

**INDUCEMENT RESOLUTION OF THE HARRISONBURG
REDEVELOPMENT AND HOUSING AUTHORITY FOR THE ISSUANCE
OF ITS SENIOR HOUSING FACILITY REVENUE BONDS ON BEHALF OF
THE BEVERLY J. SEARLES FOUNDATION AND ITS AFFILIATES**

WHEREAS, there has been submitted to the Harrisonburg Redevelopment and Housing Authority (the "Authority") the application of the Beverly J. Searles Foundation, a Georgia non-profit corporation (the "Foundation"), whose address is 5030 Nesbit Ferry Lane, Sandy Springs, Georgia 30350, for the issuance by the Authority of its Senior Housing Facility Revenue Bonds (BJS Harrisonburg Senior I, LLC Project) (the "Bonds"), in an aggregate principal amount not to exceed \$20,000,000, the proceeds of which would be loaned to a limited partnership controlled by BJS Harrisonburg Senior I, LLC, a Virginia limited liability company, or other affiliates of the Foundation (the "Borrower"), to be used, together with other funds, to (i) finance the acquisition, construction, development, furnishing and equipping of an approximately 84-unit age-restricted senior living housing facility to be located on approximately 6 acres of land of the Borrower in the City of Harrisonburg, Virginia (the "City"), at 210 W. Mosby Road, Harrisonburg, Virginia 22801 (the "Project"); (ii) fund capitalized interest on the Bonds during the construction of the Project and for a limited period thereafter; (iii) fund one or more reserve funds for the Bonds, if deemed necessary or desirable; and (iv) pay certain costs of issuing the Bonds (collectively, the "Plan of Finance");

WHEREAS, the Foundation has represented that the Project will 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");

WHEREAS, the Authority is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 of the Code of Virginia of 1950, as amended (the "Act"), to issue its bonds and make loans for the purpose, among others, of assisting in the construction by private sponsors of residential rental housing projects such as the Project, located within the territorial boundaries of the City;

WHEREAS, the Borrower has requested that the Authority agree to issue the Bonds and loan the Borrower the proceeds from the sale of the Bonds to assist the Borrower in undertaking the Plan of Finance as permitted under the Act; and

WHEREAS, a public hearing has been held with respect to the Project and the Bonds in accordance with Section 147(f) of the Code and Section 36-29 of the Act on the date of adoption of this Resolution.

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

1. It is hereby found and determined that the issuance of the Bonds and the use of the proceeds thereof to undertake the Project and the Plan of Finance will further the public purposes of the Act by promoting the provision of decent, safe and sanitary housing for persons of low and

moderate income in the City. It is hereby found and determined that the facilities comprising the Project will constitute a “housing project” as that term is defined in the Act.

2. The Authority hereby agrees to cooperate with the Borrower in the implementation of the Plan of Finance and, subject to the Authority’s final approval of the terms and conditions of the Bonds and the documents to be executed and delivered in connection therewith, which would occur at a future meeting of the Authority, the Authority agrees to undertake the issuance of the Bonds in a principal amount of up to \$20,000,000, and to loan the proceeds of the Bonds to the Borrower upon terms and conditions to be agreed upon by the Authority and the Borrower.

3. The Authority hereby recommends and requests that the City Council approve the issuance of the Bonds in accordance with the Act and the Code and hereby directs any officer of the Authority to submit to the City Council a reasonably detailed summary of the comments expressed at the public hearing, a copy of this Resolution, and such other documents as may be required by the Act.

4. It having been represented to the Authority that it is necessary for the Borrower to proceed immediately with certain expenditures in connection with the Project and the Plan of Finance, the Authority hereby agrees that the Borrower may proceed with plans, enter into contracts for acquisition, construction and equipping of the Project, and take such other steps as it may deem appropriate in connection with the Project and the Plan of Finance and, subject to the limitations of the Code and the Treasury Regulations promulgated thereunder, the Borrower may be reimbursed from the proceeds of the Bonds for all costs so incurred by it. 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 Section 1.150-2 of the Treasury Regulations, 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.

5. The Bonds shall be limited obligations of the Authority and shall be payable solely from the Borrower’s revenues and funds 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 personally liable 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 and the City, 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 Authority has no taxing power.

6. No covenant, condition or agreement contained in the Bonds or in any financing instrument with respect to the Bonds shall be deemed to be a covenant, agreement or obligation of any past, present or future commissioner, officer, employee or agent of the Authority in his or her individual capacity, and neither the commissioners of the Authority nor any officers or employees

thereof shall be personally liable thereon or subject to any personal liability or accountability by reason of the issuance or execution thereof.

7. The Authority hereby agrees to the recommendation of the Borrower that Butler Snow LLP, be appointed as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

8. All costs and expenses in connection with the financing and the acquisition and rehabilitation of the Project, including the fees and expenses of bond counsel, counsel for the Authority, counsel for the Borrower, and counsel for any underwriter, placement agent or purchaser of the Bonds 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 the Bonds are not issued, it is understood that all such costs and expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

9. Any officer of the Authority is authorized and directed to execute and deliver on behalf of the Authority such instruments, documents or certificates and to do and perform such things and acts as they are advised by counsel shall be necessary or appropriate in carrying out the transactions authorized by this Resolution, including, without limitation, executing and delivering any documents required in connection with a request for allocation of the State Ceiling (as defined in Section 15.2-5000 of the Code of Virginia of 1950, as amended) with respect to the Bonds.

10. No Bonds may be issued pursuant to this Resolution until such time as (a) the issuance of the Bonds has been approved by City Council, and (b) the final terms and details of the Bonds have been approved by subsequent resolution of the Authority.

11. All other acts of the officers and agents of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the Plan of Finance are hereby approved and confirmed.

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

Adopted: November 15, 2023

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CERTIFICATE OF VOTES

Record of the roll-call vote by the Harrisonburg Redevelopment and Housing Authority, upon reading on a Resolution titled **"INDUCEMENT RESOLUTION OF THE HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY FOR THE ISSUANCE OF ITS SENIOR HOUSING FACILITY REVENUE BONDS ON BEHALF OF THE BEVERLY J. SEARLES FOUNDATION AND ITS AFFILIATES"** taken at a meeting of the Authority held on November 15, 2023:

	AYE	NAY	ABSTAIN	ABSENT
Gil Colman, Chair	✓			
Kevin Coffman, Vice-Chair	✓			
Luciano Benjamin	✓			
Shonda Green	✓			
Kenneth Kettler	✓			
Amanda Leech	✓			
Janet Rogers				✓

Dated: November 15, 2023

(SEAL)



 Gil Colman, Chair, Harrisonburg Redevelopment and Housing Authority

ATTEST:  _____

Secretary

The undersigned Secretary of the Harrisonburg Redevelopment and Housing Authority (the "Issuer") hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on November 15, 2023, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this 15th day of November 2023.

HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY

By:  _____

Secretary