

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

July 31, 2014

On July 31, 2014, 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 Chair Elisabeth Lardner called the Annual Meeting of the FCRHA to order at 7:00 p.m. FCRHA Commissioners present or absent for a portion or all of the meeting were as follows:

PRESENT

Elisabeth Lardner, Chairman
Willard Jasper, Vice Chair
John Betts
Robert C. Carlson
Christopher Craig
C. Melissa Jonas
Richard Kennedy
H. Charlen Kyle
Albert J. McAloon
Robert Schwaninger
Rod Solomon

ABSENT

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; John Payne, Deputy Director, Real Estate; Tom Fleetwood, Director, FCRHA Policy, Reporting and Communications Division; Kris Miracle, Director, Administration Division; Steve Knippler, Senior Program Manager, FCRHA Policy, Reporting and Communications Division; Russell Lee, Acting Director, Rental Services Division; Marijke Hannam, Director, Financial Management Division (FMD); Hossein Malayeri, Director, Design, Development and Construction Division; Aseem Nigam, Director, Real Estate Finance and Grants Management (REFGM) Division; Deepthi Jain, Senior Real Estate Finance Officer, REFGM Division; Michael Pearman, Portfolio Manager, REFGM Division; Robert Fields, Interim Associate Director, Grants Management, REFGM Division; Carol Erhard, Director, Homeownership and Relocation Division; Leo Leduc, Director, Property Management Division; Nicole Wickliffe, Director, Asset Management Division; Mike Trent, Network Analyst, Information Systems and Services (ISS) Division; and Jodi Cienki, FCRHA Assistant. Other Fairfax County staff in attendance: Cynthia Tianti, Deputy County Attorney and Ryan Wolf, Assistant County Attorneys and FCRHA Counsel.

ELECTION OF OFFICERS

FCRHA Chair Elisabeth Lardner opened nominations for Chairman of the FCRHA. A motion was made by Commissioner Betts to nominate Commissioner Schwaninger as Chairman of the FCRHA. With no other nominations presented, a motion was then made by Commissioner McAloon, seconded by Commissioner Solomon, to close the nominations for Chairman. The motion carried unanimously and Commissioner Schwaninger was elected as Chair of the FCRHA.

Acting Chair Elisabeth Lardner then opened the floor to nominations for Vice Chair. A motion was made by Commissioner Schwaninger to nominate Commissioner Jasper as Vice Chairman of the FCRHA. With no other nominations presented, Commissioner Jonas made a motion to close the nominations, seconded by Commissioner Kyle. The motion carried unanimously, and Commissioner Jasper was elected Vice Chairman of the FCRHA. The elections closed at 7:03 p.m. and Commissioner Lardner handed the gavel to FCRHA Chairman Robert Schwaninger.

PUBLIC HEARING

Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing Concerning Issuance of Multifamily Housing Revenue Bonds (The Residences at Government Center), Series 2014, in an Amount not to Exceed \$15,000,000 (Braddock District)

The FCRHA Chair opened the Public Hearing at 7:04 p.m. With no one signed up and no one in the audience wishing to speak, the Chair closed the Public Hearing at 7:04 p.m.

CITIZEN TIME

The FCRHA Chair opened Citizen Time at 7:05. With no one signed up and no one in the audience wishing to speak, the Chair closed citizen time at 7:05.

APPROVAL OF MINUTES

June 12, 2014

A motion was made by Commissioner McAloon, seconded by Commissioner Kyle, that the FCRHA approve the Minutes of the June 12, 2014 Meeting. A vote was taken and the motion carried with Commissioners Betts, Solomon, and Jasper abstaining.

ACTION ITEMS

1.

RESOLUTION NUMBER 30-14

Approval of Updated Financing Plan for Residences at Government Center and Authorization, Subject to Approval of the Fairfax County Board of Supervisors, to Issue Multifamily Housing Revenue Bonds in an Amount Not to Exceed \$15,000,000 and Apply to the Virginia Department of Housing and Community Development (VADHCD) for Private Activity Bond Allocation (Braddock District)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (the "Authority") 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 fulfill its public purposes within the meaning of the Act; and

WHEREAS, pursuant to and in accordance with the Act, the Authority desires to issue and sell its Multifamily Housing Revenue Bonds (Residences at Government Center Project) in one or more series or subseries in the aggregate principal amount not to exceed \$15,000,000 (the "Bonds") on a tax-exempt basis; and

WHEREAS, the proceeds of the Bonds will be used, together with other sources, to provide financing for the construction of 120 units in the multifamily housing project known as The Residences at Government Center (the "Project"), located in Fairfax County, on Monument Drive, Fairfax, Virginia; and

WHEREAS, the Project will be owned by Fairfax Corners Partners II, LLC;
and

WHEREAS, the Bonds are and will be limited obligations, payable from the revenues pledged thereto pursuant to the Trust Indenture pursuant to which the Bonds will be issued; and as required by the Act, the Bonds shall not be a debt of Fairfax County, Virginia, the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) and neither Fairfax County, Virginia, nor the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) will be liable thereon, nor in any event shall the Bonds be payable out of any funds other than those received by the Authority pledged therefore pursuant to the Indenture, and the Bonds shall not constitute an indebtedness by the Authority within the meaning of any constitutional or statutory debt limitation or restriction; and

WHEREAS, Paula C. Sampson as Assistant Secretary on behalf of the Authority executed a Declaration of Intent on February 21, 2013, evidencing the Authority's intent to issue and sell the Bonds in an aggregate principal amount not to exceed \$29,000,000; and

WHEREAS, pursuant to Section 147 of the Internal Revenue Code, the Authority is required to hold a public hearing ("TEFRA Hearing") in connection with the issuance of the tax-exempt Bonds; and

WHEREAS, the Authority held the TEFRA Hearing on July 31, 2014; and

WHEREAS, for the purposes of compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the proposed bond issue must be approved by the Fairfax County Board of Supervisors; and

WHEREAS, the final terms of the Bonds and the documentation providing therefor and authorization for the issuance thereof shall be established by the Authority's adoption of a resolution for such purpose following the approval by the Fairfax County Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED, that the Authority approves the updated financing plan for the Project and authorizes that all necessary actions be taken in order for the Authority to apply for Private Activity Bond allocation from VADHCD and to submit to the Fairfax County Board of Supervisors for approval the proposed bond issue for the purpose of financing the construction of the Project and related costs, all as more fully outlined in the item presented to the Authority at its meeting on July 31, 2014.

A presentation was made by Steve Wilson of Stratford Capital Group. A motion was made by Commissioner Lardner, seconded by Commissioner McAloon to adopt Resolution Number 30-14. Following a discussion, a roll call vote was taken and the motion carried with the following results:

AYE

Robert Schwaninger, Chairman
Willard Jasper, Vice Chair
Robert C. Carlson
Christopher Craig
C. Melissa Jonas
Richard Kennedy
H. Charlen Kyle
Elisabeth Lardner
Albert J. McAloon
Rod Solomon

NAY

John Betts

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RESOLUTION NUMBER 31-14

Authorization to Enter into Contracts and Make Deferred Loans Using Federal Community Development Block Grant Funds to the Following Nonprofits:
(1) Community Havens, Inc. (\$400,000); and (2) Good Shepherd Housing and Family Services, Inc. (\$304,500)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes the Chairman, Vice Chairman, or any Assistant Secretary of the FCRHA to negotiate, execute and deliver contracts, loans and any other necessary or appropriate documents or agreements, in accordance with the applicable federal regulations for the use of Community Development Block Grant Funds, consistent with the approvals of the Board of Supervisors, as more fully described in the item presented to the FCRHA at its July 31, 2014 meeting, in each instance between the FCRHA and:

(1) Community Havens, Inc. in the amount of \$400,000 for the acquisition and renovation of one (1) or more housing units, subject to underwriting by the HCD Loan Underwriting Committee, which unit(s) will be used to provide affordable rental housing for three (3) or more households at or below 30 percent of AMI and which include(s) persons with disabilities; and

(2) Good Shepherd Housing and Community Services, Inc. in the amount of \$304,500 for the acquisition and renovation of two (2) or more housing units, subject to underwriting by the HCD Loan Underwriting Committee, which units will be used to provide affordable rental housing for households at or below 50 percent of AMI.

A motion was made by Commissioner Lardner, seconded by Commissioner Jonas to adopt Resolution Number 31-14. A vote was taken and the motion carried unanimously.

3.

RESOLUTION NUMBER 32-14

Authorization to Pre-Pay Financing on Two Former Home Equity Loan Program (HELP) Properties in the Fairfax County Rental Program (Providence and Sully Districts)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority authorizes the pre-payment of the PNC Bank line of credit loans for two Fairfax County Rental Program properties located at 3851 Aristotle Court, #211, Fairfax, VA 22030 (Providence District) and 5136 E. Brittany Elyse Circle, Centreville, VA 20120 (Sully District), as described in the Action Item presented on July 31, 2014.

A motion was made by Commissioner Lardner, seconded by Commissioner Kennedy, to adopt Resolution Number 32-14. A vote was taken and the motion carried unanimously.

ADMINISTRATIVE ITEMS

1.

RESOLUTION NUMBER 33-14

Authorization to Defer Implementation of Revised Subsidy Standards in the
Housing Choice Voucher Program

BE IT RESOLVED THAT the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes deferring the revised subsidy standards in the Housing Choice Voucher program.

Following a discussion and a presentation by Russell Lee, Acting Director, Rental Services Division, a motion was made by Commissioner Solomon, seconded by Commissioner Kyle, to adopt Resolution Number 33-14. A vote was taken and the motion carried unanimously.

INFORMATION ITEMS

1. Fairfax County Redevelopment and Housing Authority Regular Meeting Summary – June 12, 2014
2. Minutes of the Housing Ownership, Management and Security Committee Meeting – July 23, 2014
3. Minutes of the Finance Committee Meeting – July 23, 2014
4. Combined FCRHA 2013 Year End Portfolio Report – Brief Discussion
5. Fairfax County Redevelopment and Housing Authority (FCRHA) Conrad Egan Excellence Awards Program Nomination Process – Brief Discussion
6. FY 2014 Budget Carryover Review Summary
7. Fairfax County Redevelopment and Housing Authority Calendar of Meetings – August and September 2014

BOARD MATTERS – See Attachment #1

During board matters, Chairman Schwaninger turned the gavel over to Vice Chairman Jasper to make a motion.

MOTION

MOVED that the FCRHA end the current stipend payment status and revert back to the prior status of the Authority. A Motion was made by Commissioner Schwaninger and seconded by Commissioner Betts. Following a discussion, a vote was taken and the motion carried with Commissioner Kyle having previously left the meeting.

ADJOURNMENT

A motion was made by Commissioner Jonas, seconded by Commissioner McAloon, to adjourn the meeting at 8:09 p.m. A vote was taken and the motion carried.

(Seal)

Robert Schwaninger, Chairman

Paula C. Sampson, Assistant Secretary