

INTRODUCED: September 23, 2019

Expedited Consideration

A RESOLUTION No. 2019-R055

To approve the issuance by the Richmond Redevelopment and Housing Authority of its multifamily housing revenue bonds in an amount up to \$20,000,000.00 for the acquisition, construction, renovation, rehabilitation and equipping of an approximately 147-unit multifamily residential rental housing project to be known as Port City II located at 716 Jefferson Davis Highway in the city of Richmond.

Patron – Ms. Trammell

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEP 23 2019 AT 6 P.M.

WHEREAS, the Richmond Redevelopment Housing Authority (the “Authority”) is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority has considered the application of AT Artisan, LLC (the “Borrower”), a Virginia limited liability company, requesting that the Authority issue up to \$20,000,000.00 of its multifamily residential rental housing revenue bonds (the “Bonds”) to assist the Borrower or an affiliated entity in financing or refinancing a portion of the cost of the acquisition, construction, renovation, rehabilitation and equipping of an approximately 147-unit multifamily residential rental housing project representing approximately 115,257 rentable

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEP 23 2019 REJECTED: _____ STRICKEN: _____

square feet to be known as Port City II (the “Project”) and the costs of issuance incurred in connection with the issuance of the Bonds and has held a public hearing in connection therewith on September 18, 2019 (the “Public Hearing”); and

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

WHEREAS, the Authority issues its bonds on behalf of the City of Richmond, Virginia (the “City”), and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the “Council”) constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority’s resolution, adopted September 18, 2019, approving the issuance of the Bonds, subject to the terms to be agreed upon; the fiscal impact statement concerning the Project; a summary of the statements expressed at the Public Hearing; and a certificate of the public hearing have been filed with the Council;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

1. That the Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, as required by section 147(f) to permit the Authority to assist in the financing of the Project.

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

3. That 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 or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. That, in adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, 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.

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



Richmond City Council

The Voice of the People

Richmond, Virginia

Lou Brown All
Council Chief of Staff

Office of the Council Chief of Staff

Ordinance/Resolution Request

TO Allen Jackson, City Attorney

THROUGH Meghan Brown, Interim Council Chief of Staff **RECEIVED**

FROM William Echelberger, Council Budget Analyst **SEP 12 2019**

COPY Reva M. Trammell, 8th District Council Member
Haskell Brown, Deputy City Attorney
Richard K. Bishop, 8th District Liaison

DATE September 12, 2019

PAGE/s 1 of 2

TITLE Resolution to approve the issuance of revenue bonds by the Richmond Redevelopment and Housing Authority – Port City II

This is a request for the drafting of an **Ordinance** **Resolution**

REQUESTING COUNCILMEMBER/PATRON

Councilwoman Trammell

SUGGESTED STANDING COMMITTEE

Expedited Consideration

ORDINANCE/RESOLUTION SUMMARY

The patron requests a resolution to express the support of the Richmond City Council of the request by AT Artisan, LLC, a Virginia limited liability company (the "Borrower") for the issuance of up to \$20,000,000 of revenue bonds (the "Bonds") by the Richmond Redevelopment and Housing Authority (the "Authority") to finance a multifamily residential rental housing project consisting of two buildings containing approximately 147 units to be known as Port City II (the "project"), located at 716 Jefferson Davis Highway, in the City of Richmond.

BACKGROUND

This resolution is to express City Council's support regarding the request by AT Artisan, LLC that the Authority issue up to \$20,000,000 of its revenue bonds for which the proceeds are to assist with financing the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential rental housing project consisting of two buildings containing approximately 147 units to be known as Port City II located at 716 Jefferson Davis Highway. A public meeting was held on Wednesday, September 18, 2019.

The Authority has recommended the City Council approve the issuance of the Bonds and a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the public hearing, and the fiscal impact statement have been filed with the Council and are attached.

FISCAL IMPACT STATEMENTFiscal Impact Yes No Budget Amendment Required Yes No

Estimated Cost or Revenue Impact N/A

Attachment/s Yes No

September 18, 2019


City Council
City of Richmond
Richmond, Virginia

**Richmond Redevelopment and Housing Authority
Proposed Financing for Port City II**

AT Artisan, LLC, a Virginia limited liability company (the "Borrower"), has requested that the Richmond Redevelopment and Housing Authority (the "Authority"), issue up to \$20,000,000 of its revenue bonds (the "Bonds") to assist the Borrower or a related entity in financing or refinancing a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of two buildings containing approximately 147 units representing approximately 115,257 rentable square feet to be known as Port City II (the "Project") located at 716 Jefferson Davis Highway in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of 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, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution, (b) a summary of the comments expressed at the Public Hearing and (c) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities; and (2) the form of resolution suggested by counsel to evidence your approval.



Secretary, Richmond Redevelopment and
Housing Authority

CERTIFICATE

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

1. A meeting of the Authority was duly called and held at 5:30 p.m. on September 18, 2019 before the Authority at the Authority's offices located at 901 Chamberlayne Parkway, Richmond, Virginia 23220, 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 announced the commencement of a public hearing on the application of AT Artisan, 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 Richmond, 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.

5. Attached as Exhibit D is the applicant's Fiscal Impact Statement.

WITNESS my hand and the seal of the Authority, this 18th day of September, 2019.



Secretary, Richmond Redevelopment and
Housing Authority

[SEAL]

Exhibits:

- A – Copy of Certified Notice
- B – Summary of Statements
- C – Resolution
- D – Fiscal Impact Statement

EXHIBIT A

NOTICE OF PUBLIC HEARING

[See Attached]

Richmond Times-Dispatch

Advertising Affidavit

Account Number

6054210

300 E. Franklin Street
Richmond, Virginia 23219
(804) 649-6208

Date

September 11, 2019

MCGUIREWOODS LLP
Attn MARGARET DOLAN
1750 TYSONS BOULEVARD
SUITE 1800
MC LEAN, VA 22102-4215

Date	Category	Description	Ad Size	Total Cost
09/20/2019	Meetings and Events	NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND R	2 x 40 L	533.80

**NOTICE OF PUBLIC HEARING BEFORE THE
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR
PORT CITY II MULTIFAMILY HOUSING FACILITY**

Notice is hereby given that the Richmond Redevelopment and Housing Authority (the "Authority") will hold a public hearing on the request of AT Urban, LLC, a Virginia limited liability company (the "Borrower"), whose address is 205 North 19th Street, Suite 112, Richmond, Virginia 23223, for the issuance by the Authority of a maximum stated principal amount of \$20,000,000 of its revenue bonds (the "Bonds") to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of two buildings containing approximately 147 units representing approximately 115,257 rentable square feet to be known as Port City II (the "Project") located at 716 Jefferson Davis Highway in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance"). 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 is expected to be owned and used by the Borrower or a party related to the Borrower. The public hearing, which may be continued or adjourned, will be held at 5:30 p.m. on September 18, 2019 before the Authority at the Authority's offices located at 501 Chamberlayne Parkway, Richmond, Virginia 23220.

The Bonds will not pledge the credit or the taxing power of the Authority or the City of Richmond, Virginia 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. Interested persons wishing to express their views on the Plan of Finance may also submit written comments prior to the time of the hearing to the Authority's co-bond counsel, Michael W. Graff, Jr., Esq., 1750 Tysons Boulevard, Suite 1800, Tysons, Virginia 22102 and Nancy Griffin Chambliss, Esq., 707 East Main Street, Suite 1000, Richmond, Virginia 23219. 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 Bonds.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
Advised: September 4 and September 11, 2019

**Publisher of the
Richmond Times-Dispatch**

This is to certify that the attached NOTICE OF PUBLIC HEARING was published by the Richmond Times-Dispatch, Inc. in the City of Richmond, State of Virginia, on the following dates:

09/04, 09/11/2019

The First insertion being given ... 09/04/2019

Newspaper reference: 0000993574

Sworn to and subscribed before me this Wednesday, September 11, 2019

Kimberly B. Harris Notary Public
Kellie Johnson Billing Representative

State of Virginia
City of Richmond
My Commission expires _____

Kimberly B. Harris
NOTARY PUBLIC
Commonwealth of Virginia
Notary Registration Number 356753
Commission Expires January 31, 2021

THIS IS NOT A BILL. PLEASE PAY FROM INVOICE. THANK YOU

EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of AT Artisan, LLC and McGuireWoods LLP and Harrell & Chambliss LLP, co-bond counsel, appeared before the Authority to explain the proposed plan of financing. Some members of the public appeared in opposition to the proposed bond issue and, in response, Commissioners discussed the revenue bond program's housing access and affordability and local economic development goals, among other matters. No Commissioner present voted in opposition to the inducement resolution.

EXHIBIT C

RESOLUTION

[See Attached]

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: September 18, 2019

Agenda Item No. _____

TITLE: INDUCEMENT RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 147-UNIT PORT CITY II MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA

RESOLUTION:

WHEREAS, the Richmond Redevelopment and Housing Authority (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 Plan of Finance (as hereinafter defined), located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

WHEREAS, AT Artisan, LLC (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an aggregate maximum principal amount of \$20,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of two buildings containing approximately 147 units representing approximately 115,257 rentable square feet to be known as Port City II (the "Project") located at 716 Jefferson Davis Highway in the City of Richmond, Virginia and expected to be owned and used by the Borrower or a party related to the Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") as permitted under the Act; 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 Borrower has indicated that it will work in good faith with the Authority to (a) consider accepting certain Housing Choice Vouchers at the Project and (b) endeavor to provide certain job training, employment and/or contracting opportunities to the residents and businesses of the neighborhoods surrounding the Project (the "Borrower's Special Commitments"); and

WHEREAS, preliminary plans for the Plan of Finance have been described to the Authority, a prior resolution with respect to the Project was adopted by the Authority on February 21, 2018, and a public hearing (the "Public Hearing") has been held on September 18, 2019 with

respect to the Plan of Finance 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; and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance the Plan of Finance, and in connection therewith to obtain tax credits for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND 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 Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. It is hereby found and determined that the Project will constitute a "residential building" as that term is defined in the Act.

4. To induce the Borrower to undertake the Plan of Finance 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 by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an aggregate maximum principal stated amount of \$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. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.

6. The Authority hereby designates McGuireWoods LLP, Tysons, Virginia, and Harrell & Chambliss LLP, Richmond, Virginia, to serve as co-bond counsel ("Bond Counsel") and hereby appoints such firms 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 the Bonds pursuant to the terms to be mutually agreed upon.

8. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims,

damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

9. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee and/or origination fee), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale 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 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. 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 (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 in the City 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 Plan of Finance 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, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$20,000,000 for the purpose of undertaking the Plan of Finance as required by Section 147(f) of the Code.

13. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at the Public Hearing, (2) a fiscal impact statement concerning the Plan of Finance and (3) a copy of this resolution.

14. Each of the Chair, Vice Chair, Chief Executive Officer or Secretary of the Authority, or the designee of any of them, is hereby authorized 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, (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, and (c) the final terms and details of the Bonds have been approved by subsequent resolution of the Authority (including, but not limited to, terms satisfactory to the Authority with respect to the Borrower's Special Commitments).

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 Plan of Finance or of the Borrower.

17. This resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrower, the Authority reasonably expects that certain costs of the Project may be reimbursed with the proceeds of the Bonds.

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

EXPLANATION: This is an inducement resolution giving the Richmond Redevelopment and Housing Authority's ("RRHA") preliminary approval to the proposed bond financing of Port City II. It allows the Borrower to go forward with the proposed bond financing project; however, no bonds can be issued before the City Council approval, the obtaining of volume cap allocation from the state ceiling administered by the Virginia Department of Housing and Community Development and the adoption of a final bond resolution by RRHA at a subsequent meeting which will approve the substantially final bond documents and the overall parameters of the bond issue (*i.e.*, the principal amount, the term and the interest rate of the bonds and terms satisfactory to RRHA with respect to the Borrower's Special Commitments described in the inducement resolution).

Adopted: September 18, 2019

READ AND ADOPTED: September 18, 2019


CERTIFICATE OF VOTES

Record of the roll-call vote by the Richmond 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 THE APPROXIMATELY 147-UNIT PORT CITY II MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA”** taken at a meeting of the Authority held on September 18, 2019:


	AYE	NAY	ABSTAIN	ABSENT
Robert J. Adams, Chairman	X			
Veronica G. Blount, Vice Chair	X			
Marilyn B. Olds	X			X
Elliott M. Harrigan	X			
Samuel S. Young, Jr.	X			
Jonathan E. Coleman	X			
Robley S. Jones	X			
Heidi W. Abbott	X			
Neil S. Kessler	X			

Dated: September 18, 2019

(SEAL)



 Chairman, Richmond Redevelopment and Housing Authority

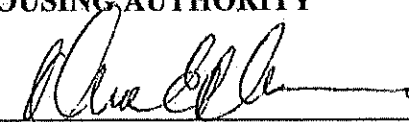
ATTEST: 

 Secretary

The undersigned Secretary of the Richmond Redevelopment and Housing Authority 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 September 18, 2019, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand and the seal of the Authority this 18th day of September, 2019.

**RICHMOND REDEVELOPMENT
AND HOUSING AUTHORITY**

By: 

 Secretary

EXHIBIT D

FISCAL IMPACT STATEMENT

[See Attached]


FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

Date: September 18, 2019

Applicant: AT Artisan, LLC

Facility: Multifamily Housing Facility in the City of Richmond, Virginia to be known as Port City II

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.	\$11,130,000
3.	Estimated real property tax per year using present tax rates.	\$133,560
4.	Estimated personal property tax per year using present tax rates.	\$0
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.	\$578,760
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$11,575
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$205,900
	(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality.	\$4,115
7.	Estimated number of regular employees on year round basis.	24
8.	Average annual salary per employee.	\$35,000



Chairman, Richmond Redevelopment and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE RICHMOND
REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY
HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION,
RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY
147-UNIT PORT CITY II MULTIFAMILY HOUSING FACILITY
LOCATED IN THE CITY OF RICHMOND, VIRGINIA**

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority (a) has considered the application of AT Artisan, LLC, a Virginia limited liability company (the "Borrower"), requesting that the Authority issue its revenue bonds (the "Bonds") in a maximum stated principal amount of \$20,000,000 to assist the Borrower or a party related to the Borrower in financing or refinancing a portion of (i) the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of two buildings containing approximately 147 units representing approximately 115,257 rentable square feet to be known as Port City II (the "Project") located at 716 Jefferson Davis Highway in the City of Richmond, Virginia, (ii) the funding of reserve funds as permitted by applicable law and (iii) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") and (b) has held a public hearing in connection therewith on September 18, 2019 (the "Public Hearing"); 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, Section 147(f) of the Code provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds; and

WHEREAS, the Authority issues its bonds on behalf of the City of Richmond, Virginia (the "City") and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the "Council") constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the Public Hearing, a summary of the statements expressed at the Public Hearing

and the fiscal impact statement concerning the Plan of Finance have been filed with the Council.

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

1. The Council approves the issuance of the Bonds by the Authority, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$20,000,000 for the benefit of the Borrower or a party related to the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. 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 or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, 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.

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

Adopted by the City Council of the City of Richmond, Virginia this 23rd day of September, 2019.

CERTIFICATE

Record of the roll-call vote by the City Council of the City of Richmond, Virginia, upon reading on a resolution titled **“RESOLUTION APPROVING THE ISSUANCE BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 147-UNIT PORT CITY II MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA,”** taken at a meeting of the City Council held on September 23, 2019:

	AYE	NAY	ABSTAIN	ABSENT
Hon. Cynthia I. Newbille, President				
Hon. Christopher A. Hilbert, Vice President				
Hon. Andreas D. Addison				
Hon. Kimberly B. Gray				
Hon. Kristen Nye Larson				
Hon. Parker C. Agelasto				
Hon. Ellen F. Robertson				
Hon. Reva M. Trammell				
Hon. Michael J. Jones				

Dated: September 23, 2019

CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA

The undersigned Clerk of the City Council of the City of Richmond, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on September 23, 2019, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand and the seal of the City of Richmond, Virginia this 23rd day of September, 2019.

[SEAL]

Clerk, City Council of the City of
Richmond, Virginia