

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE
APPROVING THE ISSUANCE OF ESSENTIAL HOUSING REVENUE BONDS FOR
COMMUNITY FINANCE CORPORATION**

WHEREAS, the Public Finance Authority (the “Authority”) is authorized to issue revenue bonds for the purpose of financing residential rental housing facilities throughout the United States of America; and

WHEREAS, CFC-FNC, LLC and CFC-FNC II, LLC, both affiliates of Community Finance Corporation, an Arizona nonprofit corporation described in Section 501(c)(3) of the Code, have requested that the Authority issue qualified 501(c)(3) bonds, as defined in Section 145 of the Internal Revenue Code of 1986 (the “Code”), under a plan of financing in one or more series issued from time to time, in order to pay the costs of acquiring and improving residential rental housing facilities and related retail or commercial facilities (the “Facilities”), together with funding reserves and paying costs of issuance, including two separate facilities located in the City of Fayetteville, North Carolina (the “City”) located at 1707 Owen Drive and 1944 Cedar Creek Road, expected to be acquired and improved for no more than \$48,000,000 and \$66,000,000 (together the “Project”), and to be owned by CFC-FNC, LLC and CFC-FNC II, LLC, respectively; and

WHEREAS, the Facilities will provide necessary affordable, essential and market-rate rental housing within the City; and

WHEREAS, the Borrower is organized exclusively to further the stated charitable purposes of the Community Finance Corporation, which specifically includes, among other purposes, the purpose of lessening the government burdens of erecting, financing and maintaining public buildings, including, without limitation, rental housing; and

WHEREAS, the development, construction and operation of the Facilities will serve the public purposes of providing necessary affordable, essential and market-rate rental housing within the City, promoting economic development and welfare and diversifying the economy of the City, all of which the City hereby finds to be a burden of its local government (collectively, the “Expressed Government Burdens”); and

WHEREAS, the City finds that the development, construction and operation of the Facilities undertaken by the Borrower will actually lessen the Expressed Government Burdens of the City by providing necessary affordable, essential and market-rate rental housing within the City; and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the “applicable elected representative” of the governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the members of this City Council (this “City Council”) are the applicable elected representatives of the City; and

WHEREAS, there has been published, at least 7 days prior to the date hereof, in a newspaper of general circulation within the City or on the City's website, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

WHEREAS, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 66.0304(11)(a) of the Wisconsin Statutes;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitutes approval of the Bonds for the purposes of Section 147(f) of the Code and Section 66.0304(11)(a) of the Wisconsin Statutes.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

Section 4. This resolution shall take effect immediately upon its passage.

ADOPTED by the City Council of the City of Fayetteville at a regular meeting of said Council held on the 12th day of December, 2022, by the following vote:

AYES: 9 – Colvin, Jensen, Benavente, Haire, Dawkins, Thompson, McNair, Banks-McLaughlin, and Hondros

NOES: 0

ABSENT: 1 - Ingram

Pamela J. Megill, City Clerk