



June 24, 2024

NOTICE OF SPECIAL BOARD MEETING

Mr. Arne Morris, Board Chair
Mr. Eric Braun, Board Vice Chair
Ms. Valerie Crutchfield
Ms. Susan Ellinger
Ms. Niya Fonville
Ms. Bahati Mutisya
Mr. Gregg Warren
Mr. Joe Whitehouse
Ms. Yolanda Winstead

Dear Commissioners:

At the direction of the Board Chair, you are hereby notified that a special meeting of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina will be held on Thursday, June 27, 2024 at 5:00 pm at 900 Haynes Street, Raleigh. This meeting will also be held virtually. See Zoom information attached.

This meeting will be conducted to consider and act upon the following:

- A. Call to order and roll call by Board Chair
- B. Public Comments
- C. Report of the Board Secretary
- D. New Business
- E. Adjournment

Sincerely,

A handwritten signature in black ink that reads "Ashley Lommers-Johnson".

Ashley Lommers-Johnson
CEO

CC: All RHA Directors
Special Assistants
The Francis Law Firm, PLLC
Stormie Forte, City of Raleigh

Topic: RHA Board Meeting

Time: Jun 27, 2024 05:00 PM Eastern Time (US and Canada)

Please download and import the following iCalendar (.ics) files to your calendar system.

Monthly:

https://us06web.zoom.us/meeting/tZclfuqtqzMjGdymPBituzPtCAIKxluCawwo/ics?icsToken=98tyKuGrpjIpH9GduRqPRpwqGor4b-_wmFxEjadEkS_HCjRGeDPiFcNOGapzBfvR

Join Zoom Meeting

<https://us06web.zoom.us/j/83893558938?pwd=0qGWn62VGGEcVMZmLmTInfl4Zm7A8.1>

Meeting ID: 838 9355 8938

Passcode: 399266

One tap mobile

+13017158592,,83893558938#,,,,*399266# US (Washington DC)

+13052241968,,83893558938#,,,,*399266# US

Dial by your location

• +1 301 715 8592 US (Washington DC)

• +1 305 224 1968 US

• +1 309 205 3325 US

• +1 312 626 6799 US (Chicago)

• +1 646 931 3860 US

• +1 929 205 6099 US (New York)

• +1 689 278 1000 US

• +1 719 359 4580 US

• +1 253 205 0468 US

• +1 253 215 8782 US (Tacoma)

• +1 346 248 7799 US (Houston)

• +1 360 209 5623 US

• +1 386 347 5053 US

• +1 507 473 4847 US

• +1 564 217 2000 US

• +1 669 444 9171 US

• +1 669 900 6833 US (San Jose)

Meeting ID: 838 9355 8938

Passcode: 399266

AGENDA
HOUSING AUTHORITY OF THE CITY OF RALEIGH
SPECIAL BOARD MEETING
JUNE 27, 2024

A. Call to order and roll call by Board Chair

B. Recognition of visitors

C. Public Comments

D. Report of the Board Secretary

E. New Business

Resolution No. 41 (2024)

Preliminary approval to issuance of multifamily housing revenue bonds
(Garner Apartments)

TAB A

F. Adjournment

HOUSING AUTHORITY OF THE CITY OF RALEIGH

RESOLUTION NO. 41 (2024)

RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS (GARNER APARTMENTS)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) held a regular meeting at 5:00 p.m. on the 27th day of June, 2024; and

WHEREAS, the Authority is organized and operates pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”); and

WHEREAS, the Act defines “housing project” in N.C.G.S. § 157-3(12) to include “property, buildings and improvements . . . acquired or constructed . . . pursuant to a . . . plan or undertaking . . . [t]o provide grants, loans, interest supplements and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income”; and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Authority the power “to provide for the construction, reconstruction, improvement, alteration or repair of any housing project” and “to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues”; and

WHEREAS, Reuter Walton Development LLC, a Minnesota limited liability company, or an affiliated or related entity (the “Company”), intends to provide low and moderate income housing in the City of Raleigh, North Carolina (the “City”); and

WHEREAS, the Company has requested that the Authority assist it or an affiliate in financing the acquisition, construction and equipping of a 224-unit multifamily housing development to be known as Garner Apartments and located at approximately 1420 Garner Road in the City (the “Development”); and

WHEREAS, the Company has described to the Authority the benefits of the Development to the City and the State of North Carolina and has requested the Authority to agree to issue its multifamily housing 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 that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA:

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to provide reasonable assistance to the Company in issuing bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority’s multifamily housing revenue bonds (the “Bonds”) in an amount now estimated not to exceed Thirty-Six Million Dollars (\$36,000,000) 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 Section 1.150-2 of the Treasury Regulations issued by the Internal Revenue Service under 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 Company. The Authority and the Company shall enter into a “financing agreement” pursuant to the Act for a term and with 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 security 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, except the Authority’s right to payment of fees and expenses and indemnification. 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, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

4. The Authority hereby authorizes the Company to proceed, upon the prior advice, consent and approval of the Company and bond counsel, and consistent with the Company’s representations to the Authority, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City Council of the City of Raleigh, North Carolina, and, if required, the North Carolina Local Government Commission, and to obtain an allocation of a sufficient amount of the State of North Carolina’s “private activity bond limit”, as required by Section 141 of the Code and as defined in Section 146 of the Code, for the Bonds.

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 Company 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 Company 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 Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred by it as permitted by Treasury Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Company to terms for the issuance, sale and delivery of the Bonds, and the execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance 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 proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, 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 Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Company 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 resolution and the issuance of the Bonds.

8. The Authority hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

9. The Authority hereby approves The Francis Law Firm, PLLC, Raleigh, North Carolina to act as issuer's counsel for the Bonds.

10. This resolution shall take

Adopted:

Distribution: Chief Executive Officer