

**HARRISONBURG CITY COUNCIL RESOLUTION APPROVING
THE ISSUANCE BY THE HARRISONBURG REDEVELOPMENT
AND HOUSING AUTHORITY OF ITS MULTIFAMILY
RESIDENTIAL RENTAL AFFORDABLE HOUSING FACILITY
REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION AND
EQUIPPING OF THE APPROXIMATELY 102 UNIT BELLWOOD
CROSSING MULTIFAMILY HOUSING FACILITY LOCATED IN
CHESTERFIELD COUNTY, VIRGINIA**

WHEREAS, the Harrisonburg Redevelopment and Housing Authority (the “Authority”), was created pursuant to the Virginia Housing Authorities Law (the “Act”), Chapter 1, Title 36, Code of Virginia of 1950, as amended (the “**Virginia Code**”), and is now existing and operating as a public body corporate and politic; and,

WHEREAS, the Act empowers the Authority to issue its notes or bonds in accordance with the provisions of the Act for the purpose of making loans for the prevention and elimination of slum or blighted areas, for assistance in the acquisition, construction or rehabilitation by private sponsors of affordable housing projects and to refund prior obligations issued for any such purposes; and,

WHEREAS, the Authority received an application on February 12, 2021 and has considered the request of Bellwood Crossing, LLC, a Virginia limited liability company, together with its affiliates (the “**Company**”), whose principal business address is South Creek Development, LLC, P.O. Box 549, Summerfield, North Carolina 27358, for the issuance by the Authority of up to \$19,000,000 of its Multifamily Residential Rental Affordable Housing Facility Revenue Bonds (Bellwood Crossing Project) (the “**Bonds**”), to finance a portion of the cost of acquiring, constructing and equipping an approximately 102 unit multifamily residential rental affordable housing facility project to be known as Bellwood Crossing (the “**Project**”) located at 8075 Jefferson Davis Highway, Richmond, Virginia 23237 in Chesterfield County, Virginia (the “**County**”); and,

WHEREAS, pursuant to Section 36-23 of the Act, the Authority may exercise its powers in the territorial boundaries of the County by issuing the Bonds for the Project, provided the governing body of the County holds public hearings and adopts a resolution (the “**Section 36-23 Resolution**”) declaring there is a need for the Authority to exercise its powers within the territorial boundary of the County, and approving the issuance of the Bonds by the Authority since the Project is located in its jurisdiction; and,

WHEREAS, on March 2, 2021, the Authority conducted a public hearing on the issuance of the Bonds and, by adoption of a resolution (the “**Inducement Resolution**”), declared its official intent to issue the Bonds to finance the Project, and is hereby requesting the approval of the issuance of the Bonds by the City Council of the City of Harrisonburg (the “**City Council**”); and,

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “**Internal Revenue Code**”), provides that the applicable elected representatives of the governmental unit issuing private activity bonds and the applicable representatives of the governmental unit having jurisdiction over the area in which any facility financed with the proceeds of private activity bonds is located, shall approve the issuance of such bonds; and,

WHEREAS, the Authority, as the issuing governmental unit, has no applicable elected representative and the City Council of the City of Harrisonburg, Virginia (the “**City Council**”) is the next highest governmental unit with such a representative; and,

WHEREAS, the members of the City Council constitute the applicable elected representatives of the City of Harrisonburg, Virginia (the “**City**”); and,

WHEREAS, Virginia Code Section 15.2-4906 requires that, within sixty (60) calendar days after the public hearing, the City Council approve or disapprove the financing of any facility recommended by the Authority; and,

WHEREAS, the Authority has adopted an Inducement Resolution recommending that the City Council approve the issuance of the Bonds, and a copy of the Authority’s resolution approving the issuance of the Bonds (subject to the terms set forth therein and such other terms to be agreed upon), a reasonably detailed summary of the comments, if any, expressed at the public hearing and the Fiscal Impact Statement required by Virginia Code Section 15.2-4907 have been filed with the City Council, along with the Authority’s Public Hearing Certificate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HARRISONBURG, VIRGINIA, THAT:

1. The City Council approves the foregoing recitals, which are incorporated in, and deemed a part of, this Resolution as if fully set forth herein.
2. The City Council approves the issuance of the Bonds by the Authority, for the benefit of the Company, to the extent of and as required by Section 147(f) of the Internal Revenue Code and Virginia Code Sections 15.2-4906 and 15.2-4907, to permit the Authority to assist in the financing of the Project.
3. The City Council acknowledges that the Bonds will not be issued unless the Board of Supervisors of the County adopts a Section 36-23 Resolution and a Resolution in accordance with Section 147(f) of the Code approving the issuance of the Bonds for the Project by the Authority).
4. The approval of the issuance of the Bonds does not constitute an endorsement to the prospective owners of the Bonds of the creditworthiness of the Project or the Company and the Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto, and that neither the faith and credit nor the taxing power of the City of Harrisonburg is pledged to the payment of the principal of the Bonds or the interest thereon or

other costs incident thereto.

5. In approving this Resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable, and hereby disclaim all liability for any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

6. This Resolution shall take effect immediately upon its adoption.

[Certificate to Follow]

CERTIFICATE

The undersigned Clerk of the City Council hereby certifies that the foregoing is a true, correct and complete copy of a resolution duly adopted by a majority of the members of the Council present and voting during the meeting duly called and held on March 9, 2021, and that such resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof. A summary of the members present or absent at such meeting, and the recorded vote with respect to the foregoing resolution, is set forth below:

Member Name	VOTING				
	Present	Absent	Yes	No	Abstaining
Deanna R. Reed, Mayor					
Sal Romero, Vice Mayor					
Laura Dent					
George Hirschmann					
Christopher B. Jones					

WITNESS my hand and the seal of the City this March 9, 2021.

Clerk, City Council of the City of
Harrisonburg, Virginia

(SEAL)