

**COMMISSIONERS' REGULAR BOARD MEETING**  
*October 16, 2019*

**Resolution(s) Passed:**

- 19-27      Resolution giving the Consent to the Issuance of Bonds by the Harrisonburg Redevelopment and Housing Authority for the Newbridge Village Apartments

**MOTIONS:** Adams

**VOTE: Aye:** Blount, Olds, Harrigan, Young, Coleman, Jones, Adams

**ABSTAIN:** Abbott

**ABSENT:** Kessler

- 19-28      Resolution authorizing and approving the Issuance of Revenue Bonds for the benefit of Woodland Preservation LP in an amount not to exceed \$15,500,000 and the execution of related documents

**MOTIONS:** Blount/Jones

**VOTE: Aye:** Blount, Olds, Harrigan, Young, Coleman, Jones, Adams

**ABSTAIN:** Abbott

**ABSENT:** Kessler

MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS  
OF RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
HELD AT THE CALHOUN CENTER  
436 CALHOUN STREET, RICHMOND, VIRGINIA  
ON WEDNESDAY, OCTOBER 16, 2019

**In Attendance:**

**Board of Commissioners**

Veronica G. Blount, Chairman  
Marilyn Olds  
Elliott Harrigan  
Samuel S. Young, Jr.  
Jonathan Coleman  
Robley Jones  
Robert J. Adams  
Heidi Abbott

**Absent**

Neil Kessler, Vice Chairman

**RRHA Staff**

Damon E. Duncan, Chief Executive Officer

Chairman Blount called the meeting to order at 5:37 p.m. with Cory Wolfe serving as Legal Counsel. A quorum was established.

**Minutes**

The Minutes from the *September 18<sup>th</sup> Regular Board of Commissioners Meeting* were approved.

***1 Motion: (Jones/Young) Move to adopt the Minutes from the  
September 18, 2019 Regular Board of Commissioners Meeting***

**Motion Carried**

**Absent: Kessler**

**Citizen Information Period**

*Trey Peters (a resident of the city of Richmond)* addressed the Board of Commissioners to discuss his father's tenure on the Board of Commissioners. His intent was to contrast the direction of the current Board of Commissioners to the direction of the past Board of Commissioners taken while his father (*the former Mr. Charles T. Peters*) was a member. His focus was on RRHA's plans to move current residents to section 8 voucher housing and new developments being made to replace existing buildings. He also called into question RRHA's decision concerning the appointment of RRHA's new director of public safety.

**Chairman/CEO Reports**

**Chairman of the Board's comment** – Chairman Veronica Blount provided the following comments and/or updates:

- Commissioner Blount addressed the audience as well as Mr. Peters by expressing the honor and privilege she felt in accepting her new appointment

as Chairman of the Board. In sharing a few of her life struggles, she detailed how the past experiences she endured and how being a former RRHA tenant has helped to shape and prepare her for this moment. She stated that she has always been passionate about her position at RRHA and will continue to do so with no intent in slowing down or taking her new role lightly. Her platform is in serving others and doing all that she can to “*speak for those who aren’t spoken for.*” She went on to say how she has always viewed RRHA’s position in her life as a partnership that helped get her to where she is today, personally and professionally. She concluded that she will always be grateful for RRHA and will continue to seek out ways to help others much in the same way that RRHA has helped her.

**Chief Executive Officer’s comments** – CEO Damon Duncan provided the following comments and/or updates:

- In welcoming Commissioner Blount into her new appointment as Chair, Mr. Duncan he expressed how in awe he was to hear of her “progression/matriculation through her challenges in life.” Her ability to take advantage of the programs offered through the housing authority and utilizing them for their intended purposes to get her to where she is today is a testament to her and should be celebrated. He stated that she is a living example, one that we want to convey to our residents that shows how it is possible through partnership and cooperation to excel in life.
- Mr. Duncan also thanked outgoing Chair Commissioner Adams for his years of service and dedication to the Board.
- In closing Mr. Duncan acknowledged and introduced Mr. Terese Walton as RRHA’s Senior Executive Vice President.

**Committee Updates**

Controller, *Stacey Daniels-Fayson* reported that the *Administration and Finance Committee* met on October 16, 2019. The following items were reviewed and discussed:

- Heat update: All boilers have been officially turned on as of last week. Contractors are starting to flush systems and replace valves as needed.
- A report was given on the financial assessment of the agency as a whole. Ms. Hart (Emphasys) acknowledged the Finance department as being Capable, Knowledgeable and having sound internal controls.
- Agency vacancies: 10 vacant positions with 5 positions on hold and 14 section 3 hires that have been hired throughout the fiscal year.
- August financial statement updates were given

Director of Property Management, *Charles Williams* reported that the *Property Management Committee* met on October 14, 2019. The following items were reviewed and discussed:

- HCVP – Updates on the upcoming CMAP Submissions (Section 8 Management Assessment Program) – All indicators seem to be favorable for the department and its submission.
- LIPH – Received notification from HUD that 9 of our properties will receive a REAC inspection for the fiscal year 2019. Our 1<sup>st</sup> inspection date is slated for October 25<sup>th</sup> in Gilpin Court. 2018 inspections are complete.
- Resident Services – Reported updates on 2 grants (Ross Grant and Job Support Grant) that have been applied for. (*Updates to follow soon*)

Acting Chief Real Estate Officer, *Desi Wynter* stated that the *Real Estate Committee* met on October 14, 2019. The following items were reviewed and discussed:

- **Old Business:** Discussed number of request for proposals and the number of request for qualifications (Jackson Place RFP, Hope 6 Scattered Sites RFP, Eastlawn Shopping Center RFP, the Buildup for seven blocks in Jacksonward and Randolph RFP and the request for qualifications for developers for our Big Six developments.)
- **New Business:** Navy Hill Project, Calhoun Center and Fay Towers, and Anna Julia Cooper School projects were discussed.
- The two Resolutions listed on the agenda were announced at this time. They were discussed in further detail later in the meeting.
- RRHA was not awarded the Choice Neighborhood Planning Grant we applied for in June. This process will be revisited for ways to enhance grant opportunities in the future.

#### **Bond Resolutions**

*Discussion: Prior to discussing and voting on the bond resolutions, Mike Graff, RRHA's Bond Counsel briefly explained in detail the second resolution the Woodland Preservation development. This is the final bond resolution. The developer is ready to close on the financing and Mr. Byrd (a representative of the developer) was present at the meeting for questions. At the request of the Real Estate Committee during the October 14<sup>th</sup> committee meeting, some of the resolution language was enhanced in relation to economic development opportunities associated with the partnership. Specifically the new language provides that: The borrower agrees to provide job training, employment and or contracting opportunities for the residents and the businesses of the neighborhoods surrounding the project in consultation with the authorities. During the discussion of the resolutions General counsel, Cory Wolfe interjected an additional change that would also be inserted in the resolution language stating that this project is 100% supported by project based vouchers meaning that for the next 20 years every*

*resident that lives there will be a section 8 voucher holder. In further detail General Counsel elaborated on the statutory requirement in the IRS code as well as within VHDA's rules mandates that any project that is financed through LIHTC (Low Income Housing Tax Credit program) must accept tenant based section 8 vouchers. The landowner cannot refuse to rent to an applicant by virtue of their voucher status.*

**Resolution(s)**

**Agenda Item No. 1** – Consent to the issuance of bonds by the Harrisonburg Redevelopment and Housing Authority for the Newbridge Village Apartments

**(19-27) WHEREAS**, the Richmond Redevelopment and Housing Authority (the “Authority”) has outstanding bond issues for one or more projects in Henrico County, Virginia (the “County”) issued pursuant to the authority set forth in Chapter 1, Title 36 of the Code of Virginia of 1950, as amended (the “Act”); and

**WHEREAS**, Newbridge Village Associates, L.P., a Virginia limited partnership (the “Purchaser”), expects to acquire Newbridge Village Apartments, a 152-unit multifamily residential rental housing apartment project located at 313 Newbridge Road, Henrico, Virginia 23223, in the Varina District of the County (the “Project”), using the proceeds of tax-exempt bonds issued by the HRHA (as hereinafter defined) in a principal amount not to exceed \$15,000,000 (the “Bonds”); and

**WHEREAS**, to accomplish this, the Purchaser has sought the assistance of the Harrisonburg Redevelopment and Housing Authority (“HRHA”), as the County does not have a redevelopment and housing authority organized pursuant to the Act; and

**WHEREAS**, Section 36-23 of the Act authorizes HRHA to provide financing assistance for multifamily residential housing developments in the County; provided, among other things, that any other housing authority that has outstanding any evidence of indebtedness for a project within the County must consent to an issuance by another housing authority of bonds to finance a project in the County; and

**WHEREAS**, the Authority wishes to accommodate the County, the Purchaser, and HRHA by consenting to the issuance by HRHA of the Bonds, the proceeds of which are to be used to finance the acquisition and rehabilitation of the Project; and

**WHEREAS**, the Authority has been advised by the Authority’s co-bond counsel that the Purchaser is required pursuant to 26 U.S.C. Sec. 42(h)(6)(B)(iv) to implement an extended low-income housing commitment at the Project which prohibits the Purchaser from refusing to lease to 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;

**NOW THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY**, as follows:

1. The Authority consents, as required by Section 36-23 of the Act, to the issuance by HRHA of the Bonds to finance the Project.
2. This consent does not constitute an endorsement to prospective purchasers of the Bonds or of the creditworthiness of the Purchaser.

3. The issuance of the Bonds shall not create any obligation of the Authority and the Authority shall not be required to execute any documents related to the Bonds, other than evidence of this resolution.

4. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, 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 Richmond, 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.

5. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Purchaser and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the issuance of the Bonds for any reason. Any obligation of HRHA to exercise its powers to issue the Bonds as requested by the Purchaser is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Purchaser for any damages, direct or consequential, resulting from any failure to issue the Bonds for the Project for any reason.

6. All fees and expenses of the Authority (including fees of the Authority's counsel) shall be paid by the Purchaser. If for any reason the Bonds are not issued, it is understood that all such fees and expenses shall be paid by the Purchaser and that the Authority shall have no responsibility therefor.

7. This resolution applies exclusively to the Newbridge Village Apartments financing. Nothing contained herein shall be construed to authorize or permit the exercise of powers in any other project financing except as authorized by this resolution; provided, however, that this resolution shall not adversely affect the prior Andover, Henrico-Arms and St. Luke apartments financings in the County which are hereby ratified, approved and confirmed.

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

**2 Motion: (Adams/Coleman) Move to adopt Resolution 1**

**Motion Carried**

**Absent: Kessler**

**Abstain: Abbott**

**Agenda Item No. 2** – Resolution authorizing and approving the Issuance of Revenue Bonds for the benefit of Woodland Preservation LP in an amount not to exceed \$15,500,000 and the execution of related documents

**(19-28) WHEREAS**, pursuant to the 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**, at the request of Woodland Preservation LP, a Virginia limited partnership (the "Borrower"), the Authority (a) adopted a preliminary resolution on September 18, 2019 (the "Inducement Resolution") authorizing the issuance of up to \$15,500,000 of its revenue bonds, in one or more series (as described below, the "Governmental Note"), the proceeds of which will be used to make a loan to the Borrower to finance or refinance a portion of the cost of the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential rental housing project consisting of eleven residential buildings containing approximately 132 units representing approximately 122,940 rentable square feet, two buildings to house a community room and laundry facilities, and a playground and basketball court to be known as Woodland Crossing Apartments (the "Project") and such improvements are situated within an area consisting of approximately 13.6 acres of land at 3457 Walmsley Boulevard and located entirely in the City of Richmond, Virginia (the "City") and are expected to be owned and operated by the Borrower or a party related to the Borrower, and (b) held a public hearing on September 18, 2019 in accordance with the Act and Section 15.2-4906 of the Virginia Code, as applicable to housing authorities, and as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"); and

**WHEREAS**, on September 23, 2019, the City Council of the City (the "City Council") approved the issuance of the Governmental Note by the Authority as requested in the Inducement Resolution and as required by Section 147(f) of the Internal Revenue Code and Section 15.2-4906 of the Virginia Code, as applicable to housing authorities; and

**WHEREAS**, the Governmental Note will be issued pursuant to a Funding Loan Agreement (the "Funding Loan Agreement"), to be dated as of a date on or prior to the date on which it is executed and delivered, among SunTrust Bank (or a related entity), the Authority and The Bank of New York Mellon Trust Company, N.A., as fiscal agent, or such other fiscal agent to be named therein (the "Fiscal Agent"); and

**WHEREAS**, the Governmental Note will be a limited obligation 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 a Project Loan Agreement (the "Project Loan Agreement"), to be dated as of a date on or prior to the date on which it is executed and delivered, among the Authority, the Fiscal Agent and the Borrower; and

**WHEREAS**, at the request of the Borrower, the Authority desires to approve the final terms and details of the Governmental Note; and

**WHEREAS**, the foregoing arrangements will be reflected in the following documents (the "Basic Documents") which have been prepared or reviewed by co-bond counsel to the Authority ("Bond Counsel") and presented to the Authority for its approval:

- (a) the Funding Loan Agreement (including the forms of the Governmental Note attached thereto as Exhibit A); and
- (b) the Project Loan Agreement.

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

1. The issuance of the Governmental Note in the aggregate principal amount of up to \$15,500,000 pursuant to the Funding Loan Agreement, consisting of the Authority's multifamily note substantially in the form with substantially the terms provided in Exhibit A to the Funding Loan Agreement is hereby authorized and approved. The Chair, Vice Chair, 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 Governmental Note, which 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 Basic Documents. The Authorized Official is hereby authorized to approve the final terms of the Governmental Note; provided that the interest rate borne by the Governmental Note shall not exceed 5.50 % per annum, the final maturity of the Governmental Note shall not be later than sixteen (16) years after the date of the initial issuance of the Governmental Note, and the aggregate principal amount of the Governmental Note shall not exceed \$15,500,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Governmental Note.

2. Each of the Basic Documents and the Governmental Note shall be in substantially the same forms as submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the caption of the Governmental Note) as may be approved by the Authorized Official executing them, his or her execution to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes. The Basic Documents contain and shall contain upon their execution and delivery provisions obligating the Borrower to comply with the Borrower's Special Commitment (as defined in the Inducement Resolution) with respect to the Project. The execution, delivery and performance by the Authority of the Basic Documents are hereby authorized and directed. The Basic Documents provide, among other things, that (a) the Project will be subject to a Housing Assistance Payments contract such that all eligible tenants will receive Section 8 assistance and (b) the Borrower 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.

3. The Authorized Official is hereby authorized and directed to execute on behalf of the Authority, and to deliver the Governmental Note, the Basic 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 Basic Documents, and, if required, the Secretary or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Governmental Note, the Basic Documents and such other agreements, certificates, documents and instruments and to attest such seal. The signatures of the Authorized Official, the Secretary (or any other officer of the Authority) and the seal of the Authority on the Governmental Note may be by facsimile.

4. 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, Internal Revenue Service Form 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 Governmental Note, the Basic 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.



5. 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.

6. 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 Governmental Note and the undertaking of the Project are hereby approved and confirmed.

7. The Authority hereby confirms its designation of McGuireWoods LLP, Tysons, Virginia and Harrell & Chambliss LLP, Richmond, Virginia to serve as Bond Counsel and its appointment of such firms to supervise the proceedings and approve the issuance of the Governmental Note.

8. All costs and expenses in connection with the Project, including the fees and expenses of the Authority related to the issuance and sale of the Governmental Note (including without limitation, any application fee, origination fee and annual administrative fee) and the fees and expenses of Bond Counsel, counsel for the Authority and any placement agent for or purchaser of the Governmental Note and their counsel, shall be paid from the proceeds of the Governmental Note or from moneys provided by the Borrower.

9. The Borrower has agreed in the Project Loan Agreement 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 Governmental Note.

10. The Governmental Note shall be a 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 Governmental Note, shall be liable personally on the Governmental Note by reason of the issuance thereof. The Governmental Note 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 (and the Governmental Note shall so state on its face), including the Authority and the City of Richmond, Virginia, and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Governmental Note 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 Governmental Note or the interest thereon or other costs incident thereto. The Governmental Note shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

11. No bonds, in the form of the Governmental Note or otherwise, may be issued pursuant to this Resolution until such time as such 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.

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

EXPLANATION: This resolution authorizes officers of the Richmond Redevelopment and Housing Authority ("RRHA") to execute all necessary documents on behalf of RRHA in connection with the issuance by RRHA of up to \$15,500,000 of its multifamily housing revenue bonds (the "Governmental Note") for the benefit of Woodland Preservation LP, which plans to acquire, construct, renovate, rehabilitate and equip an approximately 132-unit multifamily residential housing project to be known as Woodland Crossing Apartments to be located at 3457 Walmsley Boulevard, in the City of Richmond, Virginia. Further this resolution provides that the Governmental Note shall

be a limited obligation of RRHA, and that no commissioners, officers, agents or employees of RRHA, past, present or future, or any person executing the Governmental Note, shall be liable personally on the Governmental Note.

**3 Motion: (Blount/Jones) Move to adopt Resolution 2**

**Motion Carried**

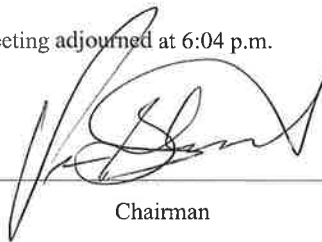
**Absent: Kessler**

**Abstain: Abbott**

*Discussion: Prior to discussing and voting on the next bond resolution, Mike Graff, RRHA's Bond Counsel briefly explained in details the 1<sup>st</sup> resolution pertaining to the Harrisonburg Housing Authority for the Newbridge Village Apartment development. According to Virginia housing bond law, under certain certcircumstances, Housing Authorities such as RRHA have the authority to do financing for bond applicants in other jurisdictions, in most instances it would be for those jurisdictions that don't have Housing Authorities. As long as RRHA has outstanding bonds for a project in another jurisdiction (Henrico County), if another Housing Authority(Harrisonburg) desires to commence a project in that same jurisdiction, that Authority is required to obtain RRHA's consent. Therefore, with the consent resolution that was provided to us from the Bond Counsel, the Real Estate Committee found it beneficial to include the new language from resolution 2 into this resolution as well. Language for the consent resolution 1 was enhanced with the language providing that the borrower agrees to provide job training, employment and or contracting opportunities for the residents and the businesses of the neighborhoods surrounding the project in consultation with the authorities. This project is 100% supported by project based vouchers (meaning that for the next 20 years every resident that lives there will be a section 8 voucher holder.) The statutory requirement in the IRS code as well as within VHDA's rules mandates that any project that is financed through LIHTC (Low Income Housing Tax Credit program) must accept tenant based section 8 vouchers. The landowner cannot refuse to rent to an applicant by virtue of their voucher status.*

**Adjournment**

There being no further business, the meeting adjourned at 6:04 p.m.



Chairman



Chief Executive Officer/Secretary