorized to take such additional steps as are reasonably necessary or desirable to complete the Transactions.

4. The members of the Board and the officers of the County shall take all action necessary or reasonably required to effectuate the provisions thereof and shall take all action necessary or desirable to carry out the transactions contemplated by this resolution, including without limitation, the execution and delivery of any agreements or certificates necessary or desirable to accomplish the Transactions, or other closing documents to be delivered in connection therewith.

5. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

6. Orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

7. This resolution shall take effect immediately upon passage and shall continue in full force and effect until these resolutions have been revoked or terminated.

PASSED AND ADOPTED at a meeting of the Board of Commissioners duly called and held this 27 day of May, 2022.

**BOARD OF COUNTY COMMISSIONERS
WASHINGTON COUNTY, COLORADO**



Kent Vance, Chairman



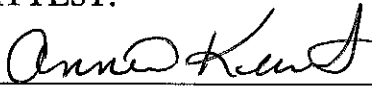
Tony Wells, Commissioner



Lea Ann Laybourn, Commissioner



ATTEST:



Annie Kuntz, Clerk to the Board