

December 21, 2022

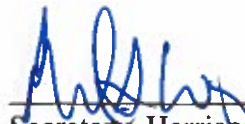
City Council
City of Harrisonburg
Harrisonburg, Virginia

**Harrisonburg Redevelopment and Housing Authority
Proposed Financing for John Early Seniors Housing LP**

John Early Seniors Housing LP, a Virginia limited partnership (the "Borrower"), has requested that the Harrisonburg Redevelopment and Housing Authority (the "Authority"), issue up to \$6,715,000 of its revenue bonds (the "Bonds") to assist the Borrower in financing or refinancing a portion of the costs of the acquisition, construction, renovation, rehabilitation, and equipping of an approximately 78-unit multifamily residential rental housing project for seniors known as John Early Apartments, consisting of 7 two-story residential buildings and one one-story community building, and other site work and community-related improvements (the "Project"), all located on approximately 12.13 acres of land in the Town of Bedford, Virginia, at 718 Blue Ridge Avenue, Bedford, Virginia 24523, and the costs of issuing the Bonds (collectively, the "Plan of Finance").

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 Plan of Finance 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 of the Code of Virginia of 1950, as amended (the "Virginia Code"), as applicable to housing authorities, 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.

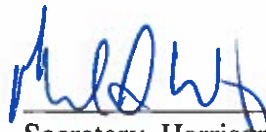

Secretary, Harrisonburg Redevelopment and
Housing Authority

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 December 21, 2022, at the Harrisonburg City Chambers located at 409 South Main Street, 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 Chair of the Board announced the commencement of a public hearing on the application of John Early Seniors Housing LP, 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 (the "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 21st day of December, 2022.



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]

ATTESTATION OF PUBLIC LEGAL NOTICE

COPY OF ADVERTISEMENT

STATE OF VIRGINIA

CITY/COUNTY OF ROCKINGHAM:

Affiant Kristina Swecker
, being duly sworn before me, says: The Daily News Record in the jurisdiction aforesaid, published the notice, a copy of which is attached hereto, in the said newspaper on the following dates:

12/8/2022

12/15/2022

Affiant further says that said newspaper was regularly issued and circulated on those dates.



SIGNED:

[Signature]

Sworn to and Subscribed before me this 12/20/2022, by legal clerk who is personally known to me.

[Signature]

Notary Public

My commission expires:

Notary Registration Number:



Customer No: 122389
Affidavit Contact Name: Jessica Randolph
Affidavit Contact Address: Senior Paralegal
McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, VA 23219-3916
Affidavit Batch ID: 842
Affidavit ID: 2011

NOTICE OF PUBLIC HEARING BEFORE THE HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR JOHN EARLY SENIORS HOUSING LP

Notice is hereby given that the Harrisonburg Redevelopment and Housing Authority (the "Authority"), whose address is 286 Kelley Street, Harrisonburg, Virginia 22802, will hold a public hearing on the request of John Early Seniors Housing LP, a Virginia limited partnership (the "Borrower"), whose address is 1706 Grandin Road SW, Roanoke, Virginia 24015, for the issuance by the Authority of a maximum principal amount of \$6,715,000 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 the following plan of finance: acquiring, constructing, renovating, rehabilitating, and equipping an approximately 78-unit multifamily residential rental housing project for seniors known as John Early Apartments, consisting of 7 two-story residential buildings and one one-story community building, and other site work and community-related improvements (the "Project"), all located on approximately 12.13 acres of land in the Town of Bedford, Virginia, at 718 Blue Ridge Avenue, Bedford, Virginia 24523, and the costs of issuing the bonds. 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 December 21, 2022, before the Board of Commissioners of the Authority at the Harrisonburg City Chambers located at 409 South Main Street, 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 Town of Bedford, 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 the Authority explained the proposed plan of financing. No one appeared in opposition to the proposed bond issue.

INDUCEMENT RESOLUTION

[To be attached]

**INDUCEMENT RESOLUTION
REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE
BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION,
REHABILITATION, AND EQUIPPING OF JOHN EARLY APARTMENTS
LOCATED IN THE TOWN OF BEDFORD, VIRGINIA**

WHEREAS, there have been described to the Harrisonburg Redevelopment and Housing Authority (the "Authority") the plans by John Early Seniors Housing LP, a Virginia limited partnership, or an affiliated entity (the "Borrower") to acquire, construct, renovate, rehabilitate, and equip an approximately 78-unit multifamily residential rental housing project for seniors known as John Early Apartments, consisting of 7 two-story residential buildings and one one-story community building, and other site work and community-related improvements (the "Project"), all located on approximately 12.13 acres of land in the Town of Bedford, Virginia, at 718 Blue Ridge Avenue, Bedford, Virginia 24523; 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, renovation, 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 \$6,715,000 (the "Bonds"), the proceeds of which will be used to finance costs to be incurred in acquiring, constructing, renovating, rehabilitating, and equipping the Project and the costs of issuing the Bonds (collectively, the "Plan of Finance"), all as permitted under the Act; and

WHEREAS, a public hearing (the "Public Hearing") has been held on December 21, 2022, with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906 of the Virginia Code, as applicable to housing authorities,.

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, construction, renovation, rehabilitation, and equipping 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, construct, renovate, rehabilitate, and equip 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 Plan of Finance, in each case only as permitted by applicable law, by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in the maximum principal amount not to exceed \$6,715,000 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, construction, renovation, rehabilitation, and equipping 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. 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.

9. 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.

10. 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, Virginia (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.

11. 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.

12. The Authority recommends that the City Council approve the issuance of the Bonds and hereby directs the Chair or the Vice Chair 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.

13. The Authority hereby authorizes the Chair, the Vice Chair 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.

14. 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.

15. 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.

16. All other acts of the officers of the Authority, 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.

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

Adopted: December 21, 2022

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, CONSTRUCTION, RENOVATION, REHABILITATION, AND EQUIPPING OF JOHN EARLY APARTMENTS LOCATED IN THE TOWN OF BEDFORD, VIRGINIA**" taken at a meeting of the Authority held on December 21, 2022:

| | AYE | NAY | ABSTAIN | ABSENT |
|---------------------------|------------|------------|----------------|---------------|
| Dany Fleming, Chair | ✓ | | | |
| Christine Fasching Maphis | ✓ | | | ✓ |
| Kevin Coffman | ✓ | | | |
| Luciano Benjamin | ✓ | | | |
| Gil Colman | ✓ | | | |
| Shonda Green | ✓ | | | |

Dated: December 21, 2022

(SEAL)

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

**FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING**

Date: December 21, 2022

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

Applicant: John Early Seniors Housing LP

Facility: Multifamily Housing Facility to be known as John Early Apartments

| | | | |
|----|---|----|------------|
| 1. | Maximum amount of financing sought. | \$ | 6,715,000 |
| 2. | Estimated taxable value of the facility's real property to be constructed in the locality. | \$ | 10,000,000 |
| 3. | Estimated real property tax per year using present tax rates. | \$ | 23,892 |
| 4. | Estimated personal property tax per year using present tax rates. | \$ | 375 |
| 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. | \$ | 5,500 |
| | (b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality. | \$ | 50,000 |
| | (c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality. | \$ | 59,359 |
| | (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. | \$ | 40,612 |



Chair, Harrisonburg Redevelopment and Housing
Authority