MINUTES OF THE SPECIAL MEETING OF THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

October 1, 2008

On October 1, 2008, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) met in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia.

CALL TO ORDER

FCRHA Vice Chair Lee Rau called the Special Meeting of the FCRHA to order at 6:30 p.m. FCRHA Commissioners present or absent for a portion or all of the meeting were as follows:

PRESENT	ABSENT
Lee A. Rau, Vice Chairman	Ronald F. Christian, Chairman
Albert J. McAloon	Will Jasper
Charlen Kyle	Robert C. Carlson
Elisabeth Lardner	
Robert Schwaninger	
Martin Dunn	
Rod Solomon	
John Kershenstein	

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Mary A. Stevens, Deputy Director; John Payne, Deputy Director, Real Estate; Louise Milder, Associate Director, Real Estate Finance; Christina White, Director, Property Management Division (PMD); Erin Ballard-Maung, FCRHA Assistant. Other Fairfax County staff in attendance: Len Wales, County Debt Manager; Alan Weiss and David Stroh, Assistant County Attorneys and FCRHA Counsel. Also in attendance for a portion of the meeting was Springfield District Supervisor Patrick Herrity.

ACTION ITEMS

1.

RESOLUTION NUMBER 53-08A

Authorization to Increase the Fairfax County Redevelopment and Housing Authority's Bank of America Tax-Exempt Line of Credit by an Additional Amount not to Exceed $106,000,000 to Provide Funds to Pay Off the 2007 Bond Anticipation Notes Used for the Purpose of Acquiring Wedgewood Apartments (Braddock District)

RESOLUTION APPROVING AND AUTHORIZING A REQUEST TO INCREASE THE AMOUNTS AVAILABLE UNDER A FCRHA TAX-EXEMPT LINE OF CREDIT WITH BANK OF AMERICA, N.A. BY AN AMOUNT NOT IN EXCESS OF $106,000,000, FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE PAYMENT OF THE PRINCIPAL OF NOTES ISSUED FOR THE PURPOSE OF FINANCING A PORTION

OF THE PURCHASE PRICE OF A MULTI-FAMILY RENTAL HOUSING COMPLEX LOCATED IN FAIRFAX COUNTY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ALL OTHER DOCUMENTS RELATED TO THE INCREASE OF SUCH FCRHA LINES OF CREDIT; AND DELEGATING TO PROPER OFFICERS AUTHORITY TO DETERMINE CERTAIN DETAILS OF SUCH TRANSACTIONS.

WHEREAS, the Fairfax County Redevelopment and Housing Authority ("FCRHA") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, Code of Virginia, 1950, as amended (the "Act"), and is authorized thereby to issue its notes and bonds from time to time to further its goal of preserving affordable housing in Fairfax County; and

WHEREAS, the Board of Supervisors of Fairfax County (the "County") entered into Agreements of Purchase and Sale (the "Purchase Contracts") for the purchase of a multi-family rental housing complex comprised of the 424-unit Wedgewood West Apartments, including its site of approximately 21.9 acres, the 123-unit Wedgewood East Apartments, including its site of approximately 6.9 acres, and the 125-unit Wedgewood Manor Apartments, including its site of approximately 6.0 acres, all located in Annandale, Virginia (collectively, the "Property"); and

WHEREAS, FCRHA on November 1, 2007, authorized the issuance of its bonds to provide long-term permanent financing for the Property; and

WHEREAS, the County, upon entering into the Purchase Contracts, requested that FCRHA provide interim financing for a portion of the purchase price of the Property and related costs and offered to enter into a payment agreement pursuant to which the County agreed to make payments, to or for the account of FCRHA, in amounts sufficient, with the proceeds of any permanent financing and renewal notes financing and any other sources of funds available for the purpose, for FCRHA to pay timely the interest on and the principal of notes to be issued for such interim financing; and

WHEREAS, FCRHA, pursuant to the County's request, issued on November 28, 2007 bond anticipation notes in the aggregate principal amount of $105,485,000 (the "Outstanding Notes"), the proceeds of which were used to finance the payment of a portion of the purchase price of the Property; and

WHEREAS, FCRHA is in the process of determining the structure of the permanent financing of the Property and does not yet wish to enter into long-term permanent financing for the Property; and

WHEREAS, the Outstanding Notes have a maturity date of October 9, 2008, and FCRHA desired to issue new notes as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA on July 24, 2008 approved the issuance of new notes (the "Series 2008B Notes") as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA may not be able to issue the Series 2008B Notes on acceptable terms prior to October 9, 2008 due to financial market disruptions and FCRHA and the County desire to put in place an alternative source of interim financing to ensure the payment of the principal of the Outstanding Notes; and

WHEREAS, on December 30, 2005, FCRHA and Bank of America, N.A. (the "Line of Credit Bank") entered into a Loan Agreement and on August 2, 2006 a First Amendment to Loan Agreement pursuant to which the Line of Credit Bank provides a tax exempt line of credit to FCRHA with a commitment in the aggregate amount of $15,000,000 (the "Tax-Exempt Line of Credit") and agrees to make advances to the FCRHA under the Tax-Exempt Line of Credit (the "Tax-Exempt Advances") for construction and other project related interim financing for the benefit of FCRHA; and

WHEREAS, FCRHA has determined to request an increase in the commitment of the Line of Credit Bank under the Tax Exempt Line of Credit to provide sufficient funds for interim financing the payment of the principal of the Outstanding Notes, until the issuance of the Series 2008B Notes is feasible, and

WHEREAS, the Commissioners of FCRHA (the "Commissioners") have determined that it is necessary to delegate to the Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA and the County Executive or Deputy County Executive/Chief Financial Officer the power to approve the details of these transactions, subject to the guidelines and standards established hereby; now, therefore

BE IT RESOLVED BY THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY:

Section 1. **Approval of Line of Credit Increase**. The Commissioners hereby request the Line of Credit Bank to increase the aggregate commitment under the Tax-Exempt Line of Credit by an additional amount of up to $106,000,000 to be used to pay the principal of the Outstanding Notes.

Section 2. **Other Action.** The Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA or any other authorized representative of FCHRA is hereby authorized and directed to execute and deliver any and all additional documents, certificates and instruments necessary or proper to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

Section 3. **No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in any other agreement, certificate or document executed on behalf of FCRHA shall be deemed to be a stipulation, obligation or agreement of any Commissioner, officer, agent or employee of FCRHA in his or her individual capacity, and no such Commissioner, officer, agent or employee shall be personally liable or be subject to personal liability or accountability by reason of the issuance thereof.

Section 4. **Action Approved and Confirmed.** All acts and doings of the Commissioners, officers, agents or employees of FCRHA that are in conformity with the purposes and intent of this Resolution and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved and confirmed.

Section 5. **Severability.** If any provision of this Resolution shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provision or cause any other provisions to be invalid, inoperative or unenforceable to any extent whatsoever.

Section 6. **Repealer; Effective Date.** Any resolutions or orders or parts thereof in conflict with this Resolution are to the extent of such conflict hereby repealed. This Resolution shall take effect immediately upon its adoption.

RESOLUTION NUMBER 53-08B

Authorization to Accept a Partial Assignment of a Master Credit Agreement from the Fairfax County Economic Development Authority in an Amount not to Exceed $106,000,000 to Provide Funds to Pay Off the 2007 Bond Anticipation Notes Used for the Purpose of Acquiring Wedgewood Apartments (Braddock District)

RESOLUTION APPROVING AND AUTHORIZING ACCEPTANCE AND THE EXECUTION AND DELIVERY OF A PARTIAL ASSIGNMENT OF A MASTER CREDIT AGREEMENT FROM FAIRFAX COUNTY ECONOMIC DEVELOPMENT AUTHORITY TO FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY CONSENTED TO BY THE LINE OF CREDIT BANK AND APPROVING THE ISSUANCE BY FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY OF A BANK NOTE PURSUANT TO THE PARTIAL ASSIGNMENT OF A MASTER CREDIT AGREEMENT IN AN AMOUNT NOT IN EXCESS OF $106,000,000, ALL FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE PAYMENT OF THE PRINCIPAL AMOUNT OF NOTES ISSUED FOR THE PURPOSE OF FINANCING A PORTION OF THE PURCHASE PRICE OF A MULTI-FAMILY RENTAL HOUSING COMPLEX LOCATED IN FAIRFAX COUNTY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ALL OTHER DOCUMENTS RELATED TO THE PARTIAL ASSIGNMENT OF A MASTER CREDIT AGREEMENT AND THE ISSUANCE OF THE BANK NOTE; AND DELEGATING TO PROPER OFFICERS AUTHORITY TO DETERMINE CERTAIN DETAILS OF SUCH TRANSACTIONS.

WHEREAS, the Fairfax County Redevelopment and Housing Authority ("FCRHA") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, Code of Virginia, 1950, as amended (the "Act"), and is authorized thereby to issue its notes and bonds from time to time to further its goal of preserving affordable housing in Fairfax County; and

WHEREAS, the Board of Supervisors of Fairfax County (the "County") entered into Agreements of Purchase and Sale (the "Purchase Contracts") for the purchase of a multi-family rental housing complex comprised of the 424-unit Wedgewood West Apartments, including its site of approximately 21.9 acres, the 123-unit Wedgewood East Apartments, including its site of approximately 6.9 acres, and the 125-unit Wedgewood Manor Apartments, including its site of approximately 6.0 acres, all located in Annandale, Virginia (collectively, the "Property"); and

WHEREAS, FCRHA on November 1, 2007, authorized the issuance of its bonds to provide long-term permanent financing for the Property; and

WHEREAS, the County, upon entering into the Purchase Contracts, requested that FCRHA provide interim financing for a portion of the purchase price of the Property and related costs and offered to enter into a payment agreement pursuant to which the County agreed to make payments, to or for the account of FCRHA, in amounts sufficient, with the proceeds of any permanent financing and renewal notes financing and any other sources of funds available for the purpose, for FCRHA to pay timely the interest on and the principal of notes to be issued for such interim financing; and

WHEREAS, FCRHA, pursuant to the County's request, issued on November 28, 2007 bond anticipation notes in the aggregate principal amount of $105,485,000 (the "Outstanding Notes"), the proceeds of which were used to finance the payment of a portion of the purchase price of the Property; and

WHEREAS, FCRHA is in the process of determining the structure of the permanent financing of the Property and does not yet wish to enter into long-term permanent financing for the Property; and

WHEREAS, the Outstanding Notes have a maturity date of October 9, 2008, and FCRHA desired to issue new notes as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA on July 24, 2008 approved the issuance of new notes (the "Series 2008B Notes") as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA may not be able to issue the Series 2008B Notes on acceptable terms prior to October 9, 2008 due to financial market disruptions and

FCRHA and the County desire to put in place an alternative source of interim financing to ensure the payment of the principal of the Outstanding Notes; and

WHEREAS, on December 14, 2007, the County, the Fairfax County Economic Development Authority (the "EDA") and Bank of America, N.A. (the "Line of Credit Bank") entered into a Master Credit Agreement (the "Master Credit Agreement") pursuant to which the Line of Credit Bank provides a line of credit to the EDA for the benefit of the County (the "Line of Credit") and agrees to make advances to the County under the Line of Credit ("Advances") for purpose of providing interim financing for the costs of planning, developing, acquiring, constructing, improving, renovating and equipping facilities for the benefit of the County; and

WHEREAS, the County has approved the use of Advances under the Master Credit Agreement, not in excess of $106,000,000, to provide interim financing, and pay the costs associated therewith, for the payment of the principal of the Outstanding Notes until the issuance of the Series 2008B Notes by competitive bidding in the public markets is feasible; and

WHEREAS, the provisions of Chapter 643 of the 1964 Acts of Assembly, as amended and as the same incorporates the provisions of the Industrial Development and Revenue Bond Act as amended from time to time and codified as Title 15.2, Chapter 49, Code of Virginia, as amended, precludes EDA, due to the existence of FCRHA, from borrowing money to finance "facilities used primarily for single or multi-family residences," including the payment of the principal of the Outstanding Notes; and

WHEREAS, in order to effectuate the use of Advances under the Master Credit Agreement to provide interim financing for the payment of the principal of the Outstanding Notes, FCRHA desires to request and accept a partial assignment of the Master Credit Agreement (the "Partial Assignment of the Master Credit Agreement") and issue a bank note under the Partial Assignment of the Master Credit Agreement (the "FCRHA Bank Note") in exchange for a single Advance under the Line of Credit in an amount not in excess of $106,000,000 (the "FCRHA Advance") to provide interim financing for the payment of the principal of the Outstanding Notes; and

WHEREAS, the Payment Agreement dated as of November 28, 2007 (the "2007 Payment Agreement") between FCRHA and the County provides in part that in the event that the Outstanding Notes shall not have been paid in full at maturity and funds are not otherwise available for the payment of the unpaid principal of and interest accrued thereon at the maturity of the Outstanding Notes, FCRHA covenants that it shall use its best efforts to issue bond anticipation notes in a principal amount sufficient to provide for the payment of the unpaid principal of the Outstanding Notes and the interest thereon due at maturity, the terms thereof to be approved by the County Executive or the Deputy County Executive/Chief Financial Officer of the County, such terms to include a principal amount not in excess of the authorized and unissued principal amount of the bonds in anticipation of which the Outstanding Notes were issued (the "Bonds"), the interest rate or rates not to exceed any applicable statutory

limitation, the buyer or buyers to be an institution or institutions capable of assessing the creditworthiness of the renewal notes, the County to have made prior or simultaneous appropriation for any debt service coming due in the current fiscal year and the applicable provisions of the 2007 Payment Agreement to apply mutatis mutandis to such renewal notes and to the Bonds; and

WHEREAS, the FCRHA Advance is in a principal amount sufficient to provide for the payment of the unpaid principal of the Outstanding Notes at their maturity and FCRHA has otherwise provided for the payment of the interest thereon; and

WHEREAS, the 2007 Payment Agreement is a payment agreement under the terms of the Partial Assignment of the Master Credit Agreement and provides security for the repayment of the FCRHA Bank Note; and

WHEREAS, there has been prepared and presented to FCRHA the proposed forms of the Partial Assignment of the Master Credit Agreement and the FCRHA Bank Note; and

WHEREAS, the Commissioners of FCRHA (the "Commissioners") have determined that it is necessary to delegate to the Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA and the County Executive or Deputy County Executive/Chief Financial Officer the power to approve the details of these transactions, subject to the guidelines and standards established hereby; now, therefore

BE IT RESOLVED BY THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY:

Section 1. **Partial Assignment of the Master Credit Agreement.** The Commissioners hereby approve and accept the Partial Assignment of the Master Credit Agreement and the Partial Assignment of the Master Credit Agreement in the form of presented to this meeting is approved. The Chairman or Vice Chairman of FCRHA is hereby authorized and directed to execute and deliver the Partial Assignment of the Master Credit Agreement in substantially the form hereby approved with such additions, deletions and modifications thereto as may be approved by the Chairman or Vice Chairman, the execution of the Partial Assignment of the Master Credit Agreement being conclusive evidence of such approval and of the approval of FCRHA; and the Secretary or an Assistant Secretary of FCRHA, or any other authorized representative of FCRHA, is hereby authorized and directed to affix the seal of FCRHA to the Partial Assignment of the Master Credit Agreement and to attest the same.

Section 2. **Approval of the FCRHA Advance.** The Commissioners hereby approve and request the use of the FCRHA Advance under the Line of Credit, not in excess of $106,000,000, to provide interim financing, and pay the costs associated therewith, for the payment of the principal amount of the Outstanding Notes until the issuance of the Series 2008B Notes on acceptable terms is feasible.

Section 3. **Issuance of the FCRHA Bank Note.** The Commissioners hereby authorize the issuance of the FCRHA Bank Note to evidence FCRHA's obligation to make principal and interest payments on the FCRHA Advance in the form as presented to this meeting. The FCRHA Bank Note shall be dated and issued on such date and, shall mature on such date or dates, shall bear interest at such rate or rates, payable on such dates and shall have such other details all as shall be specified in the Partial Assignment of the Master Credit Agreement, delivered as herein authorized. The FCRHA Bank Note shall be executed by the Chairman, the Vice Chairman, the Secretary or Assistant Secretary, under seal in the manner set forth in the Partial Assignment of the Master Credit Agreement, and delivered to and for the account of Bank of America, N.A., the Line of Credit Bank.

Section 4. **2007 Payment Agreement.** The Commissioners hereby determine that use of the FCRHA Advance and the issuance of the FCRHA Bank Note are consistent with FCRHA's obligations under the 2007 Payment Agreement to use its best efforts to provide interim financing for the payment of the principal amount of the Outstanding Notes.

Section 5. **Other Action.** The Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA or any other authorized representative of FCHRA is hereby authorized and directed to execute and deliver any and all additional documents, certificates and instruments necessary or proper to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution and the execution and delivery of the FCRHA Bank Note and the Partial Assignment of the Master Credit Agreement.

Section 6. **No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in the FCRHA Bank Note and the Partial Assignment of the Master Credit Agreement, or in any other agreement, certificate or document executed on behalf of FCRHA shall be deemed to be a stipulation, obligation or agreement of any Commissioner, officer, agent or employee of FCRHA in his or her individual capacity, and no such Commissioner, officer, agent or employee shall be personally liable on the FCRHA Bank Note or be subject to personal liability or accountability by reason of the issuance thereof.

Section 7. **Action Approved and Confirmed.** All acts and doings of the Commissioners, officers, agents or employees of FCRHA that are in conformity with the purposes and intent of this Resolution and in the furtherance of the issuance of the FCRHA Bank Note and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved and confirmed.

Section 8. **Severability.** If any provision of this Resolution shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provision or cause any other provisions to be invalid, inoperative or unenforceable to any extent whatsoever.

Section 9. **Repealer; Effective Date.** Any resolutions or orders or parts thereof in conflict with this Resolution are to the extent of such conflict hereby repealed. This Resolution shall take effect immediately upon its adoption.

RESOLUTION NUMBER 53-08C

Authorization to Draw Down on the Fairfax County Redevelopment and Housing Authority's Bank of America Tax-Exempt Line of Credit in an Amount not to Exceed $106,000,000 to be Used to Pay Off the 2007 Bond Anticipation Notes Used for the Purpose of Acquiring Wedgewood Apartments (Braddock District)

RESOLUTION APPROVING AND AUTHORIZING A DRAW ON FCRHA'S TAX-EXEMPT LINE OF CREDIT WITH BANK OF AMERICA, N.A. IN AN AMOUNT NOT IN EXCESS OF $106,000,000, AND APPROVING AND AUTHORIZING THE EXECUTION OF A SECOND AMENDMENT TO LOAN AGREEMENT RELATING TO SUCH LINE OF CREDIT, ALL FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR THE PAYMENT OF THE PRINCIPAL OF NOTES ISSUED FOR THE PURPOSE OF FINANCING A PORTION OF THE PURCHASE PRICE OF A MULTI-FAMILY RENTAL HOUSING COMPLEX LOCATED IN FAIRFAX COUNTY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF ALL OTHER DOCUMENTS RELATED TO THE USE OF SUCH FCRHA LINE OF CREDIT; AND DELEGATING TO PROPER OFFICERS AUTHORITY TO DETERMINE CERTAIN DETAILS OF SUCH TRANSACTIONS.

WHEREAS, the Fairfax County Redevelopment and Housing Authority ("FCRHA") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, Code of Virginia, 1950, as amended (the "Act"), and is authorized thereby to issue its notes and bonds from time to time to further its goal of preserving affordable housing in Fairfax County; and

WHEREAS, the Board of Supervisors of Fairfax County (the "County") entered into Agreements of Purchase and Sale (the "Purchase Contracts") for the purchase of a multi-family rental housing complex comprised of the 424-unit Wedgewood West Apartments, including its site of approximately 21.9 acres, the 123-unit Wedgewood East Apartments, including its site of approximately 6.9 acres, and the 125-unit Wedgewood Manor Apartments, including its site of approximately 6.0 acres, all located in Annandale, Virginia (collectively, the "Property"); and

WHEREAS, FCRHA on November 1, 2007, authorized the issuance of its bonds to provide long-term permanent financing for the Property; and

WHEREAS, the County, upon entering into the Purchase Contracts, requested that FCRHA provide interim financing for a portion of the purchase price of the Property and related costs and offered to enter into a payment agreement pursuant to which the County agreed to make payments, to or for the account of FCRHA, in amounts sufficient, with the proceeds of any permanent financing and renewal notes financing and any other sources of funds available for the purpose, for FCRHA to pay timely the interest on and the principal of notes to be issued for such interim financing; and

WHEREAS, FCRHA, pursuant to the County's request, issued on November 28, 2007 bond anticipation notes in the aggregate principal amount of $105,485,000 (the "Outstanding Notes"), the proceeds of which were used to finance the payment of a portion of the purchase price of the Property; and

WHEREAS, FCRHA is in the process of determining the structure of the permanent financing of the Property and does not yet wish to enter into long-term permanent financing for the Property; and

WHEREAS, the Outstanding Notes have a maturity date of October 9, 2008, and FCRHA desired to issue new notes as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA on July 24, 2008 approved the issuance of new notes (the "Series 2008B Notes") as a source of interim financing to pay the principal of the Outstanding Notes on or before their maturity date; and

WHEREAS, FCRHA may not be able to issue the Series 2008B Notes on acceptable terms prior to October 9, 2008 due to financial market disruptions and FCRHA and the County desire to put in place an alternative source of interim financing to ensure the payment of the principal of the Outstanding Notes; and

WHEREAS, on December 30, 2005, FCRHA and Bank of America, N.A. (the "Line of Credit Bank") entered into a Loan Agreement and on August 2, 2006 a First Amendment to Loan Agreement (collectively, the "Loan Agreement") pursuant to which the Line of Credit Bank provides a tax exempt line of credit to FCRHA (the "Tax-Exempt Line of Credit") which is evidenced by FCRHA's Promissory Note (Tax Exempt) dated December 30, 2005 as amended by the Allonge to Promissory Note dated August 2, 2006 (the "Tax-Exempt Note") under which FCRHA may request advances under the Tax-Exempt Line of Credit of up to $15,000,000 (the "Tax-Exempt Advances") to borrow for construction and other project related interim financing for the benefit of FCRHA; and

WHEREAS, FCRHA desires to use a Tax-Exempt Advance under the Tax-Exempt Line of Credit in an amount not in excess of $106,000,000 (the "Wedgewood Advance") to provide interim financing for the payment of the principal of the Outstanding Notes; and

WHEREAS, in order to receive the Wedgewood Advances under the Tax-Exempt Line of Credit to provide interim financing for the payment of all or a portion of the principal of the Outstanding Notes, FCRHA desires to enter into a Second Amendment to Loan Agreement (the "Second Amendment to Loan Agreement"); and

WHEREAS, the Payment Agreement dated as of November 28, 2007 (the "2007 Payment Agreement") between FCRHA and the County provides in part that in the event that the Outstanding Notes shall not have been paid in full at maturity and funds are not otherwise available for the payment of the unpaid principal of and interest accrued thereon at the maturity of the Outstanding Notes, FCRHA covenants that it shall use its best efforts to issue bond anticipation notes in a principal amount sufficient to provide for the payment of the unpaid principal of the Outstanding Notes and the interest thereon due at maturity, the terms thereof to be approved by the County Executive or the Deputy County Executive/Chief Financial Officer of the County, such terms to include a principal amount not in excess of the authorized and unissued principal amount of the bonds in anticipation of which the Outstanding Notes were issued (the "Bonds"), the interest rate or rates not to exceed any applicable statutory limitation, the buyer or buyers to be an institution or institutions capable of assessing the creditworthiness of the renewal notes, the County to have made prior or simultaneous appropriation for any debt service coming due in the current fiscal year and the applicable provisions of the 2007 Payment Agreement to apply mutatis mutandis to such renewal notes and to the Bonds; and

WHEREAS, the Wedgewood Advance together with other sources available, if any, will be in an amount sufficient to provide for the payment of the unpaid principal of the Outstanding Notes at their maturity and FCRHA has otherwise provided for the payment of the interest thereon; and

WHEREAS, there has been prepared and presented to FCRHA as Attachment A hereto the proposed form of the Second Amendment to Loan Agreement including the Allonge to Promissory Note dated October 8, 2008 (the "Allonge"); and

WHEREAS, the 2007 Payment Agreement is intended by FCRHA to provide security for the repayment of the Wedgewood Advances and the Tax-Exempt Note as amended by the Allonge is a renewal note under the provisions of the 2007 Payment Agreement; and

WHEREAS, the Commissioners of FCRHA (the "Commissioners") have determined that it is necessary to delegate to the Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA and the County Executive or Deputy County Executive/Chief Financial Officer the power to approve the details of these transactions, subject to the guidelines and standards established hereby; now, therefore

BE IT RESOLVED BY THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY:

Section 1. **Approval of the Wedgewood Advance**. The Commissioners hereby approve and request the use of the Wedgewood Advance under the Tax Exempt Line of Credit, not in excess of $106,000,000, to provide, with other available funds, if any, interim financing, and pay the costs associated therewith, for the payment of the principal amount of the Outstanding Notes until the issuance of the Series 2008B Notes on acceptable terms is feasible.

Section 2. **Second Amendment to Loan Agreement.** The Commissioners hereby approve and accept the Second Amendment to Loan Agreement and the Allonge in the forms presented in Attachment A to this resolution. The Chairman, Vice Chairman, Secretary or an Assistant Secretary is hereby authorized and directed to execute and deliver the Second Amendment to Loan Agreement in substantially the form hereby approved with such additions, deletions and modifications thereto as may be approved by the Chairman, Vice Chairman, Secretary or an Assistant Secretary, the execution of the Second Amendment to Loan Agreement being conclusive evidence of such approval and of the approval of FCRHA.

Section 3. **2007 Payment Agreement.** The Commissioners hereby determine that use of the Wedgewood Advance is consistent with FCRHA's obligations under the 2007 Payment Agreement to use its best efforts to provide interim financing for the payment of the principal amount of the Outstanding Notes.

Section 4. **Other Action.** The Chairman, Vice Chairman, Secretary or an Assistant Secretary of FCRHA or any other authorized representative of FCHRA is hereby authorized and directed to execute and deliver any and all additional documents, certificates and instruments necessary or proper to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution and the execution and delivery of the Second Amendment to Loan Agreement and Allonge.

Section 5. **No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in any other agreement, certificate or document executed on behalf of FCRHA shall be deemed to be a stipulation, obligation or agreement of any Commissioner, officer, agent or employee of FCRHA in his or her individual capacity, and no such Commissioner, officer, agent or employee shall be personally liable or be subject to personal liability or accountability by reason of the issuance thereof.

Section 6. **Action Approved and Confirmed.** All acts and doings of the Commissioners, officers, agents or employees of FCRHA that are in conformity with the purposes and intent of this Resolution and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved and confirmed.

Section 7. **Severability.** If any provision of this Resolution shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other

provision or cause any other provisions to be invalid, inoperative or unenforceable to any extent whatsoever.

Section 8. **Repealer; Effective Date.** Any resolutions or orders or parts thereof in conflict with this Resolution are to the extent of such conflict hereby repealed. This Resolution shall take effect immediately upon its adoption.

A presentation was given by HCD Director Paula Sampson and Louise Milder, Associate Director, Real Estate Finance, explaining the necessity for having an alternate financing plan for the Wedgewood bonds due to the ongoing instability of the financial markets and the remote possibility that the successful bidder, Bank of America, cannot close on the deal on October 6, 2008, as scheduled. Further explanation and input was provided by County Debt Manager Len Wales. Commissioner Kershenstein then requested an appraisal of the property. Following discussion it was agreed that Rex Peters, Associate Director, DD&C would provide recent comparables of sales in the area. After further discussion, a motion was made by Commissioner Schwaninger, seconded by Commissioner McAloon, to adopt Resolution Numbers 53-08A, 53-08B and 53-08C. A vote was taken and the motion passed unanimously.

ADMINISTRATIVE ITEM
1.

RESOLUTION NUMBER 54-08

Approval of the Revised and Updated Lot Lease, Rules and Regulations, and Park Standards for Woodley Hills Estates Manufactured Home Park
(Mount Vernon District)

BE IT RESOLVED, that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby approves for use in connection with the operation of the Woodley Hills Estates Manufactured Home Park, the following documents in substantially the form as revised and as presented in an Administrative Item to the FCRHA at its meeting on October 1, 2008:

- Fairfax County Rental Program Manufactured Home Lot Lease for Woodley Hills Estates
- Rules and Regulations of the Woodley Hills Estate Manufactured Home Park
- Woodley Hills Estates Manufactured Home Standards for Manufactured Homes First Subject to a Lease in Woodley Hills Estates on or after January 1, 2008.

A presentation was given by Deputy Director Mary Stevens, with assistance by Christina White, Director of Property Management, regarding the revised documents for

Woodley Hills. Commissioner Kershenstein requested that on Attachment 3, Rules and Regulations of Woodley Hills Estates, Number 13 be changed from “shall not be used or displayed” to “shall not be brandished”. With no objection, the change was so ordered. After brief discussion, a motion was made by Commissioner Lardner, seconded by Commissioner McAloon. A vote was taken and the motion passed unanimously.

ADJOURNMENT

A motion was made by Commissioner Schwaninger, seconded by Commissioner Kyle, to adjourn the meeting at 7:18 p.m. A vote was taken and the motion carried unanimously.

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Lee A. Rau, Vice Chairman

(Seal)

_____
Paula C. Sampson, Assistant Secretary