

RESOLUTION NO.: R-2015-078

ORIGINAL  
STAMPED IN RED

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, APPROVING THE ISSUANCE BY THE PUBLIC FINANCE AUTHORITY OF NOT TO EXCEED \$14,305,000 PUBLIC FINANCE AUTHORITY MULTIFAMILY RENTAL HOUSING REVENUE BONDS, 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, Gable Oaks Affordable Housing, LLC, a South Carolina limited liability company (the "Company"), the sole member of which is The Banyan Foundation, Inc., a North Carolina not-for-profit, 501(c)(3) corporation (the "Foundation"), desires to finance the acquisition and renovation of a multifamily residential rental facility for individuals and families of low or moderate income located within the corporate limits of the City of Columbia, South Carolina (the "City"), known as the Gable Oaks at Eau Claire apartments (the "Project"); and,

WHEREAS, the Company has represented to the City Council of the City (the "City Council") that the Company will recognize substantial cost savings by financing the Project through the issuance by the Public Finance Authority (the "Issuer") of its multifamily rental housing revenue bonds, in one or more series, in the aggregate principal amount not to exceed Fourteen Million Three Hundred Five Thousand and No/100 (\$14,305,000) Dollars (the "Revenue Bonds") to finance the Project; 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 Revenue 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 the governmental unit having jurisdiction over the area in which the bond financed property is located; and,

WHEREAS, the City Council constitutes the elected legislative body of the City; and,

WHEREAS, the Company has represented to the City that the Issuer, as the issuer of the Bonds, has approved or will approve prior to the issuance of the Revenue Bonds, the issuance of the Revenue Bonds and the financing of the Project consistent with all applicable requirements of federal and state law (including but not limited to Section 147(f) of the Code); and,

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

WHEREAS, on August 12, 2015, the Company published in *The State*, a newspaper of general circulation in the City, a notice of public hearing to be held on September 1, 2015, at 6.00 p.m. or as soon thereafter as such matters may be heard in the City Council Chambers of the City Hall of the City of Columbia, 1737 Main Street, Columbia, South Carolina, to consider the issuance by the Issuer of the Revenue Bonds and nature of the Project to be financed with the proceeds of the Revenue Bonds; and,

WHEREAS, the public hearing so noticed, as indicated by the copy of the notice as it appeared in *The State* attached hereto as Exhibit A, was duly held by the City Council on September 1, 2015, during which hearing members of the public were afforded the opportunity to express their views on the issuance by the Issuer of the Revenue Bonds and the use of a portion of the proceeds thereof to finance the Project; NOW, THEREFORE,

ORIGINAL  
STAMPED IN RED

BE IT RESOLVED by the Mayor and City Council of the City of Columbia, South Carolina, this 1st day of September, 2015, as follows:

Section 1. The issuance by the Issuer of the Revenue Bonds for the purpose of providing funds to the Company to finance the Project is hereby approved pursuant to and in accordance with Section 147(f) of the Code.

Section 2. Such approval by the City Council shall not be construed as (i) an endorsement of the creditworthiness of the Issuer, the Company, the Foundation or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Revenue Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Revenue 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 Revenue 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 Company pledged to the payment of the Revenue Bonds. The approval by the City Council of the issuance of the Revenue 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 Revenue Bonds or the acquisition and renovation of the Project.

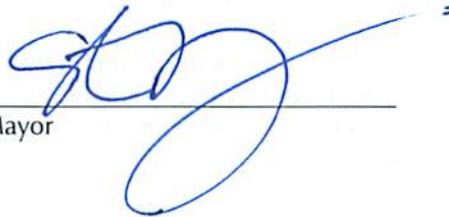
Section 3. This Resolution shall take effect immediately upon its adoption.

Section 4. 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 5. That all ordinances, resolutions or orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby superseded.

Requested by:

Assistant City Manager Palen

  
\_\_\_\_\_  
Mayor

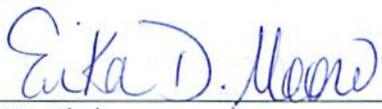
Approved by:

  
\_\_\_\_\_  
City Manager

Approved as to form:

  
\_\_\_\_\_  
City Attorney

ATTEST:

  
\_\_\_\_\_  
City Clerk

Introduced: 9/1/2015  
Final Reading: 9/1/2015

ORIGINAL  
STAMPED IN RED

EXHIBIT "A"  
NOTICE OF PUBLIC HEARING  
RESOLUTION NO.: R-2015-078

You are hereby notified that on the 1st day of September, 2015, at 6:00 p.m. or as soon thereafter as such matters may be heard in the City Council Chamber at the City Hall of the City of Columbia, 1737 Main Street, Columbia, South Carolina 29201, the Mayor and City Council (the "City Council") of the City of Columbia, South Carolina (the "City") will hold a public hearing on the proposed issuance by the Public Finance Authority (the "Issuer") of its multifamily rental housing revenue bonds, in one or more series, in the aggregate principal amount not to exceed \$14,305,000 (the "Revenue Bonds") for the purposes described below.

The proceeds of such Revenue Bonds, when and if issued, will be loaned by the Issuer to Gable Oaks Affordable Housing, LLC, a South Carolina limited liability company (the "Borrower"). The sole member of the Borrower is The Banyan Foundation, Inc., a North Carolina not-for-profit, 501(c)(3) corporation (the "Foundation"). The proceeds of the Revenue Bonds will be used by the Borrower to finance the acquisition and renovation of the Gable Oaks at Eau Claire apartment project located at 901 Colleton Street, Columbia SC 29203 (the "Project"). The Project will be owned and operated by the Borrower.

The public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). All interested parties are invited to present their comments at the time and place set forth above. The hearing is being held for the purpose of affording residents of the City of Columbia, South Carolina, and other interested persons, an opportunity to express their views, both orally and in writing, on the proposed issuance of the Revenue Bonds by the Issuer and the nature and location of the Project funded with proceeds of the Revenue Bonds. Any person interested in the proposed issuance of the Revenue Bonds by the Issuer or the location or nature of the Project may appear and be heard at the public hearing.

THE REVENUE BONDS WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE OF SOUTH CAROLINA, THE CITY OR ANY POLITICAL SUBDIVISION THEREOF, but will be payable by the Issuer solely from revenues of the Borrower pledged to the payment of the Revenue Bonds. The Revenue Bonds will not constitute a charge against the general credit of the State of South Carolina, the City or any political subdivision thereof or the taxing powers of the State of South Carolina or the City.

Comments made at the hearing and the meeting are for the consideration of the City Council and will not bind any legal action to be taken by the City Council in connection with the consideration and approval of the issuance of the Revenue Bonds by the Issuer.

PUBLIC FINANCE AUTHORITY  
CITY OF COLUMBIA, SOUTH CAROLINA