

## **RESOLUTION**

### **RESOLUTION AMENDING PRELIMINARY APPROVAL OF ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS**

**WHEREAS**, on December 19, 2017, the Board of Commissioners of the Housing Authority of the City of Charlotte, N.C. (the "Authority") adopted a resolution (the "Preliminary Resolution") giving preliminary approval to the issuance of the Authority's multifamily housing revenue bonds in an amount not to exceed \$25,000,000 (the "Bonds"), the proceeds of which would be loaned to Pedcor Investments-2017-CLXV, L.P., an Indiana limited partnership, or an affiliated or related entity (the "Borrower"), to finance a portion of the cost of the acquisition, construction and equipping of a 198-unit multifamily housing development to be located at 2299 Scott Futrell Drive in Charlotte, North Carolina (the "Development"); and

**WHEREAS**, the Authority and the Borrower received an allocation of volume cap under Section 146 of the Internal Revenue Code of 1986, as amended (the "Code") for the Bonds in the amount of \$25,000,000 from the North Carolina Federal Tax Reform Allocation Committee ("TRAC"), based on the recommendation of the North Carolina Housing Finance Agency ("NCHFA"), on January 22, 2019; and

**WHEREAS**, the Borrower has determined that the amount of tax-exempt debt to be provided to finance the cost of the Development is more than originally anticipated, and has requested the Authority to amend the Preliminary Resolution to increase the amount of the Bonds to an amount not to exceed \$29,000,000; and

**WHEREAS**, the Borrower will request the NCHFA and TRAC to increase the amount of volume cap for the Development from \$25,000,000 to up to \$29,000,000;

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF  
THE CITY OF CHARLOTTE, N.C.:**

1. The Authority hereby confirms the determination it made in the Preliminary Resolution that the Development will involve the acquisition, construction and equipping of a housing facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Bonds in an amount not to exceed Twenty-Nine Million Dollars (\$29,000,000) to provide a portion of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as an expression of official intent toward the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by the Internal Revenue Service pursuant to the Code.

3. All other terms of the Preliminary Resolution remain in full force and effect.

4. This resolution shall take effect immediately.

### RECORDING OFFICER'S CERTIFICATION

I, A. Fulton Meachem, Jr., the duly appointed and qualified Secretary of the Housing Authority of the City of Charlotte, N.C., do hereby certify this Resolution was properly adopted at a regular meeting held December 17, 2019.

By:   
A. Fulton Meachem, Jr., Secretary

(SEAL)

RESOLUTION NO. 2327

## PROVIDE A RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN AFFORDABLE HOUSING DEVELOPMENT (ALLEGHANY STREET APARTMENTS)

WHEREAS, Pedcor Investments-2017-CLXV, L.P., an Indiana limited partnership, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Charlotte, N.C. (the "Authority") assist in financing the acquisition, construction and equipping of a 198-unit multifamily housing development to be located at 2110 Alleghany Street in Charlotte, North Carolina (the "Development"); and

WHEREAS, the Borrower has described to the Authority the benefits of the Development to the City of Charlotte and the State of North Carolina and has requested the Authority to agree to issue its revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the Authority is of the opinion that the Development is a facility which can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF CHARLOTTE, N.C.:

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a housing facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority's revenue bonds (the "Bonds") in one or more series in an aggregate amount now estimated not to exceed Twenty-Five Million Dollars (\$25,000,000) to provide all or part of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by Internal Revenue Service pursuant to the Internal Revenue Code of 1986, as amended (the "Code").

3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Borrower. The Authority and the Borrower shall enter into a "financing agreement" pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium, if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or other agreement between the Authority and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder,



the Authority's rights to payments under the financing agreement. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City of Charlotte, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Borrower.

4. The Authority will proceed, upon the prior advice, consent and approval of the Borrower, bond counsel and the Authority's counsel, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City of Charlotte and the North Carolina Local Government Commission.

5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Borrower may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, 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 written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Borrower may be reimbursed from the proceeds of the Bonds for all qualifying costs so incurred by it as permitted by Internal Revenue Service Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Borrower, to satisfactory review by the Authority of the financial capability of the Borrower and satisfactory underwriting of the Development, and mutual agreement to the terms for the Bonds, including the execution of a financing agreement, indenture, or security agreement and other documents and agreements necessary or desirable for the issuance, sale and delivery of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the issuance of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development and the issuance of the Bonds, including the reasonable fees and expenses of the Authority's counsel, bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Borrower and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Borrower that

nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the issuance of the Bonds, including calling for a public hearing with respect to the financing of the Development through the issuance of the Bonds.

8. McGuireWoods LLP, Raleigh, North Carolina, shall act as bond counsel for the Bonds.

9. This resolution shall take effect immediately upon its passage.

#### **RECORDING OFFICER'S CERTIFICATION**

I, A. Fulton Meachem, Jr., the duly appointed Secretary of the Housing Authority of the City of Charlotte, N.C., do hereby certify that Resolution No. 2327 was properly adopted at a regular meeting held December 19, 2017.

(SEAL)

By:   
A. Fulton Meachem, Jr., Secretary