

RESOLUTION APPROVING THE ISSUANCE BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF SPOTSYLVANIA, VIRGINIA OF ITS REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE APPROXIMATELY 200 UNIT PALMERS CREEK APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE COUNTY OF SPOTSYLVANIA, VIRGINIA

WHEREAS, the Economic Development Authority of the County of Spotsylvania, Virginia (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 BWF Palmers Creek, LLC, a Virginia limited liability company (the “Borrower”), requesting that the Authority issue up to \$22,000,000 of its revenue bonds (the “EDA Bonds”) to assist the Borrower in financing the acquisition, construction and equipping of a multifamily residential rental housing project to be known as Palmers Creek Apartments, consisting of two four-story buildings containing approximately 200 residential units, one community building and one office located on approximately 9.53 acres of land at 8934 Jefferson Davis Highway, Fredericksburg (Spotsylvania County), Virginia 22408 and other eligible expenses (collectively, the “Project”) and has held a public hearing in connection therewith on October 25, 2018; 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 must approve the issuance of such bonds;

WHEREAS, the Authority, as the issuing governmental unit with respect to the EDA Bonds, has no applicable elected representative, the County of Spotsylvania, Virginia (the “County”) constitutes the next highest governmental unit with such a representative, and the members of the Board of Supervisors of the County (the “Board”) constitute the applicable elected representatives of the County; and

WHEREAS, the Authority has previously held a public hearing regarding the Project and adopted a resolution authorizing in principle the issuance of the EDA Bonds; and

WHEREAS, the Authority has recommended that the Board approve the issuance of the EDA Bonds; and

WHEREAS, a copy of the Authority’s resolution authorizing the issuance of the EDA Bonds, subject to the terms to be agreed upon, a Fiscal Impact Statement complying with the requirements of Section 15.2-4907 of the Virginia Code and a certificate of the public hearing have been filed with the Board; and

WHEREAS, the EDA Bonds, as exempt facility bonds issued under Section 142(d) of the Code will necessitate that the Authority, on behalf of the Borrower, apply for and secure an allocation of private activity housing bond cap (the “Allocation”) for the Project in order for interest on the EDA Bonds to be exempt from the imposition of federal income tax.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SPOTSYLVANIA, VIRGINIA THAT:

1. The Board approves the issuance of the EDA 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") to permit the Authority to assist in the financing of the Project. Each of the County Administrator and any Deputy County Administrator are hereby authorized to take such further actions and execute and deliver such other documents, instruments, or certificates as are not inconsistent with this resolution and may be necessary or appropriate to secure the Allocation and otherwise for the issuance of the EDA Bonds by the Authority.

2. The approval of the issuance of the EDA Bonds does not constitute an endorsement to a prospective purchaser of the EDA Bonds of the creditworthiness of the Project or the Borrower.

3. THE EDA BONDS SHALL PROVIDE THAT NEITHER THE COMMONWEALTH OF VIRGINIA NOR THE COUNTY NOR THE AUTHORITY SHALL BE OBLIGATED TO PAY THE EDA 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 COMMONWEALTH OF VIRGINIA NOR THE COUNTY OR THE AUTHORITY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE EDA BONDS OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO.

4. In adopting this resolution, the County, 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 EDA Bonds for any reason.

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

Adopted by the Board of Supervisors of the County of Spotsylvania, Virginia this 15th day of November, 2018.

CERTIFICATE

Record of the roll-call vote by the Board of Supervisors of the County of Spotsylvania, Virginia, (the “Board”) upon reading on a resolution titled “**RESOLUTION APPROVING THE ISSUANCE BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF SPOTSYLVANIA, VIRGINIA OF ITS REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE APPROXIMATELY 200 UNIT PALMERS CREEK APARTMENTS MULTIFAMILY HOUSING FACILITY LOCATED IN THE COUNTY OF SPOTSYLVANIA, VIRGINIA,**” taken at a meeting of the Board held on November 15, 2018:

	AYE	NAY	ABSTAIN	ABSENT
Chris Yakabouski				
Kevin Marshall				
Timothy J. McLaughlin				
David Ross				
Gary F. Skinner				
Greg Benton				
Paul D. Trampe				

The undersigned Clerk of the Board of Supervisors of the County of Spotsylvania, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the Board at its meeting duly called and held on November 15, 2018, 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 County of Spotsylvania, Virginia this 15th day of November, 2018.

[SEAL]

Clerk, Board of Supervisors of the
County of Spotsylvania, Virginia