Legislation Details (With Text)

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File created:	12/15/2020			**In control:**	City Council
On agenda:	1/11/2021			**Final action:**	1/11/2021
Title:	To approve the issuance by the Richmond Redevelopment and Housing Authority of its multifamily housing revenue bonds in an amount up to $9,300,000.00 for the acquisition, construction, renovation, rehabilitation and equipping of an approximately 62-unit multifamily residential rental housing project to be known as Swansboro Apartments located at 3600 East Broad Rock Road and 3601 East Broad Rock Road in the city of Richmond.				
Sponsors:	Reva Trammell, Michael Jones, Cynthia Newbille				
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Attachments:	1. Res. No. 2020-R070				

Date	Ver.	Action By	Action	Result
1/11/2021	1	City Council	adopted	Pass
12/14/2020	1	City Council	introduced and referred	

To approve the issuance by the Richmond Redevelopment and Housing Authority of its multifamily housing revenue bonds in an amount up to $9,300,000.00 for the acquisition, construction, renovation, rehabilitation and equipping of an approximately 62-unit multifamily residential rental housing project to be known as Swansboro Apartments located at 3600 East Broad Rock Road and 3601 East Broad Rock Road in the city of Richmond.

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 VST Swansboro LLC (the "Borrower"), a Virginia limited liability company, requesting that the Authority issue up to $9,300,000.00 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 62-unit multifamily residential rental housing project representing approximately 45,635 rentable square feet to be known as Swansboro 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 16, 2020 (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 November 18, 2020, 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:

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.

1. 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.

2. 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.

3. 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.

This resolution shall take effect immediately upon its adoption.