

August 18, 2021

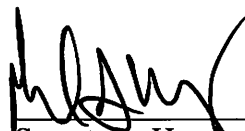
City Council
City of Harrisonburg
Harrisonburg, Virginia

**Harrisonburg Redevelopment and Housing Authority
Proposed Financing for HP LIHTC Senior, LLC**

HP LIHTC Senior, LLC, a Virginia limited liability company (the “Borrower”), has requested that the Harrisonburg Redevelopment and Housing Authority (the “Authority”), issue up to \$20,000,000 of its revenue bonds (the “Bonds”) to assist the Borrower in financing the acquisition, construction, renovation, rehabilitation and equipping of an approximately 152 unit senior multifamily residential rental housing project to be known as The Concord at Springdale Park (the “Project”) located at 4000 Mechanicsville Turnpike, Henrico, VA 23222 in the County of Henrico, Virginia.

As set forth in the resolution of the Authority attached hereto (the “Resolution”), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the “Public Hearing”) on the proposed financing of the Project and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the “Virginia Code”) and, to the extent applicable, Section 36-19(9) of the Virginia Code.

Attached hereto is (1) a certificate evidencing the conduct of the public hearing and the action taken by the Authority, (2) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities, (3) a summary of the comments expressed at the Public Hearing and (4) the form of resolution suggested by counsel to evidence your approval.



Secretary, Harrisonburg Redevelopment and
Housing Authority

FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

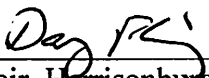
Date: August 18, 2021

To the Mayor and City Council
of the City Harrisonburg, Virginia

Applicant: HP LIHTC Senior, LLC

Facility: Senior Multifamily Housing Facility to be known as The Concord at Springdale
Park

1.	Maximum amount of financing sought.	\$	20,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$	14,800,000
3.	Estimated real property tax per year using present tax rates.	\$	128,760
4.	Estimated personal property tax per year using present tax rates.	\$	3,000
5.	Estimated merchants' capital tax per year using present tax rates.	\$	0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$	125,000
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$	0
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$	110,000
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$	0
7.	Estimated number of regular employees on year round basis.		3
8.	Average annual salary per employee.	\$	52,000



Chair, Harrisonburg Redevelopment and Housing
Authority

CERTIFICATE

The undersigned Secretary of the Harrisonburg Redevelopment and Housing Authority (the "Authority") certifies as follows:

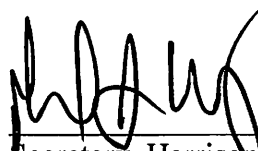
1. A meeting of the Board of Commissioners of the Authority (the "Board") was duly called and held at 4:00 p.m. on August 18, 2021 at the City of Harrisonburg Council Chambers, 409 South Main St., Harrisonburg, Virginia, 22801, pursuant to proper notice given to each Commissioner of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. The Chairman of the Board announced the commencement of a public hearing on the application of HP LIHTC Senior, LLC, and a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the City of Harrisonburg, Virginia (the "Notice"), with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the records of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution ("Resolution") adopted at such meeting of the Authority by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand and the seal of the Authority, this 18th day of August, 2021.



Secretary, Harrisonburg Redevelopment and
Housing Authority

[SEAL]

Exhibits:

A – Copy of Certified Notice of Public Hearing

B – Summary of Statements

C - Resolution

EXHIBIT A

CERTIFIED NOTICE OF PUBLIC HEARING

[To be attached]

DAILY NEWS-RECORD

STATE OF VIRGINIA
CITY/COUNTY OF ROCKINGHAM

Subscribed and sworn to before me in
the jurisdiction aforesaid this
11th day of August, 2021 by

..... *Bonnie E. Andrews*

Camela R Smith

Camela R Smith - Notary Public
My commission expires 06/30/2022
Notary Registration Number: 7040502

Certificate of Publication

MCGUIRE WOODS LLP

THIS IS TO CERTIFY that the attached
advertisement of:

HP LIHTC SENIOR LLC

PO#: THE CONCORD

appeared in the DAILY NEWS-RECORD
on the following dates:

08/04/2021 08/11/2021

At 17.75 per inch, line. Cost \$559.12

DUPLICATE by

Bonnie E. Andrews

**NOTICE OF PUBLIC HEARING BEFORE THE
HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY
ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR
HP LIHTC SENIOR, LLC**

Notice is hereby given that the Harrisonburg Redevelopment and Housing Authority (the "Authority"), whose address is 286 Kelley Street, Harrisonburg, VA 22802, will hold a public hearing on the request of HP LIHTC Senior, LLC, a Virginia limited liability company (the "Borrower"), whose address is 2601 W. Broad St., Suite 201, Richmond, VA 23220, for the issuance by the Authority of a maximum principal amount of \$20,000,000 of its revenue bonds, which bonds may be tax-exempt or taxable for federal income tax purposes and issued in one or more series at one time or from time to time, to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping an approximately 152-unit senior residential rental housing project known as The Concord at Springdale Park (the "Project") consisting of one four-story residential building containing one and two bedroom apartments, all located on land in the County of Henrico Virginia at 4000 Mechanicsville Turnpike, Henrico, VA 23223. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an entity affiliated with and controlled by or under common ownership with the Borrower. The public hearing, which may be continued or adjourned, will be held at 4:00 p.m. on August 18, 2021 before the Board of Commissioners of the Authority at the City of Harrisonburg Council Chambers, 409 South Main St., Harrisonburg, Virginia, 22801.

The proposed private activity bonds will not pledge the credit or the taxing power of the Commonwealth of Virginia, the City of Harrisonburg, Virginia, the County of Henrico, Virginia or the Authority but will be payable solely from the revenues derived from the Borrower and pledged therefor.

The public hearing will provide an opportunity for interested persons to be heard and communications and writings to be received and considered. The hearing shall provide the fullest opportunity for the expression of opinion, for argument on the merits, and for the introduction of documentary evidence pertinent to the issuance of the proposed private activity bonds.

HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY

EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of HP LIHTC Senior, LLC and McGuireWoods LLP, bond counsel, appeared before the Authority to explain the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

EXHIBIT C

INDUCEMENT RESOLUTION

[To be attached]

RESOLUTION NO. _____
INDUCEMENT RESOLUTION
REGARDING THE ISSUANCE OF SENIOR MULTIFAMILY HOUSING
REVENUE BONDS FOR THE ACQUISITION AND CONSTRUCTION OF
THE CONCORD AT SPRINGDALE PARK
LOCATED IN THE COUNTY OF HENRICO, VIRGINIA

WHEREAS, there have been described to the Harrisonburg Redevelopment and Housing Authority (the “Authority”) the plans by HP LIHTC Senior, LLC, a Virginia limited liability company, or an affiliated entity (the “Borrower”) to acquire and construct an approximately 152-unit senior multifamily residential rental housing project to be known as The Concord at Springdale Park consisting of one four-story residential building containing one and two bedroom apartments (the “Project”), all located on land at 4000 Mechanicsville Turnpike, Henrico, VA 23223, in the County of Henrico, Virginia; and

WHEREAS, the Project shall be established and maintained as a “qualified residential rental project” within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Authority is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the “Act”) of the Code of Virginia of 1950, as amended (the “Virginia Code”), to issue its bonds for the purpose, among others, of financing the acquisition, construction, rehabilitation and equipping of multifamily residential rental apartment projects such as the Project; and

WHEREAS, the Borrower has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an amount not to exceed \$20,000,000 (the “Bonds”), the proceeds of which will be used to finance costs to be incurred in acquiring and rehabilitating the Project as permitted under the Act; and

WHEREAS, a public hearing (the “Public Hearing”) has been held on August 18, 2021 with respect to the Project and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code.

NOW, THEREFORE, BE IT RESOLVED BY THE HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.
2. It is hereby found and determined that the acquisition and rehabilitation of the Project by the Borrower will further the public purposes of the Act by assisting in providing housing to “persons of low income” and “persons of moderate income” (as each such term is defined in the Act).

3. It is hereby found and determined that the Project will constitute a “housing project” as that term is defined in the Act.

4. To induce the Borrower to acquire and rehabilitate the Project and maintain the Project as a “qualified residential rental project” within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the acquisition and rehabilitation of the Project, including any necessary reserve funds and costs of issuance of the Bonds, in each case only as permitted by applicable law, by undertaking the issuance of (and hereby declares its official intent to issue) its tax-exempt multifamily housing revenue bonds therefor in the maximum principal amount not to exceed \$20,000,000 upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in form and pursuant to terms to be set by the Authority.

5. It having been represented to the Authority that it is necessary to proceed with the acquisition and rehabilitation of the Project, the Authority hereby agrees that the Borrower may proceed with the plans for the Project, enter into contracts related to the acquisition, construction, renovation, rehabilitation and equipping and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project.

6. The Authority hereby designates McGuireWoods LLP, Tysons, Virginia, to serve as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. The Authority hereby agrees, if requested, to accept the recommendation of the Borrower with respect to the appointment of a placement agent or underwriter for the sale of Bonds or a purchaser for the Bonds, pursuant to terms to be mutually agreed upon.

8. The Borrower has represented to the Authority that interest on the Bonds is intended to be generally excluded from the gross income of the holders thereof for federal and state income tax purposes, and that the Borrower will pay to the Authority an origination fee of one-half of one percent (0.5%) of the first five million dollars (\$5,000,000) of the principal amount of the Bonds and two-tenths of one percent (0.2%) of the principal amount of the Bonds which exceed five million dollars (\$5,000,000) up to ten million dollars (\$10,000,000); no additional fee is levied for Bonds over ten million dollars (\$10,000,000).

9. All costs and expenses in connection with the Bonds, including but not limited to the fees and expenses of the Authority, bond counsel, and counsel for the Authority, shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrower. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

10. In adopting this resolution, the Authority intends to evidence its “official intent” to reimburse the Project expenditures with proceeds from the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2, including, without limitation, such expenditures with respect to the Project as are incurred prior to the issuance of the Bonds but not more than sixty (60) days before the date of this Resolution.

11. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City of Harrisonburg (the “City”) (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

12. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority’s failure to issue Bonds for the Project for any reason, including but not limited to, the failure of the City Council of the City (the “City Council”) to approve the issuance of the Bonds.

13. The Authority recommends that the City Council approve the issuance of the Bonds and hereby directs the Chairperson or the Vice Chairperson of the Authority to submit to the City Council a reasonably detailed summary of the comments, if any, expressed at the public hearing, the fiscal impact statement required by Virginia law, and a copy of this Resolution.

14. The Authority hereby authorizes the Chairperson, the Vice Chairperson or the Executive Director of the Authority to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceeding shall be paid for by the Borrower.

15. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council and (b) the Bonds have received an allocation or allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder.

16. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Project or the Borrower.

17. All other acts of the officers of the Issuer, which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance of the Bonds, are hereby approved and confirmed.

18. This resolution shall take effect immediately upon its adoption.

Adopted: August 18, 2021

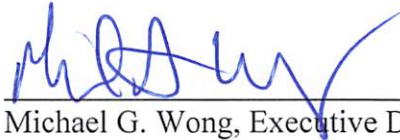
CERTIFICATE OF VOTES

Record of the roll-call vote by the Harrisonburg Redevelopment and Housing Authority, upon reading on a resolution titled **“INDUCEMENT RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION AND CONSTRUCTION OF THE CONCORD AT SPRINGDALE PARK LOCATED IN THE COUNTY OF HENRICO, VIRGINIA”** taken at a meeting of the Authority held on August 18, 2021:

	AYE	NAY	ABSTAIN	ABSENT
Dany Fleming, Chair	✓		✓	
Jody Johannessen	✓			
Christine Fasching Maphis	✓			
Kevin Coffman	✓			
Luciano Benjamin	✓			
Gil Colman	✓			

Dated: August 18, 2021

(SEAL)



Michael G. Wong, Executive Director of the
Harrisonburg Redevelopment and Housing
Authority