

INTRODUCED: January 13, 2020

A RESOLUTION No. 2020-R004

To approve the issuance by the Richmond Redevelopment and Housing Authority of its multifamily housing revenue bonds in an amount up to \$10,000,000.00 for the acquisition, construction, renovation, rehabilitation and equipping of an approximately 143-unit multifamily residential rental housing project to be known as Bellevue Apartments located at 4203 Chamberlayne Avenue and 4210 Old Brook Road in the city of Richmond.

Patron – Vice President Hilbert

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 27 2020 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 Code Genesis Bellevue LLC (the “Borrower”), a Virginia limited liability company, requesting that the Authority issue up to \$10,000,000.00 of its multifamily residential rental housing revenue bonds (the “Bonds”) to assist the Borrower or an affiliated entity in refinancing the acquisition, construction, renovation, rehabilitation and equipping of an approximately 143-unit multifamily residential rental housing project representing approximately 119,899 rentable square feet to be known as Bellevue

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 27 2020 REJECTED: _____ STRICKEN: _____

Bellevue Apartments (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 November 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 December 16, 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.

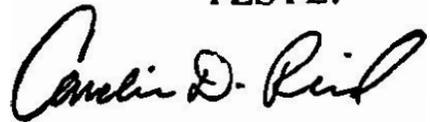
3. That the Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the City or the Authority 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.

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Carlin D. Reed". The signature is written in a cursive style with a large initial 'C'.

City Clerk



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Council Ordinance/Resolution Request

TO Haskell Brown, Interim City Attorney

THROUGH Lawrence R. Anderson, Council Chief of Staff *LR*

FROM Meghan Brown, Deputy Council Chief of Staff *MB*

COPY Chris A. Hilbert, 3rd District Council Member
Lisa F. Townes, 3rd District Liaison

DATE December 19, 2019

PAGE/s 1 of 2

TITLE Resolution to approve the issuance of revenue refunding bonds by the Richmond Redevelopment and Housing Authority –Bellevue Apartments

RECEIVED
DEC 31 2019
OFFICE OF THE CITY ATTORNEY

This is a request for the drafting of an Ordinance Resolution

REQUESTING COUNCILMEMBER/PATRON

Vice President Hilbert

SUGGESTED STANDING COMMITTEE

Finance and Economic Development

ORDINANCE/RESOLUTION SUMMARY

The patron requests a resolution to express the support of the Richmond City Council the request by Code Genesis Bellevue LLC, a Virginia limited liability company (the "Borrower") for the issuance of up to \$10,000,000 of revenue refunding bonds (the "Bonds") by the Richmond Redevelopment and Housing Authority (the "Authority") to assist the borrower or an affiliated entity in refinancing the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential rental housing project consisting of approximately 143 units to be known as Bellevue Apartments, located at 4203 Chamberlayne Avenue and at 4210 Old Brook Road, in the City of Richmond.

BACKGROUND

On December 12, 2016, City Council adopted Resolution No. 2016-R088 which granted the original approval for the issuance of the \$10,000,000 for this project. This resolution is to express City Council's support regarding the request by Code Genesis Bellevue LLC that the Authority issue up to \$10,000,000 of its revenue refunding bonds to assist with refinancing the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential housing project consisting of approximately 143 units to be known as Bellevue Apartments. A public meeting was held on Wednesday, November 18, 2019.

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

December 16, 2019

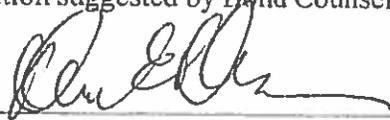
City Council
City of Richmond
Richmond, Virginia

**Richmond Redevelopment and Housing Authority
Proposed Refinancing for Bellevue Apartments**

Code Genesis Bellevue LLC, a Virginia limited liability company (the "Borrower"), has requested that the Richmond Redevelopment and Housing Authority (the "Authority"), issue up to \$10,000,000 of its revenue bonds (the "Bonds") to assist the Borrower or an affiliated entity in refinancing the acquisition, construction, renovation, rehabilitation and equipping of an approximately 143-unit multifamily residential rental housing project known as Bellevue Apartments (the "Project") located on tax map Parcel Number N0002351027 at 4203 Chamberlayne Avenue and Parcel Number N0002351011 at 4210 Old Brook Road within the City of Richmond, 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 refinancing 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 of the Code of Virginia of 1950, as amended (the "Virginia Code"), as applicable to housing authorities, and Section 36-19(9) of the Virginia Code.

Attached hereto is (1) a copy of the Resolution, (2) copies of the notices of the Public Hearing, one of which was published once a week for two successive weeks in The Richmond Times-Dispatch, a newspaper having general circulation in the City of Richmond, with the second publication appearing not less than six days nor more than twenty-one days prior to the hearing date, and the other of which was published November 14, 2019 in The Richmond Free Press, a free newspaper having general circulation in the City of Richmond, such publications and the posting of notice of the Public Hearing having been supervised by Bond Counsel to the Authority, (3) a summary of the comments expressed at the Public Hearing, (4) the fiscal impact statement required pursuant to Virginia Code Section 15.2-4907, as applicable to housing authorities, and (5) the form of resolution suggested by Bond Counsel to the Authority to evidence your approval.


Secretary, Richmond Redevelopment and
Housing Authority

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date December 16, 2019

Agenda Item No. 1

TITLE: RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE REFUNDING BONDS FOR THE REFINANCING OF THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 143-UNIT BELLEVUE APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA AND THE EXECUTION OF RELATED DOCUMENTS

RESOLUTION:

WHEREAS, 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"), the Richmond Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia (the "Authority"), is authorized to exercise all the powers set forth in the Act, which include, among other things, the power, within its area of operation or as otherwise permitted under Section 36-23 of the Act, to make loans for assistance in planning, development, acquisition, rehabilitation, construction and equipping of facilities used primarily for multifamily residences in order to promote decent, safe and sanitary housing in the Commonwealth of Virginia, to issue its revenue bonds from time to time for such purposes and to pledge all or any part of its revenues derived by the Authority in connection with any such loans made by the Authority to secure the payment of such revenue bonds; and

WHEREAS, there have been described to the Richmond Redevelopment and Housing Authority (the "Authority") the plans to refinance the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential housing project consisting of sixteen buildings containing approximately 143 dwelling units representing approximately 119,899 net rentable square feet and one leasing office known as Bellevue Apartments (the "Project"), located on approximately 7.48 acres on tax map Parcel Number N0002351027 at 4203 Chamberlayne Avenue and Parcel Number N0002351011 at 4210 Old Brook Road, in the City of Richmond, Virginia (the "City") by Code Genesis Bellevue LLC, a Virginia limited liability company, or an affiliated entity (the "Borrower"); and

WHEREAS, the Project has and 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 is required pursuant to 26 U.S.C. Section 42(h)(6)(B)(iv) to implement an extended low-income housing commitment at the Project

which prohibits the Borrower from refusing to lease any holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of any prospective tenant as such a holder; and

WHEREAS, the Borrower has requested the Authority to agree to issue its multifamily residential rental housing revenue refunding bonds under the Act in an amount not to exceed \$10,000,000 (the "Bonds"), the proceeds of which will be used to refinance costs incurred in acquiring, constructing, renovating, rehabilitating and equipping the Project as permitted under the Act; and

WHEREAS, the Bonds will be limited obligations of the Authority, the principal of and, premium, if any, and interest on which will be payable solely out of the receipts and revenues of the Authority from the Project Loan Agreement (the "Project Loan Agreement"), dated as of January 1, 2017, among the Authority, the Borrower and U.S. Bank National Association, as fiscal agent to (the "Fiscal Agent"), as modified by the below-defined Modification Documents; and

WHEREAS, the foregoing arrangements will be reflected in documents to be prepared or reviewed by Bond Counsel (as defined below) to modify the Project Loan Agreement and the other documents previously executed and delivered by the Authority in connection with the original issuance by the Authority of the bonds to be refinanced and refunded by the Bonds (the "Modification Documents"), which the Authority proposes to execute to carry out the transactions described above; and

WHEREAS, a public hearing (the "Public Hearing") was held by the Authority on November 18, 2019 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 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 refinancing of the acquisition, construction, renovation, rehabilitation and equipping of the Project for the Borrower 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 constitutes "residential buildings" as that term is defined in the Act.

4. To induce the Borrower to refinance the acquisition, construction, renovation, rehabilitation and equipping 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 refinancing the acquisition, construction, renovation, rehabilitation and equipping of the

Project, including the refinancing of reserve funds as permitted by applicable law, by undertaking the issuance of (and hereby declares its official intent to issue) its tax-exempt multifamily housing revenue refunding bonds therefor in the maximum principal amount not to exceed \$10,000,000 in one or more tax-exempt series (the "Tax-Exempt Refunding Bonds") or taxable series, at one time or from time to time.

5. It having been represented to the Authority that it is necessary to proceed with the refinancing of 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 refinancing of the acquisition, construction, renovation, rehabilitation and equipping of the Project 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 of the performance of any acts in connection with the refinancing of the Project.

6. The Bonds shall be issued in substantially the form and with substantially the terms set forth in the Modification Documents. The Chairman, Vice Chairman, Secretary-Treasurer, Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Official"), are each hereby authorized and directed to execute the Modification Documents. The Bonds shall bear interest at the rates (which may be variable or fixed), shall mature on such dates and shall be subject to redemption at such times as are set forth in the Modification Documents. The Authorized Official is hereby authorized to approve the final terms of the Bonds; provided that the interest rate borne by the Bonds shall not exceed the maximum rate permitted by law, the final maturity of the Bonds shall not be later than forty-five (45) years after the date of the initial issuance of the Bonds, and the aggregate principal amount of the Bonds shall not exceed \$10,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

7. Each of the Modification Documents shall be in substantially the forms as prepared or reviewed and approved by Bond Counsel, which are hereby approved, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the captions of the Bonds) as may be approved by the Authorized Official executing them, in consultation with Bond Counsel, his or her execution to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes. The Modification Documents shall contain covenants from the Borrower and its ultimate parent entities to use their best efforts to arrange for the reasonable and orderly relocation of any current tenants displaced from the Project as a result of the issuance of the Bonds. The execution, delivery and performance by the Authority of the Modification Documents are hereby authorized and directed.

8. The Borrower acknowledges it is required to accept Section 8 Housing Choice Vouchers at the Project in accordance with applicable law and agrees to provide job training, employment and/or contracting opportunities for the residents and businesses of the neighborhoods surrounding the Project in consultation with the Authority.

9. The Authorized Official is hereby authorized and directed to execute on behalf of the Authority, and to deliver the Bonds, the Modification Documents and such other agreements, certificates, documents and instruments, and to do and perform such things and acts, as are authorized hereby or contemplated by the Modification Documents, and, if required, the Secretary-Treasurer or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Bonds, the Modification Documents and such other agreements, certificates, documents and instruments and to attest such seal. The signatures of the Authorized Official, the Secretary-Treasurer (or any other officer of the Authority) and the seal of the Authority on the Bonds may be by facsimile.

10. The Authorized Official is hereby authorized and directed to execute and deliver on behalf of the Authority such other agreements, certificates, documents and instruments (including, without limitation, regulatory agreements, Internal Revenue Service Forms 8038, assignments and tax agreements and certificates) and to do and perform such other things and acts, as shall be necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the Modification Documents or such other agreements, certificates, documents and instruments. All of the foregoing previously done or performed on behalf of the Authority are in all respects hereby approved, ratified and confirmed.

11. Any authorization herein to execute a document shall include authorization to change the date of such document, record such document where appropriate and to deliver it to the other parties thereto.

12. The Authority hereby designates McGuireWoods LLP, Richmond, Virginia and Harrell & Chambliss LLP, Richmond, Virginia to serve as bond counsel ("Bond Counsel") and hereby appoints such firms to supervise the proceedings and approve the issuance of the Bonds.

13. All costs and expenses in connection with the refinancing of the acquisition, construction, renovation, rehabilitation and equipping of the Project, including the fees and expenses of the Authority (including, without limitation, any application fee, origination fee, refunding fee and annual administrative fee), Bond Counsel, counsel for the Authority and any placement agent for or purchaser of the Bonds and their counsel 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.

14. The Borrower, by receiving the benefit of this resolution, has agreed that the Borrower will cause the Modification Documents to contain a covenant, in form and substance satisfactory to the Authority and its counsel to the effect that the Borrower will 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

15. 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.

16. 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 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.

17. The Authorized Official 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, if required in the opinion of Bond Counsel. All costs incurred by the Authority, if any, in connection with such proceedings shall be paid for by the Borrower.

18. The Authority hereby confirms that the Real Estate Committee of the Authority is authorized to conduct the Public Hearing on behalf of the Authority, and the Authority hereby approves, ratifies and confirms in all respects all of the foregoing previously done or performed by the Real Estate Committee on behalf of the Authority.

19. 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) if required in the opinion of Bond Counsel, 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.

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

EXPLANATION: This resolution gives the Richmond Redevelopment and Housing Authority's ("RRHA") approval to, and authorizes officers of the RRHA to execute all necessary documents on behalf of RRHA in connection with, the issuance by RRHA of up to \$10,000,000 of its multifamily housing revenue refunding bonds (the "Bonds") for the benefit of Code Genesis Bellevue LLC (the "Borrower"), which plans to refinance and refund prior bonds of RRHA previously issued to acquire, construct, renovate, rehabilitate and equip an approximately 143-unit multifamily residential housing project known as Bellevue Apartments and located in the City of Richmond. However, no refinancing or refunding can occur before City Council approval and the obtaining of volume cap allocation from the state ceiling administered by the Virginia Department of Housing and Community Development, if required in the opinion of RRHA's Bond Counsel. RRHA held a public hearing with respect to Bonds on November 18, 2019. Further, this resolution provides that (a) the Bonds shall be limited obligations of the Authority, and that no commissioners, officers, agents or employees of RRHA, past, present or future, or any person executing the Bonds, shall be liable personally on the Bonds and (b) the Borrower acknowledges it must accept Section 8 Housing Choice Vouchers as required by law and agrees to provide job training, employment and/or contracting opportunities for the residents and businesses of the neighborhoods surrounding the Project in consultation with RRHA.

Adopted: December 16, 2019

Recommended by Desi L. Wynter Date December 16, 2019
Acting Chief Real Estate Officer

Approved by Damon E. Duncan Date December 16, 2019
Chief Executive Officer

COMMISSIONERS' ACTION

Approved X Disapproved _____

READ AND ADOPTED: December 16, 2019

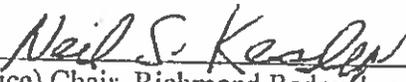
CERTIFICATE OF VOTES

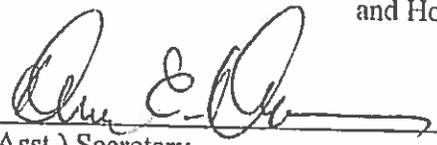
Record of the roll-call vote by the Richmond Redevelopment and Housing Authority, upon reading on a resolution titled "RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE REFUNDING BONDS FOR THE REFINANCING OF THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 143-UNIT BELLEVUE APARTMENTS MULTI-FAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA AND THE EXECUTION OF RELATED DOCUMENTS" taken at a meeting of the Authority held on December 16, 2019:

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

Dated: December 16, 2019

(SEAL)

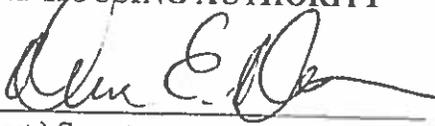

(Vice) Chair, Richmond Redevelopment
and Housing Authority

ATTEST: 
(Asst.) Secretary

The undersigned (Asst.) 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 December 16, 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 16th day of December, 2019.

**RICHMOND REDEVELOPMENT
AND HOUSING AUTHORITY**

By: 
(Asst.) Secretary

Richmond Times-Dispatch

Advertising Affidavit

Account Number

6054210

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

Date

November 12, 2019

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

Date	Category	Description	Ad Size	Total Cost
11/21/2019	Meetings and Events	NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND R	2 x 41 L	544.60

NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR BELLEVUE APARTMENTS 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 Code Genesis Bellevue LLC, a Virginia limited liability company (the "Borrower"), whose address is 101 West Commerce Road, Richmond, Virginia 23224, for the issuance by the Authority of up to \$10,000,000 of its revenue bonds to finance or reimburse a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of sixteen buildings containing approximately 140 dwelling units representing approximately 119,859 net rentable square feet and one leasing office to be known as Bellevue Apartments (the "Project") located on approximately 7.48 acres on tax map Parcel Number A0002351612 at 4263 Chamberlayne Avenue and Parcel Number A0000351911 at 4210 Old Brook Road, in the City of Richmond, Virginia. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 143(f) of the Internal Revenue Code of 1986, as amended. The Project will be owned by the Borrower or an affiliate of the Borrower. The public hearing, which may be continued or adjourned, will be held at 5:30 p.m. on November 18, 2019 before representatives of the Authority at the Authority's offices located at 501 Chamberlayne Parkway, Richmond, Virginia 23224.

The proposed private activity 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 issuance of the proposed private activity bonds may also submit written comments prior to the time of the hearing to the Authority's co-bond counsel, Michael W. Grall, Jr., Esq., 1759 Tysons Boulevard, Suite 1800, Tysons, Virginia 22102 and Nancy Griffin Chandless, Esq., 707 East Main Street, Suite 1003, 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 proposed private activity bonds.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

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:

11/08, 11/12/2019

The First Insertion being given ... 11/08/2019

Newspaper reference: 0001025148

Sworn to and subscribed before me this Tuesday, November 12, 2019

Kimberly B. Harris
 Notary Public

Brandon Green
 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

Richmond Free Press

A Paradigm Communications, Inc. Publication
422 East Franklin Street • Richmond, VA 23219
Mailing: P.O. Box 27709 • Richmond, VA 23261
Telephone 804/644-0496 • FAX 804/643-5436

November 14, 2019

NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR BELLEVUE APARTMENTS MULTIFAMILY HOUSING FACILITY

Notice is hereby given that the Richmond Redevelopment and Housing Authority ("Authority") will hold a public hearing on the request of Code Genesis Bellevue LLC, a Virginia limited liability company (the "Borrower"), whose address is 601 West Commerce Road, Richmond, Virginia 23224, for the issuance by the Authority of up to \$10,000,000 of its revenue bonds to finance or refinance a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping a multifamily residential rental housing project consisting of sixteen buildings containing approximately 143 dwelling units representing approximately 119,899 rentable square feet and one leasing office to be known as Bellevue Apartments ("Project") located on approximately 7.48 acres on tax map Parcel Number 002351027 at 4203 Chamberlayne Avenue and Parcel Number N0002351011 210 Old Brook Road, in the City of Richmond, Virginia. The Project will meet 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 affiliate of the Borrower. The public hearing, which may be continued or adjourned, will be held at 5:30 p.m. on November 18, 2019 before representatives of the Authority at the Authority's offices located at 4203 Chamberlayne Parkway, Richmond, Virginia 23220.

The proposed private activity 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 revenues derived from the Borrower and pledged herefor.

The public hearing will provide an opportunity for interested persons to be heard and their communications and writings to be received and considered. Interested persons wishing to express their views on the issuance of the proposed private activity bonds 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 will 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.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

That the attached LEGAL NOTICE was published by the Richmond Free Press, in the City of Richmond, State of Virginia, on the following dates:

11/14/2019
at McGuireWoods LLP
Notice of Public Hearing

11/14/2019

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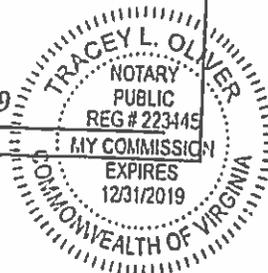
Sworn to and subscribed before this 14th day of November

Tracey L. Oliver
Notary Public
Commonwealth of Virginia
City of Richmond

Notary Registration No. 223445

Cynthia Downing
Advertising Traffic Coordinator

My Commission Expires December 31, 2019



SUMMARY OF STATEMENTS

Representatives of Code Genesis Bellevue LLC, McGuireWoods LLP and Harrell & Chambliss LLP, co-bond counsel, appeared before the Authority to explain the proposed refinancing at the November 18, 2019 public hearing which was held beginning at 5:30 p.m. at the Calhoun Center, 436 Calhoun Street, Richmond, Virginia following published and posted notices in accordance with law, as supervised by Bond Counsel. The Authority's minutes of the public hearing are attached hereto and summarize the statements of the members of the public who appeared.

Bellevue Apartments Public Hearing 11/18/19

Board Discussion:

Mr. Solarz stated that they are requesting a modification to an existing bond issuance for financing reasons based on the success of the Project. The project was successful enough that their lender is going to give them some extra incentives including a re-amortization and a better rate for the project. They bought this property at an auction in 2017. It was in pretty rough shape and at that time, they were at 80% occupancy for the entire project. For the structure of this deal, they used 4% tax credits and tax exempt revenue bonds through RRHA. The deal was set up for an income limit of 60% AMI. They were asked to look into the retention rate for the tenants, A study was conducted when the property was purchased and based on tenant income in place prior to the renovations, they found that they could keep 92% of the tenants in the modified 60% requirements. This shows that for the most part, if a tenant chose to leave, it was because of their own accord and not because the property was too expensive for them to live in. In the city of Richmond there is a natural turnover rate of about 60% which means that it is reasonable to expect that if all 92% of those tenants decided to stay (which many of them did), 60% of them would have naturally gone somewhere else. Overall the project has been successful, they are currently at 98% occupancy.

Commissioner Coleman requested that going forward, the developer should provide hard figures of who were able to return. He wants to know the actual numbers of those who returned rather than the percentage.

Public Comment Session:

The public comment session for the Bellevue Apartments began at 6:20 p.m. The following questions were asked:

Question: Are any of these apartments for the disabled residents?

Response: We welcome disabled residents, but we are working with an existing structure. We made modifications that were reasonable to make. We have a wheelchair ramp at the leasing facility. We spent a considerable amount of money to fix the pavement and sidewalks to make it

as accessible as possible. There were some things that we could not change. We have made and are willing to continue to make reasonable accommodations as needed on a case by case basis.

Question: *Did I hear you say that you used low income tax credits, historic tax credits and the tax exempt bonds?*

Response: *Yes. That's the reason why we were able to do this level of rehabilitation. If we did not add in the historic credits.*

Question: *You based your occupancy on 60% AML. For those residents that are returning, how is it that they would be able to move back in if they are to incur an additional \$100 cost? Are new residents going to be able to come in and at what level if you are still using the 60% AMI as the baseline?*

Response: *The bottom line is that it is more expensive, it's \$100 more per month. We are in the business of doing very well built housing. This property had significant problems, so yes, there is a rent increase. There is insulation everywhere, there are washer/dryer hook-ups in each unit instead of residents having to walk a mile to the coin operating store, there is lighting that has been added to the entire complex.*

Question: *So what that does is keep people in poverty. Thank you for fixing those up. By adding washer dryer hook-up, moving the rent up by \$100, you have taken affordable housing (even though it wasn't right), you have taken it off the market and priced out people. This is part of gentrification that is happening in Richmond and poor people can't afford to live here. You have fixed up a piece of property, but you have hurt the poorest of the poor. How can you work to bring this price down so that truthfully the people who use to live there can go back and live in a nice place?*

Response: *We do accept vouchers and we have accepted vouchers. From the safety standpoint and from the quality of the development standpoint we may disagree, but I think we did the right thing. We understand that we need to treat tenants right.*

Question: Would you be able to show the numbers of the actual people who were retained in these units and the numbers who may have moved out of other public housing communities with those vouchers into these apartments?

Response: I don't have this information right now. We welcome vouchers and project based vouchers to the apartments. We have requested project based vouchers, but were turned down for them. We have given notice to Housing Authority Section 8 Administrator that we are willing to accept a waiting list for anyone who wants to come to these apartments.

Question: You stated the apartments were a low income, market rate community. Are you saying that you are renting these on the fair market rate of 80% of income or are you following HUD guidelines for low income people for 30% of their income?

Response: The property when we purchased it did not have any income restrictions that is why I used the term naturally lower income market rate because the market dictated what those rents were. There are many apartments left in the surrounding area of Chamberlayne that are still in rough shape with major problems. We have put in the LIHTC program and we are requiring that the tenants comply with the 60% AML.

The public comment session ended at 6:48 p.m.

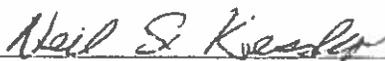
FISCAL IMPACT STATEMENT
FOR PROPOSED BOND REFINANCING

Date: December 16, 2019

Applicant: Code Genesis Bellevue LLC

Facility: Multi-Family Housing Facility in the City of Richmond, Virginia known as Bellevue Apartments

1.	Maximum amount of refinancing sought.	\$10,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality.	\$7,300,000*
		*project to be assessed as affordable housing pursuant to VA Code
3.	Estimated real property tax per year using present tax rates.	\$48,000
4.	Estimated personal property tax per year using present tax rates.	N/A
5.	Estimated merchants' capital tax per year using present tax rates.	N/A
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality.	\$223,940
	(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality.	\$34,320
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality.	\$246,000
	(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.	4
8.	Average annual salary per employee.	\$45,000


Vice Chairman, Richmond Redevelopment and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS
MULTIFAMILY HOUSING REVENUE REFUNDING BONDS FOR THE
REFINANCING OF THE ACQUISITION, CONSTRUCTION, RENOVATION,
REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 143-UNIT
BELLEVUE APARTMENTS HOUSING FACILITY
LOCATED IN THE CITY OF RICHMOND, VIRGINIA**

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

WHEREAS, the Authority has considered the request of Code Genesis Bellevue LLC, a Virginia limited liability company (the "Borrower"), requesting that the Authority issue up to \$10,000,000 of its revenue refunding bonds (the "Bonds") to assist the Borrower or an affiliated entity in refinancing the acquisition, construction, renovation, rehabilitation and equipping of an approximately 143-unit multifamily residential rental housing project known as Bellevue Apartments (the "Project"), a public hearing in connection therewith was held by the Authority on November 18, 2019 and the Authority has adopted a resolution on December 16, 2019 authorizing and approving the issuance of the Bonds; 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 authorizing the issuance of the Bonds and a certificate of the public hearing 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 for the benefit of the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code"), as applicable to housing authorities, and Section 36-19(9) of the Virginia Code, to permit the Authority to assist in the refinancing of the Project.

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 Project 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 27th day of January, 2020.

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 REFUNDING BONDS FOR THE REFINANCING OF THE ACQUISITION, CONSTRUCTION, RENOVATION, REHABILITATION AND EQUIPPING OF THE APPROXIMATELY 143-UNIT BELLEVUE APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE CITY OF RICHMOND, VIRGINIA,"** taken at a meeting of the City Council held on January 27, 2020:

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

Dated: January 27, 2020

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 January 27, 2020, 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 27th day of January, 2020.

[SEAL]

Clerk, City Council of the City of
Richmond, Virginia