MEMORANDUM

To: Burke County Board of Commissioners
From: Piedmont Affordable Senior Housing Foundation, Inc.
Date: August 24, 2026
Re: Request to Adopt a Resolution in Support of the Bond Financing for The Berkeley

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Piedmont Affordable Senior Housing Foundation, Inc. ("PASHF") is asking the Burke County Board of Commissioners to hold a public hearing and adopt a resolution in support of the bond financing for The Berkeley. This memo covers what the Board is being asked to do, and just as importantly, what it is not being asked to do.

Who We Are and What We Are Doing

PASHF is a North Carolina nonprofit corporation. PASHF is buying six senior living communities across North Carolina. One of them, The Berkeley, located at 330 Juniper Street, Morganton, North Carolina 28655, is in Burke County. The Berkeley is an assisted living and memory care community, serving older adults.

How PASHF Is Paying for the Purchase

PASHF is borrowing money to help pay for these communities. It plans to borrow the money through bonds. A bond works much like a loan: investors provide money up front, and PASHF pays it back over time, with interest, similar to a mortgage.

Because PASHF is a nonprofit that serves seniors, federal tax law allows the interest on these bonds to be exempt from federal income tax. That tax break lowers PASHF's borrowing costs, which helps keep the communities financially healthy and helps keep care affordable for residents.

Why We Need the County's Help

Federal tax law will not allow this kind of tax-exempt bond to be issued unless two things happen first: a public hearing, and approval by an elected official or body with authority over the area where the project is located. For The Berkeley, that is the Burke County Board of Commissioners.

This requirement exists so that residents of the community where the project is located get a chance to learn about it and share their views, and so that a local elected government confirms it is aware of the project. It is a federal tax law requirement. It is not a request for the County to evaluate or endorse the business of the project.

The bonds will actually be issued by the Public Finance Authority, a public financing agency organized in Wisconsin that regularly issues tax-exempt bonds for nonprofit projects across the country, including many projects in North Carolina. Burke County is not being asked to issue any bonds itself.

What the County Is Being Asked to Do

We are asking the Board of Commissioners to do two things. First, hold a public hearing to give county residents a chance to comment on the project. Second, after the hearing, adopt a resolution in support of the bond financing, to the extent it relates to The Berkeley.

The bonds for the full six-community portfolio will not exceed $115,000,000 in total. Of that amount, no more than $25,000,000 is allocated to The Berkeley. This figure is a ceiling set by the bond documents. It is not necessarily the amount PASHF will actually spend.

What the County Is Not Being Asked to Do

Approving the resolution will not cost Burke County any money. The County is not borrowing money, is not lending money, and is not guaranteeing repayment of the bonds. If PASHF cannot repay the bonds, the County has no financial responsibility for that debt.

The County's approval is also limited to The Berkeley. It does not apply to, and does not express any view on, the other communities in the portfolio, which are located in other North Carolina counties and are subject to their own separate approval processes.

Next Steps

We understand the Board's next regularly scheduled meeting is September 21, 2026 at 6:00 p.m. That date is proposed. We respectfully ask that the Board place this matter on the agenda for that meeting, or for whatever date works best for the Board's calendar.

We will provide a form of public notice for the County to publish before the hearing and a form of resolution for the Board's consideration at the hearing.

Questions

If you have any questions about this request, please contact:

Bryan Starnes, ALG Senior, email bstarnes@algsenior.com.

Ray Jones or Ryan Romano, bond counsel to PASHF in this financing, at Parker Poe Adams & Bernstein LLP, telephone 704-372-9000, email rayjones@parkerpoe.com or ryanromano@parkerpoe.com.