RESOLUTION MEMORANDUM

DATE: November 5, 2026

TO: Board of Commissioners
Richmond Redevelopment and Housing Authority

FROM: Steven B. Nesmith
Chief Executive Officer/Secretary

SUBJECT: RESOLUTION 2026-34 – RESOLUTION AUTHORIZING AN INCREASE IN THE AMOUNT OF THE MULTIFAMILY HOUSING REVENUE BONDS TO BE ISSUED FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE APPROXIMATELY 288-UNIT RADY FLATS MULTIFAMILY MIXED INCOME HOUSING FACILITY TO BE LOCATED IN THE CITY OF RICHMOND

Executive Summary

The purpose of this Resolution is to approve the issuance of an additional $30,000,000 in Multifamily Housing Revenue Bonds for the acquisition, construction, and equipping of Rady Flats, a 288-unit mixed income apartment complex to be located in the City of Richmond and approve the Chief Executive Officer to executive all required documents related to this matter once approved by RRHA's Board of Commissioners, as applicable.

Background

The proposed project known as Rady Flats consists of the new construction of 288 units. The project is located at 2811 Rady Street in Richmond in the north quadrant of the City. The project will serve households with total income of up to 60% of the Area Median Income (AMI), which equates to approximately $61,320 for a 3-person household according to HUD's FY 26 Multifamily Tax Subsidy Project Income Limits.

On October 15, 2025, RRHA's Board of Commissioners (BOC) approved the issuance of up to $40,000,000 in Conduit Bond funds. The developer, Elmington Affordable and its Special Purpose Entity (SPE) borrower, ECG Rady, LP is now requesting an additional $30,000,000, which will increase the overall maximum amount of the tax-exempt bonds to $70,000,000. With this increase, if approved, Elmington Affordable and its SPE borrower, ECH Rady, LP are seeking to cover as much of their construction loan as possible and shift more of their debt financing to lower- interest tax-exempt debt from what would otherwise be higher interest taxable debt. To effectuate the increase, "recycled" bond funds will be used. **Recycled bonds** are a type of tax-exempt financing where money from an older affordable housing loan that was paid off early is immediately used to fund a brand-new project. This process allows local housing agencies to reuse their limited tax-

exempt borrowing power to build more affordable homes without needing new government funding. If not deployed within the required State statute timeframe, these bond funds would go unused.

The Richmond City Council must also approve, by Resolution, the request for increased Bond funding.

Section 3 Compliance [ONLY include if applicable to the action being requested]

The developer, Elmington Affordable, previously provided a written commitment to support RRHA's goals as it relates to local hiring and MBE/WBE participation in applicable project activities. The written commitment is still in effect.

Recommendation

It is therefore recommended that the Board of Commissioners approve the $30,000,000 increase in Conduit Bond funds and issuance of Multifamily Housing Revenue Bonds in the total amount of $70,000,000 to support the development of the Rady Flats Multifamily Project.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: November 12, 2026 Resolution No. 2026-34

TITLE: RESOLUTION AUTHORIZING AN INCREASE IN THE AMOUNT OF THE MULTIFAMILY HOUSING REVENUE BONDS TO BE ISSUED FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE APPROXIMATELY 288-UNIT RADY FLATS MULTIFAMILY MIXED INCOME HOUSING FACILITY TO BE LOCATED IN THE CITY OF RICHMOND

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 housing projects located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

WHEREAS, ECG Rady, LP (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an expected maximum principal amount of $70,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the costs of acquiring, constructing and equipping a multifamily residential rental housing project consisting of approximately 4 buildings containing approximately 288 units in aggregate and a clubhouse (the "Project") 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 located at 2811 Rady Street in the City of Richmond and 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 endeavor to provide certain employment and/or contracting opportunities to the residents and businesses of the neighborhoods surrounding the Project and others (the "Borrower's Special Commitments"); and

WHEREAS, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held 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 previously authorized up to $40,000,000 of its revenue bonds for the Project following a public hearing on October 15, 2025; and

WHEREAS, the Borrower now has the opportunity to obtain up to $30,000,000 of additional Authority revenue bonds for the Project by "recycling" revenue bonds to be obtained from the Authority or one or more other conduit revenue bond issuers; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance or refinance the Plan of Finance.

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 "residential buildings" 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 or refinancing 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 expected maximum principal stated amount of $70,000,000 for the Project upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in forms 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, Richmond, Virginia, to serve as bond counsel ("Bond Counsel") and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. 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.

8. All costs and expenses in connection with the financing or refinancing of the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, the Authority's application fee, origination fee and ongoing administrative fees), 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.

9. 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.

10. 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 the 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.

11. 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 expected maximum stated principal amount of $70,000,000 for the purposes of undertaking the Plan of Finance, as required by Section 147(f) of the Code.

12. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary and any Assistant 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 and (2) a copy of this resolution.

13. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, is hereby authorized to request, if and to the extent required, one or more 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 proceedings shall be paid for by the Borrower.

14. No Bonds may be issued pursuant to this resolution until such time as (a) the Bonds have received all required approvals of the City Council, and (b) the Bonds have received one or more allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder, to the extent required by the Code.

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

16. 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.

17. The issuance of the Bonds in the principal amount of up to $70,000,000 for the Project, in one or more series, at one time or from time to time, pursuant to definitive bond documents to be prepared or reviewed by Bond Counsel (including, but not limited to, offering documents for the Bonds, the "Bond Documents") is hereby authorized and approved. The Chair, Vice Chair, Secretary, Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Officials"), are each hereby authorized and directed to execute the Bonds, 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 Bond Documents. The Authorized Officials are hereby authorized to approve the final terms of the Bonds; provided, however, that the interest rates borne by the Bonds shall not exceed 15% per annum, the final maturities of the Bonds shall not be later than forty (40) years after the respective issuance dates of the Bonds, and the aggregate principal amount of the Bonds shall not exceed $70,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

18. The Bond Documents shall be in substantially the same forms as prepared or reviewed by Bond Counsel and submitted to the Authority, 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 Officials executing them, such executions to constitute conclusive evidence of the approvals of any such completions, omissions, insertions and changes. The Bond Documents shall contain upon their execution and delivery provisions obligating the Borrower to comply with the Borrower's Special Commitments with respect to the Project. The execution, delivery and performance by the Authority of the Bond Documents are hereby authorized and directed.

19. The Authorized Officials are hereby authorized and directed to execute on behalf of the Authority and to deliver the Bonds, the Bond Documents, the related documents to which the Authority is a party and such other agreements, certificates, documents and instruments (collectively, the "Documents"), and to do and perform such things and acts, as are authorized hereby or contemplated by the 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 Bonds and the other Documents and to attest such seal. The signatures of the Authorized Officials and the seal of the Authority on the Bonds may be by facsimile.

20. This resolution shall take effect immediately upon its approval by the Chair and Vice Chair of the Authority.

EXPLANATION: This is a resolution giving the Richmond Redevelopment and Housing Authority's ("RRHA") approval to the proposed revenue bond financing of the Rady Flats affordable apartments development. It allows the Borrower to go forward with the proposed revenue bond financing of the Project in one or more series, at one time or from time to time; however, no bonds can be issued without the obtaining of all required City Council approval(s) and the obtaining of all required volume cap allocation(s) from the state ceiling administered by the Virginia Department of Housing and Community Development. The resolution authorizes RRHA's officers to execute all necessary documents on behalf of RRHA in connection with the revenue bond financing. The resolution provides that the revenue bonds shall be limited obligations of RRHA payable solely from revenues of the Borrower's Project. No commissioners, officers, agents or employees of RRHA, past, present or future, or any person executing the revenue bonds, shall be personally liable for the revenue bonds. The Borrower is obligated to pay all associated fees, costs and expenses, to indemnify RRHA and its commissioners, officers, agents and employees and to comply with the Borrower's Special Commitments described in the resolution.

READ AND ADOPTED: November 12, 2026

COMMISSIONERS' ACTION

RESOLUTION #: **2026-34**

☐ Approved _____
Date

☐ Disapproved _____
Date

☐ Tabled _____
Date

☐ Withdrawn _____
Date

SIGNED:

_____
Eddie L. Jackson, Jr., Chair
RRHA Board of Commissioners

Votes Recorded				
Commissioner	Aye	Nay	Abstain	Absent
Eddie L. Jackson, Jr.				
Charlene Pitchford				
Dyanne Broidy				
Kyle R. Elliott				
W.R. "Bill" Johnson, Jr.				
Gregory Lewis				
Marika McCray				
Harold Parker, Jr.				

The undersigned Bond Counsel to 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 November 12, 2026, 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 on behalf of the Authority this 12th day of November, 2026.

By: _____

Bond Counsel to the Richmond Redevelopment and Housing Authority

Richmond Redevelopment and Housing Authority
Board Resolution Packet
Certification of Funding Availability

☐ **APPLICABLE**
☒ **NOT APPLICABLE** ***(If checked, do not complete form)***

[To be completed by the department presenting the resolution]
Resolution #: _____

Resolution Title: _____
_____

Funding Request
[Narrative Description] _____
_____
_____

Funding Source(s):	**Amount(s)**
Operating	$_____
Capital (Account #)	$_____
_____	$_____
TOTAL	**$_____**

If applicable-
Amount of previous contract $_____
Amount expended through [date] $_____

[To be completed by Finance]

I _____ certify that the funds to be expended in relation to
Print Name [Chief Financial Officer or Budget Officer]

this resolution are available in the RRHA budget.

_____ _____
Chief Financial Officer or Budget Officer Signature — Date

Attachment A

ELMINGTON AFFORDABLE

1030 16TH AVE. SOUTH, SUITE 500 | NASHVILLE, TN 37212

October 14th, 2025

Ms. Sherill Hampton
Richmond Redevelopment and Housing Authority (RRHA)
600 E Broad St Floors 4 & 5,
Richmond, VA 23219

Re: Rady Flats Letter of Commitment – Tenant Employment, Local Small, Minority, and Women-Owned Business Opportunities

Dear Ms. Hampton,

Elmington Affordable commits to undertaking the following best-effort actions to facilitate RRHA's overall goals at our project Rady Flats:

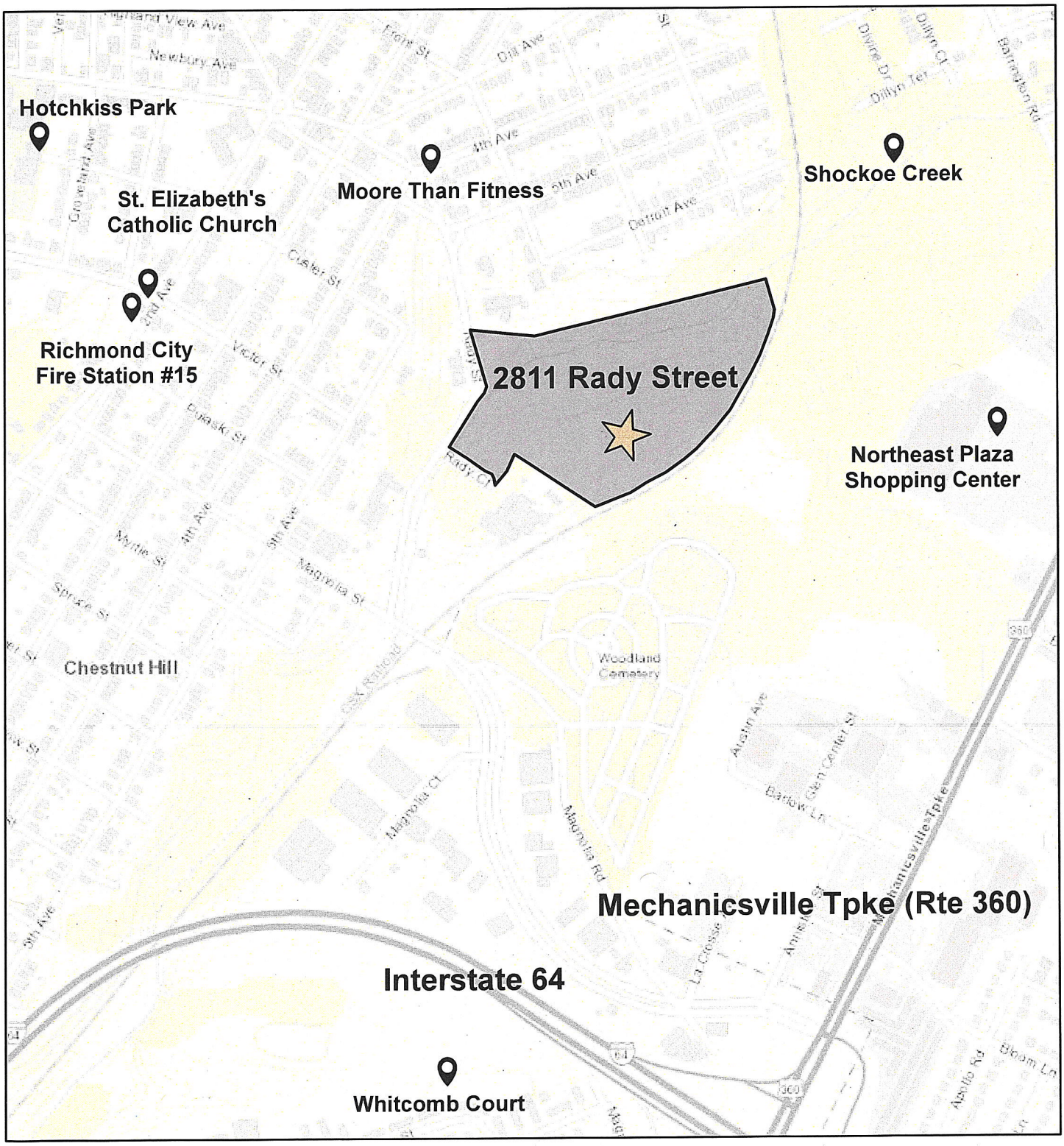
- Advertise subcontracting and job opportunities in at least two area news publications, prioritizing minority / women-focused trade publications
- Advertise subcontracting and job opportunities at the nearest City of Richmond Community Center
- During the construction phase of the project, host at least two job fairs and partner with community-based workforce programs that introduce women and minority candidates to potential construction jobs
- Provide quarterly reporting to RRHA concerning the above initiatives

We appreciate RRHA's partnership and will coordinate with your office on the timing and format of notices, job fairs, and quarterly reports.

Sincerely,

C. Hunter Nelson
Managing Member
Elmington Affordable

2811 Rady Street



10/8/2025

Citations

1:10,315

0 0.05 0.1 0.2 mi

0 0.1 0.2 0.4 km

County of Henrico, VITA, Esri, HERE, Garmin, INCREMENT P, Intermap, USGS, METI/NASA, EPA, USDA

Richmond Times-Dispatch

AFFIDAVIT OF PUBLICATION

See Proof on Next Page

State of New Jersey, County of Camden, ss:

Anjana Bhadoriya, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Richmond Times Dispatch, a newspaper printed and published in the City of Richmond, State of Virginia, and that this affidavit is Page 1 of 2 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES: Nov. 4, 2026

NOTICE ID: HwCzCgBD4PtQy0PGgQJo
PUBLISHER ID: COL-7007891
NOTICE NAME: RRHA Rady Notice
Publication Fee: $495.90
Ad Size: 2 X 36 L
Category: General Legal Notice

Under penalty of perjury, I, the undersigned affiant swear or affirm that the statements above are true and accurate to the best of my knowledge and belief.

Anjana Bhadoriya

(Signed)_____

VERIFICATION

State of New Jersey
County of Camden

SHARONN E THOMAS-POPE
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires January 23, 2027

Subscribed in my presence and sworn to before me on this: 11/04/2026

Notary Public
Notarized remotely online using communication technology via Proof.

NOTICE OF PUBLIC HEARING BEFORE THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY ON PROPOSED PRIVATE ACTIVITY BOND FINANCING FOR RADY FLATS 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 ECG Rady, LP (the "Borrower"), whose address is 1030 16th Avenue South, Suite 430, Nashville, Tennessee 37212, for the issuance by the Authority of a maximum stated principal amount of $70,000,000 of its revenue bonds (the "Bonds"), in one or more series, at one time or from time to time, in order to finance or refinance a portion of (a) the cost of acquiring, constructing and equipping a multifamily residential rental housing project to consist of approximately 4 buildings containing approximately 288 units and a clubhouse, to be known as Rady Flats (the "Project"), to be located on approximately 22.8 acres of land at 281 Rady Street in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) certain of 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 operated by the Borrower or a party related to the Borrower. The public hearing on the Plan of Finance, which may be continued or adjourned, will be held at 5:30 p.m. on November 12, 2026 before the Authority at 600 E. Broad Street, Suite 400, Richmond, Virginia 23219.

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 the Project and pledged therefor.

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
COL-7007891