

ORIGINAL
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RESOLUTION NO. R-2021-112

Approving the Issuance by The Housing Authority of the City of Columbia, South Carolina, of Its Multifamily Housing Revenue Notes or Bonds (Colonel Bluffs Apartments) in the Maximum Principal Amount of \$26,100,000, in One or More Series, Pursuant to Section 147(F) of The Internal Revenue Code of 1986, as Amended; Providing Certain Other Matters in Connection Therewith; and Providing an Effective Date

WHEREAS, Colonel Bluffs SC LLC, a South Carolina limited liability company, or its successors or assigns (the “Sponsor”), has represented to the City Council (the “City Council”) of the City of Columbia, South Carolina (the “City”) that it desires to finance the costs of construction of approximately 288-unit new multifamily housing development and ancillary facilities, to be located at 230 Ashcroft Circle in the City of Columbia, South Carolina (the “Project”); and,

WHEREAS, the Sponsor has further represented to the City Council that substantial cost savings would be recognized by financing the Project through a plan of financing consisting of the issuance by the Housing Authority of the City of Columbia, South Carolina (the “Issuer”) of its multifamily housing revenue notes or bonds, in one or more series, in the maximum principal amount of Twenty-Six Million One Hundred Thousand and No/100 (\$26,100,000.00) Dollars (the “Bonds”) to finance the Project; and,

WHEREAS, the Sponsor has further represented to the City Council that a portion of the proceeds of the Bonds would be used for the purpose of (a) financing the cost of the land acquisition, construction, and equipping of the Project and (b) paying a portion of the costs of financing, including certain reserves, capitalized interest, and costs of issuance of the Bonds; and,

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended, including the U.S. Treasury Regulations promulgated thereunder (collectively, the “Code”), requires as a condition of exclusion from gross income for federal income tax purposes of the interest on private activity bonds, that the issuance of private activity bonds, as defined in Section 141(a) of the Code, such as the Bonds be approved, after a public hearing following reasonable public notice, by the governmental unit on behalf of which such bonds are to be issued and having jurisdiction over the area in which the bond financed property is located (the “147(f) Approval”); and,

WHEREAS, the City Council constitutes the elected legislative body of the City and the Sponsor has represented to the City Council that it is the applicable elected representative required to provide the 147(f) Approval with respect to the issuance of the Bonds for the purpose of financing the Project; and,

WHEREAS, the Sponsor has requested the City Council, pursuant to Section 147(f) of the Code, to provide the 147(f) Approval and to thereby approve the issuance by the Issuer of the Bonds for the purpose of providing funds to the Sponsor to finance the Project; and,

WHEREAS, on September 22, 2021, the Sponsor published in *The State*, a newspaper of general circulation in the City, a notice of public hearing to be held by the Issuer on October 5, 2021, at 2:30 p.m. or as soon thereafter as such matters may be heard by means of a telephonic meeting to consider the issuance by the Issuer of the Bonds and the nature of the Project to be financed with a portion of the proceeds of the Bonds; and,

WHEREAS, notice of the public hearing was duly published as indicated by the copy of the notice as it appeared in *The State* attached hereto as Exhibit A; and,

WHEREAS, the public hearing was duly held by the Issuer on October 5, 2021, during which public hearing members of the public were afforded the opportunity to express their views on the issuance by the Issuer of the Bonds and the use of a portion of the proceeds thereof to finance the Project as indicated by the Certificate as to Telephonic Public Hearing attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Members of the City Council of the City of Columbia, South Carolina, in Council duly assembled:

Section 1. The issuance by the Issuer of the Bonds in the maximum principal amount of \$26,100,000 for the purpose of providing funds to the Sponsor to finance the Project is hereby approved pursuant to and in accordance with Section 147(f) of the Code.

Section 2. A hearing open to the public, and conducted telephonically due to the COVID-19 pandemic, pursuant to Internal Revenue Service Rev. Proc. 2020-21, as extended by Rev. Proc. 2021-39, was held on October 5, 2021, for which the Sponsor has represented to the City Council that due and reasonable public notice, being published in *The State* as described above, was given by or on behalf of the Sponsor in accordance with the provisions of applicable law and procedures established therefor.

Section 3. Such approval by the City Council shall not be construed as (i) an endorsement of the creditworthiness of the Issuer, the Sponsor, or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any building or other regulatory permits relating to the Project, and the City Council shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding, or recommendation, to have waived any rights of the City, or to have caused the City to be estopped from asserting any rights or responsibilities it may have in such regard. Further, the Bonds shall not constitute an indebtedness of the State of South Carolina, the City, or any political subdivision thereof, but shall be payable solely from revenues of the Sponsor pledged to the payment of the Bonds. The approval by the City Council of the issuance of the Bonds by the Issuer to finance the Project shall not be construed to obligate the City to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds of the acquisition, construction' or equipping of the Project.

Section 4. This Resolution shall take effect immediately upon its adoption.

Section 5. That the provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision shall, for any reason, be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 6. That all resolutions or parts thereof in conflict with the provisions of the Resolution are, to the extent of such conflict, hereby superseded.

[signature page follows]

DONE AND RATIFIED this 19th day of October, 2021

Requested by:

Assistant City Manager Gentry



Mayor

Approved by:



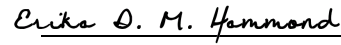
City Manager

Approved as to form:

ATTEST:



City Attorney



City Clerk

Introduced: 10/19/2021

Final Reading: 10/19/2021

EXHIBIT A

AFFIDAVIT OF PUBLICATION OF NOTICE OF TELEPHONIC PUBLIC HEARING

EXHIBIT B

CERTIFICATE OF TELEPHONIC PUBLIC HEARING

TO: Teresa Wilson, City Manager
FROM: Cindi Herrera, Chief Development Officer
CC: Ivory Mathews; Missy Gentry; Erica Hammond
DATE: October 11, 2021
RE: **Colonel Bluffs Apartments**

This memo serves to provide an overview of Colonel Bluffs apartments.

Colonel Bluffs Apartments is a new construction 288-unit affordable housing community located at 300 Clemson Road. The project will include 72 one-bedroom units of 765 square feet; 144 two-bedroom units of 890 square feet and 72 three-bedroom units of 1198 square feet. All 288 units in the project will be rent restricted to households below 60% of area median income.

Apartment amenities include stove, refrigerator, microwave, dishwasher, garbage disposal and washer/dryer hookups. Community amenities will include a large community room, business center, fitness center, central laundry room, playground and a swimming pool.

The project will be financed with Tax Exempt Bonds, Federal and State Low Income Housing Tax Credits and a private mortgage. Total development costs are \$49,564,829.

The owner of the project is Colonel Creek SC, LLC, a South Carolina limited liability company whose managing member is Fitch Irick SC, LLC, a partnership of three individuals, Hollis Fitch, Charlie Irick and Jay Bernstein. This partnership has extensive experience in developing affordable housing throughout South Carolina and recently completed Killian Terrace at 508 Longtown Road in Columbia.

Columbia Housing is requesting City Council to approve the issuance of Multi-Family Housing Revenue Bonds not to exceed \$26.1 million dollars to support the construction financing of the project. The TEFRA (Tax Equity and Fiscal Responsibility Act) Public Hearing was held on October 5, 2021. No public comments were received.

This affordable community is located in a high growth area of the city that has minimal affordable housing. This project will offer residents working in the area an opportunity to live closer to their employment and reduce commute times. This project will also offer affordable housing to lower paying individuals and make a significant impact on the shortage of workforce affordable housing in our community.