



Resolutions

Monday, May 11, 2026

- **Resolution 2026-23: Approval of Joint Venture Approval - Hazel Mill**
- **Resolution 2026-24: Approval of Joint Venture Approval - Sweeten Creek**



165 S. FRENCH BROAD AVE.,
ASHEVILLE, NC 28801
(828) 258-1222
HACA.ORG

RESOLUTION NO. 2026-23

RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE HOUSING AUTHORITY OF THE CITY OF ASHEVILLE AND BLUE RIDGE ATLANTIC DEVELOPMENT LLC REGARDING THE DEVELOPMENT OF THE APEX ON HAZEL MILL PROJECT

WHEREAS, Blue Ridge Atlantic Development LLC, d/b/a Blue Ridge Cascade, is a Florida-based experienced affordable housing developer (the "Developer");

WHEREAS, the Developer has entered into an agreement to acquire or has acquired certain real property located at 383 North Louisiana Avenue, Asheville, North Carolina, and intends to construct on the property an affordable multi-family housing apartment project consisting of eighty-nine (89) residential units, to be commonly known as "Apex on Hazel Mill" (the "Project");

WHEREAS, it is proposed that the Project be rent- and income-restricted, targeting households earning between thirty percent (30%) to seventy percent (70%) of the area median income;

WHEREAS, it is proposed that the Project will be primarily financed with 4% low-income housing tax credits, regarding which, the Housing Authority of the City of Asheville ("AHA") would be the issuer of the related multifamily housing revenue bonds;

WHEREAS, it is proposed that the Project include up to twenty percent (20%) but not less than eighteen (18) project based vouchers provided by AHA;

WHEREAS, the developer is interested in entering into a joint venture with AHA, including AHA-non-profit affiliate Asheville Housing Development, Inc., whereby the parties will develop the Project pursuant to the terms and conditions of that certain non-binding memorandum of understanding by and between the Developer and AHA, attached hereto as *EXHIBIT A*, which shall be subsequently memorialized into a more definitive agreement(s) in connection with the Project closing (the "Memorandum of Understanding");

WHEREAS, the Memorandum of Understanding has been shared and discussed with the Board of Commissioners at this meeting; and

WHEREAS, AHA has determined it to be in its best interest to authorize and approve the Memorandum of Understanding to effectuate the purposes of this resolution.



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NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of AHA as follows:

Section 1. Authorization and Approval of the Memorandum of Understanding. The Memorandum of Understanding is in all respects authorized, approved, consented to and confirmed. The Chief Executive Officer or appointed designee is hereby authorized to execute and deliver the Memorandum of Understanding in such final form as deemed appropriate, and to do any and all other things necessary to carry out the intent and purposes of this resolution, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the Board of Commissioners.

Section 2. General Authorization. The Chief Executive Officer or appointed designee is authorized to take or cause to be taken any and all such action in the name and on behalf of AHA as may be determined in discretion to be necessary or advisable in order to effectuate, complete and carry out the intent and purposes of this resolution.

Section 3. Ratification. All reasonable and necessary actions taken by the Chief Executive Officer in connection with the Memorandum of Understanding, as contemplated in the foregoing resolutions and prior to the effective date of this Resolution, are hereby ratified and confirmed.

Section 4. Effective Date. This Resolution shall be effective upon its adoption.

ADOPTED this the 11th day of May, 2026



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RECORDING OFFICER'S CERTIFICATION

I, Ella Santos, the duly appointed Secretary of the Housing Authority of the City of Asheville, do hereby certify that Resolution No. **2026-23** was properly adopted at a Special meeting held on **May 11, 2026**.

By: 
Ella Santos, Secretary

(SEAL)

MEMORANDUM OF UNDERSTANDING
(APEX ON HAZEL MILL)

THIS MEMORANDUM OF UNDERSTANDING (the “MOU”) is entered into as of May 11, 2026 (the “Effective Date”) by and between Housing Authority of the City of Asheville, a public body and a body corporate and politic under North Carolina law (“HACA”) and Blue Ridge Atlantic Development LLC d/b/a Blue Ridge Cascade, a Florida limited liability company (“Developer”). HACA and Developer may be referred to each individually as a “Party” and collectively as the “Parties”. The term HACA, as used herein, may also include a wholly owned affiliate or instrumentality of HACA.

RECITALS

WHEREAS, Developer or its affiliate is the contract purchaser of real property located at 383 North Louisiana Avenue, Asheville, North Carolina 28806 (the “Site”), such Site being more particularly described on Exhibit A attached hereto;

WHEREAS, the Parties intend to collaborate in developing an affordable multifamily rental apartment community consisting of approximately eighty-nine (89) new construction residential units (the “Units”) at the Site where certain Units will be rent- and income-restricted, targeting households earning between thirty percent (30%) to seventy percent (70%) Area Median Income (AMI) (the “Project”); and

WHEREAS, the Parties wish to enter into this non-binding MOU (except as expressly set forth herein) to memorialize expectations and plan next steps prior to entering into the Transaction Documents (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Purpose of MOU. The Parties agree that this MOU is not intended to be a binding contract between the Parties and is not intended to impose any obligation whatsoever on any Party, express or implied, nor constitute any enforceable agreement, promise or commitment. The Parties further agree that this MOU is intended solely as an outline of proposed terms and conditions for one or more agreements (the “Transaction Documents”) that will address, among other items, the following with respect to the Project: (i) the responsibilities of the Parties; (ii) Economic Interests (as defined below) of and allocation(s) between the Parties; and (iii) under what conditions the Parties may terminate their relationship. The Transaction Documents shall be subject to each Party’s approval. The Parties (and their affiliates) shall negotiate the Transaction Documents and all other instruments, agreements, and documents related to the Project that the Parties are both parties to (the “Closing Documents”) in good faith.

2. Joint Development and Ownership. Developer and HACA intend to jointly participate in the development of the Project consisting of (a) the land (the “Land”) and (b) all buildings and improvements existing and/or to-be-constructed thereon (the “Improvements”). The Project will be owned by BRC Apex on Hazel Mill, LLC, a North Carolina limited liability company (the “Project Owner”). The manager or managing member (as applicable) of the Project Owner (the “Project Managing Member”) shall be comprised of two (2) members: (i) a to be formed limited liability company that is wholly owned by HACA or a non-profit affiliate of HACA (“HACA Member”); and (ii) Developer or its affiliate (“Developer Member”). HACA Member and Developer Member shall be co-managers of the Project Managing Member. The ownership interests of the Project Managing Member shall be split between HACA Member and Developer Member as follows: (A) fifty-one percent (51%) for HACA Member; and (B) forty-nine

percent (49%) for Developer Member. Notwithstanding anything herein to the contrary, (x) the Parties acknowledge that this ownership structure may change based on the requirements of the funders of the Project (including, but not limited to, any tax credit investor) (the “Project Funders”) and to secure a property tax abatement/exemption for the Project, and (y) each Parties’ share of Project cash flow, Developer Fee, and any deferred Developer Fee may not equal such Party’s respective ownership interests in the Project Managing Member (the “Economic Interests”). The Parties’ Economic Interests will be addressed in the Project Owner operating agreement, the Project Managing Member operating agreement, and/or the Transaction Documents. In the event the Project is not financially feasible or cannot acquire the contemplated financing under the contemplated structure, then the Parties shall revisit the ownership structure and may renegotiate any items contemplated herein, in good faith.

3. [Reserved].

4. Roles and Responsibilities. The Parties intend that the Transaction Documents will assign roles and responsibilities among the Parties for each phase of the Project, which shall be substantially as follows:

A. Developer. Developer shall be responsible for the following:

- (i) Working closely with community stakeholders in connection with the Project;
- (ii) Preparing and implementing an initial project budget, including sources and uses for the Project, and updating the project budget as Developer deems necessary throughout the term of the Transaction Documents. The initial project budget and any subsequent updates shall be subject to HACA’s review and written approval, which approval shall not be unreasonably withheld, conditioned, or delayed;
- (iii) Preparing and implementing an initial project schedule and updating the project schedule as Developer deems necessary throughout the term of the Transaction Documents. The initial project schedule and any subsequent updates shall be subject to HACA’s review and written approval, which approval shall not be unreasonably withheld, conditioned, or delayed;
- (iv) Developing and implementing a viable financing plan, including, but not limited to, (1) preparing and submitting financing applications for the development of the Project, and (2) securing and closing on all financing necessary for the Project. Said financing plan shall be subject to HACA’s review and written approval, which approval shall not be unreasonably withheld conditioned, or delayed;
- (v) Using its best efforts to apply for and obtain an allocation from the North Carolina Housing Finance Agency (“NCHFA”) of 4% low-income housing tax credits (“LIHTCs”) for the Project issued pursuant to Section 42 of the Internal Revenue Code, as amended (the “Code”); provided, however, HACA shall support such efforts as requested by Developer from time to time. Developer shall take the lead with respect to closing on the LIHTCs and any other Project financing with HACA’s full participation, cooperation, and support;

- (vi) Providing all applicable guaranties in connection with the Project as described in Section 8 below;
- (vii) Providing status reports to HACA on the development progress through Project stabilization, including work completed and any budgeting or scheduling updates;
- (viii) Obtaining any environmental or geotechnical reports or market studies necessary for development of the Project, and promptly sharing copies of any such reports with HACA;
- (ix) Procuring a general contractor, architect, engineer, and all other consultants and third-party contractors Developer determines are necessary or convenient to develop the Project subject to HACA's review and written approval, which approval shall not be unreasonably withheld, conditioned, or delayed.
- (x) Leading all efforts related to obtaining any required governmental approvals, entitlements, and permits related to the Project, subject to HACA's review and written approval, which approval shall not be unreasonably withheld, conditioned, or delayed;
- (xi) Overseeing the design and construction of the Project. The initial site plan and any material changes thereto shall be subject to HACA's review and written approval, which approval shall not be unreasonably withheld, conditioned, or delayed;
- (xii) Obtaining, or causing the Project's construction or permanent lender to obtain, an appraisal of the Project; and
- (xiii) Developing the Project in full compliance with all applicable federal, state, and/or local laws and regulations.

HACA acknowledges that the timeliness of HACA's response to submittals for financing, design, construction, and other material decision points will be crucial to the Developer's ability to meet the performance milestones in this MOU and in the Transaction Documents. Developer acknowledges that HACA has a material interest in receiving, within a commercially reasonable time, any submittal for which its review and approval are required hereunder. Therefore, with respect to any submittal for which HACA's review and approval is expressly required by this MOU, Developer shall provide HACA with a written request for review and approval, including supporting documents, materials, and information reasonably necessary for HACA to consider said submittal ("Request Notice"). HACA shall have eight (8) business days after delivery by Developer of each Request Notice to provide its written approval or written denial to Developer. If HACA fails to respond to a Request Notice within eight (8) business days of delivery by Developer, HACA shall be deemed to have approved said submittal effective on the ninth (9th) business day after the delivery of such Request Notice.

B. *HACA*. HACA shall be responsible for the following:

- (i) Allocate project-based vouchers rental assistance ("PBVs") for up to twenty percent (20%) of the total residential units in the Project (but in any event, no less than eighteen (18)) for a minimum term of twenty (20) years;

- (ii) Collaborating with Developer on compiling all materials necessary for the United States Department of Housing and Urban Development (“HUD”) subsidy layering review for the Project. HACA shall be responsible for submitting the completed subsidy layering review package to the appropriate HUD office and for promptly communicating to Developer any updates, action items, or requests for more information from said HUD office.
- (iii) Working closely with community stakeholders in the Project, including Developer representatives, community members, and state and local entities;
- (iv) Working with Developer as a partner in the development process;
- (v) Assisting Developer and its consultants to develop a viable financing plan, and assisting in the preparation of necessary financing applications and securing all necessary financing;
- (vi) During the construction phase of the Project, assisting Developer in providing training and employment opportunities to local individuals;
- (vii) Collaborating with Developer to facilitate community engagement;
- (viii) Working with the development team to obtain all required regulatory approvals and permits related to this development;
- (ix) Participating in the Project as a majority interest partner to facilitate the property tax exemption per state law and federal regulations;
- (x) Assisting in obtaining materials required for LIHTC applications; and
- (xi) Actively participate in construction management.

Each of the Parties acknowledges that staffing discrepancies and other factors may require that the Parties perform services on a more active basis than the other Party. Except as otherwise expressly provided in this MOU, Developer shall have the authority to make all decisions with respect to the development, financing, construction, and operation of the Project, subject to consultation with HACA prior to making any such major decision.

5. Term of MOU. Unless otherwise terminated as provided herein, the term of this MOU shall begin on the Effective Date and end when superseded by the Transaction Documents or until April 30, 2027, at 11:59 PM ET, whichever occurs first (the “Term”).

6. Development Fees. The fee paid by the Project Owner to the Developer for developing the Project (the “Developer Fee”) will be allocated amongst the Parties as set forth in the Transaction Documents, which shall provide, among other things: (i) that Developer shall receive eighty percent (80%) of the Developer Fee; and (ii) that HACA shall receive twenty percent (20%) of the Developer Fee.

7. [Reserved].

8. Guaranties. The Parties agree that Developer (and/or its affiliates) will be liable for all financial guaranties, including but not limited, the construction completion guaranty, construction loan guaranty, tax credit adjusters, operating deficit guaranty, environmental and loan funding guarantees (collectively, the “Guaranties”) so long as Developer has a membership interest in the Project Managing Member, subject to the final terms of the Transaction Documents and Closing Documents.

9. Party Expenses. The Parties agree that each party shall be responsible for its own corporate overhead during the term of this MOU and the Transaction Documents. Owner shall be responsible for all fees and costs incurred by HACA in connection with the Project. Said fees and costs shall be paid in full by Project Owner no later than the earlier of the Project financing closing date or the discontinuation of the Project as currently structured.

10. Cash Flow. Developer shall receive eighty percent (80%) of Project cash flow payable to the Project Managing Member and HACA shall receive twenty percent (20%) of Project cash flow, the allocation of all fees subject to Project Funders’ approvals.

11. Property Management. Notwithstanding anything herein to the contrary, Developer will take the lead with respect to the selection and supervision of any property manager, subject to HACA’s participation and consent, which shall not be unreasonably withheld, conditioned, or delayed.

12. Proposed Financing. The Parties anticipate that financing for the Project may include, but not necessarily limited to the following sources:

- i. project-based voucher subsidies;
- ii. tax-exempt bonds;
- iii. Community Development Block Grant (CDBG) funding from NCHFA;
- iv. Self-Help Credit Union gap financing funds; and
- v. LIHTCs.

13. Right of First Refusal. Following the end of the initial compliance period (as “compliance period” is defined in Section 42 of the Code, as amended) for the Project, HACA shall have a right of first refusal (a “ROFR”) to acquire (i) the fee simple interest in the Project, and (ii) Developer’s interest in the Project Managing Member, for fair market value and subject to the consent of the Project Funders. The specific terms of the ROFRs shall be outlined in the Project Managing Member’s operating agreement and/or other Transaction Documents, as determined and agreed to by the Parties.

14. HACA Bond Financing. It is contemplated that HACA will issue its tax-exempt private activity bonds for the Project. HACA shall earn fees for the issuance of bonds and additional fees for the on-going reporting activities related to the bonds. Such fees shall be equal to a bond issuance fee equal to one percent (1%) of the aggregate amount of the bonds due and payable at the financial closing (the bond issuance), and 0.125% of the outstanding aggregate amount of the bonds as an annual ongoing monitoring fee.

15. Compliance with Applicable Legal Requirements. The Parties agree to comply with all applicable federal, state, or local laws and regulations in connection with the development of the Project.

16. Status Reports and Information. Developer shall use its best efforts to timely submit to HACA such commercially standard reports and information regarding the status of the Project as HACA may reasonably request from time to time.

17. Notices. All notices, requests, demands, approvals, or other communications given hereunder or in connection with this MOU shall be in writing and shall be deemed given when dispatched by (1) reputable overnight express delivery service (e.g., FedEx), (2) email, or (3) personal delivery, addressed as follows (provided, that any time period for responding to any such communication shall not begin to run until such communication is actually received or delivery is refused):

If to HACA: Housing Authority of the City of Asheville
165 South French Broad Avenue
Asheville, North Carolina 28801
Attention: Chief Executive Officer
Email: esantos@haca.org

With copies which shall not constitute notice, to:

The Banks Law Firm, P.A.
4309 Emperor Boulevard, Suite 110
Research Triangle Park, North Carolina 27703
Attn: Eric Pristell
epristell@bankslawfirm.com

If to Developer: Blue Ridge Cascade
6752 Parker Farm Drive, Suite 100
Wilmington, North Carolina 28405
Attn: Chris Eisenzimmer ; Sam Weldon
Email: ceisenzimmer@blueridgecascade.com ;
sweldon@blueridgecascade.com

With copies which shall not constitute notice, to:

Arnall Golden Gregory LLP
171 17th St NW, Suite 2100
Atlanta, Georgia 30363
Attn: Althea J.K. Broughton, Esq. ; Apollo B. Liu, Esq.
Email: althea.broughton@agg.com ; apollo.liu@agg.com

18. Assignment of MOU. Unless otherwise provided in this Section, no assignment of the rights or benefits and no delegation of the duties provided in this MOU may be made without the written consent of the non-assigning or non-delegating party, whose consent shall not be unreasonably withheld; provided, however, the Parties may subcontract certain of the services to be performed by and under this MOU, but such subcontract shall not be construed to constitute a novation of this MOU and any subcontracting party shall still retain responsibility for its performance under this MOU. Developer acknowledges and agrees that HACA may transfer its rights and duties under this MOU to a wholly owned subsidiary or related entity of HACA provided that such entity complies with all the provisions and limitations thereof. HACA acknowledges and agrees that Developer may transfer certain of its rights and duties under this MOU to a subsidiary or related entity of Developer provided that such entity complies with all the provisions and limitations thereof.

19. Acknowledgment of Other Obligations. Each of the Parties recognizes that it may incur obligations under other agreements to provide services to the Project and/or the Project Owner. Each of them shall devote such time and effort as is necessary to carry out its responsibilities under this MOU but shall not be required to devote their full time, attention or energies to the performance of such duties.

20. Savings Clause. If one or more provisions of this MOU or any application of any provision shall be deemed or declared to be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of this MOU shall in no way be affected or impaired.

21. Modification. This MOU shall not be changed, modified, or amended except by a writing signed by the parties hereto.

22. No Third-Party Beneficiaries. There shall be no actual or intended third-party beneficiaries to this MOU.

23. Binding Nature. This MOU shall be non-binding on the Parties except to the extent that each Party shall be obligated to participate in the development process in good faith and negotiate the terms and conditions of the Transaction Documents and Closing Documents also in good faith. Notwithstanding anything herein this MOU to the contrary, in the event of a conflict between this MOU and the Transaction Documents and/or Closing Documents (as applicable) the Transaction Documents and/or Closing Documents shall supersede the terms of this MOU.

24. Waiver. No failure on the part of any party to exercise, and no delay in exercising, any right, and no failure on the part of any party to insist upon strict performance of any term or provision hereof shall operate as a waiver of any of such parties' rights hereunder, nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right. No waiver by any party of any condition or event of default shall constitute a waiver of any subsequent condition or event of default.

25. Counterparts. This MOU may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same agreement.

26. Governing Law. This MOU shall be governed by and construed in accordance with the laws of the State of North Carolina except to the extent the adjudication of the claim is preempted by federal law. In the event of litigation, the parties agree that venue for the prosecution of any state court proceeding shall be Buncombe County, North Carolina, and any federal court proceeding shall be the Western District of North Carolina.

[SEPARATE SIGNATURE PAGE FOLLOWS]

The parties hereto have executed this MOU as of the Effective Date.

HACA:

HOUSING AUTHORITY OF THE CITY OF ASHEVILLE, a North Carolina public body and body corporate and politic

By: 

Name: Elias Santos
Title: Chief Executive Officer

DEVELOPER:

BLUE RIDGE ATLANTIC DEVELOPMENT LLC D/B/A BLUE RIDGE CASCADE, a Florida limited liability company

By: _____
Name: Christopher Eisenzimmer
Title: President

EXHIBIT A

Property Description

All that certain lot or parcel of land situated in the City of Asheville, Buncombe County, North Carolina and more particularly described as follows:

BEGINNING at a stake at the intersection of Hazel Mill Road with Louisiana Avenue Extension and runs thence with the east margin of Louisiana Avenue Extension, South 21° 39' West 187.6 feet to a stake; thence continuing with said margin of said Avenue, South 07° 43' West 269 feet to a stake; thence leaving said margin of said Avenue, South 78° 15' East 331.6 feet to a stake; thence North 21° 00' East 201 feet to a stake in the corner of the Jack Price lot; thence with the Jack Price Line, North 59° 51' West 132 feet to a stake; thence continuing with the said Price line, North 13° 28' East 256.6 feet to an iron pipe in the southern margin of Hazel Mill Road; thence with the south margin of Hazel Mill Road, North 88° 12' West 243 feet to the BEGINNING, containing 3.3 acres, more or less.

PIN 963829136300000

