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RESOLUTION NO. R-2021-123

Approving The Issuance by the Housing Authority of the City of Columbia South Carolina of its Multifamily Housing Revenue Notes or Bonds (St. Andrew's Crossings) in the Maximum Principal Amount of \$10,500,000, 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, St. Andrew's Crossings, LP, a South Carolina limited partnership, 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 acquisition, construction, and equipping of an approximately 84-unit new multifamily housing development and ancillary facilities, located at 801 Zimacrest Drive in Richland County, 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 Ten Million Five Hundred Thousand and No/100 (\$10,500,000.00) 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 or notes are to be issued (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 August 18, 2021, the Sponsor published in *The State*, a newspaper of general circulation in the County, a notice of public hearing to be held by the Issuer on August 25, 2021, at 11:00 a.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 August 25, 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 \$10,500,000 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 August 25, 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 or the acquisition, [construction][rehabilitation], 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 7th day of December, 2021


Requested by:

Assistant City Manager Gentry




Mayor

Approved by:



City Manager

Approved as to form:



City Attorney

ATTEST:



City Clerk

Introduced: 12/7/2021
Final Reading: 12/7/2021

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 27, 2021

RE: **St. Andrews Crossings**

This memo serves to provide an overview of St. Andrews Crossings apartments.

St. Andrews Crossings is a new construction 84-unit affordable housing community located in at 801 Zimalcrest Drive. The project will include 14 one-bedroom units of 700 square feet; 40 two-bedroom units of 900 square feet; 20 three-bedroom units of 1,100 square feet; and 10 four-bedroom units of 1,300 square feet. All 84 units in the project will be rent restricted to households below 60% of area median income.

Apartment amenities include range, refrigerator, microwave, dishwasher, garbage disposal and washer/dryer hookups. Community amenities will include a clubhouse with community room, and business center. Outdoor amenities include playground.

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 \$18,766,399.

The owner of the project is the Marian Group, an affordable housing developer throughout the Southeast headquartered in Louisville, Kentucky. Founded in 1997, the Marian Group is a full-service real estate development, construction and investment firm concentrating on affordable and market rate multi-family properties with over \$200 million in accomplished and underway projects.

Columbia Housing is requesting City Council to approve the issuance of Multi-Family Housing Revenue Bonds not to exceed \$10.5 million dollars to support the construction financing of the project. The TEFRA (Tax Equity and Fiscal Responsibility Act) Public Hearing was held on August 25, 2021. No public comments were received.

This project will offer affordable housing to 1 individuals in lower paying jobs and make a significant impact on the shortage of workforce affordable housing in our community.