

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
SEPTEMBER 21, 2018 – BOARD MEETING MINUTES**

Pursuant to notification given at least 48 hours prior to the start of the meeting, the Members of the Illinois Housing Development Authority (the “Authority”) met for a regularly scheduled meeting on September 21, 2018, at the offices of the Authority, 111 East Wacker Drive, Suite 1000, Chicago, Illinois.

I. Opening

- A. Chairman Harris called the meeting to order at 11:00 a.m.
- B. A roll call was taken by Ms. Synowiecki. The following Members, consisting of a physical quorum were noted as present: Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.
- C. Chairman Harris indicated the next item on the agenda was related to rapid results. Executive Director Hamernik announced the rapid results project winner for the month of August. Whitney Sanders was acknowledged for her project idea.
- D. Chairman Harris indicated there was no one present intending to provide public comments.

II. Consent Agenda

Chairman Harris noted that there were eight (8) resolutions on the consent agenda (2018-IHDA-153 through and including 2018-IHDA-160). He asked the Members if anyone had comments or wanted to remove any resolutions from the consent agenda. The Members had no comments and did not seek the removal of any resolutions. A motion to adopt the consent agenda resolutions was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; a roll call was taken and the eight (8) Resolutions noted above were adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.

III. Chairman Harris indicated that the Additional Resolutions noted on the Agenda would now be discussed.

A. Multifamily Matters

- 1. 2018-IHDA-161: Resolution Authorizing a Trust Fund Loan for Kings Court Redevelopment (PID-11298) Springfield, Illinois.

Ms. Roddy stated that the Authority has been designated the program administrator of the Illinois Affordable Housing Program (the “Trust Fund Program”) for the state of Illinois.

She then then stated that KC GP, LLC (“Owner”) has requested the Authority make a first position mortgage loan under the Trust Fund Program in an amount not to exceed \$2,942,795.00 (the “Trust Fund Loan”) for the rehabilitation and permanent financing of the multi-family housing development located in Springfield as described on Exhibit

A attached to the Resolution and known as Kings Court Redevelopment (“Development”).

A motion to approve the Resolution was made by Ms. Kane and seconded by Chairman Harris; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.

2. 2018-IHDA-162: Resolution Authorizing a Trust Fund Loan and Rental Assistance for Impact Apartments (PID-11490) Evanston, Illinois.

Ms. Roddy stated that the Authority is the program administrator of the Long-Term Operating Support Program (“LTOS Program”) established under the Illinois Rental Housing Support Program authorized by the Rental Housing Support Program.

She then stated that the Impact Behavior Health Partners (“Sponsor”) has requested that the Authority provide a first position mortgage loan under the Trust Fund Program in an amount not to exceed \$4,224,799.00 (the “Trust Fund Loan”) for the acquisition, rehabilitation, and permanent financing of a development located in Evanston and commonly known as Impact Apartments (“Development”) as described on Exhibit A attached to the Resolution.

She further stated that the Sponsor has requested that the Authority provide rental assistance from the LTOS Program in an amount not to exceed \$1,456,175.00 (the “Rental Assistance”) in connection with the permanent financing of the Development.

A motion to approve the Resolution was made by Ms. Rapp and seconded by Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.

3. PSH Round 2 Awards

Ms. Roddy gave an overview of the PSH Program administered by the Authority. She stated that the Authority desires to continue its efforts to fund permanent supportive housing developments by offering financing for permanent supportive housing developments containing 25 units or less (the “PSH Program”) and pursuant to Resolution No. 2018-IHDA-059, the Authority authorized funding the PSH Program from multiple funding sources.

- a. 2018-IHDA-163a: Resolution Authorizing a National Housing Trust Fund Loan, a Trust Fund Loan and State Tax Credits for Union Avenue Apartments (PID-11429) Orland Park, Illinois.

Ms. Roddy stated that the Authority is authorized to allocate Affordable Housing Tax Credits (“State Tax Credits”) for the state of Illinois.

She then stated that the Authority has been designated the program administrator of the National Housing Trust Fund Program (“National Housing Trust Fund Program”) in Illinois.

She further stated that the Sertoma Centre, Inc. (“Sponsor”) has requested that the Authority provide the financing for the acquisition, construction and permanent financing of a permanent supportive housing development located in Orland Park as described on Exhibit A attached to the Resolution and known as Union Avenue Apartments (“Development”). She then requested the members approval of a) a first position mortgage loan under the National Housing Trust Fund Program in an amount not to exceed \$3,223,569.00 (the “National Housing Trust Fund Loan”), b) a second position mortgage loan under the Trust Fund Program in an amount not to exceed \$2,392,657.00 (the “Trust Fund Loan”) and c) FY19 State Tax Credits in the amount of 204,500.

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- b. 2018-IHDA-163b: Resolution Authorizing a HOME Loan and a Trust Fund Loan for Kirwan Apartments (PID-11623) Waukegan, Illinois.

Ms. Roddy stated that the Authority administers the HOME Investment Partnerships Program (“HOME Program”) in Illinois.

She also stated that the Authority is the program administrator of the Long-Term Operating Support Program (“LTOS Program”) established under the Illinois Rental Housing Support Program.

She further stated that Over the Rainbow Association (“Sponsor”) has requested that Authority provide financing for the acquisition, construction and permanent financing of a permanent supportive housing development located in Waukegan as described on Exhibit A attached to the Resolution and known as Kirwan Apartments (“Development”). She then requested the members approval of a) a first position mortgage loan under the HOME Program in an amount not to exceed \$3,140,193.00 (the “HOME Loan”), b) a second position mortgage loan under the Trust Fund Program in an amount not to exceed \$3,626,342.00 (the “Trust Fund Loan”) and c) rental assistance from the LTOS Program in an amount not to exceed \$1,074,959.00 (the “Rental Assistance”).

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Kane, Ms. Rapp and Mr. Tornatore.

At 11:10 a.m., Ms. Hocker entered the meeting.

- c. 2018-IHDA-163c: Resolution Authorizing a Trust Fund Loan, a National Housing Trust Fund Loan and Rental Assistance for Prairie Trail (PID-11638) New Lenox, Illinois.

Ms. Roddy stated that Trinity Services, Inc. (“Sponsor”) has request that the Authority provide financing for the acquisition, rehabilitation, and permanent financing of a permanent supportive housing development located in Evanston as described on Exhibit A and commonly known as Prairie Trail (“Development”). She then requested the members approval of a) a second position mortgage loan under the Trust Fund Program in an amount not to exceed \$4,467,074.00 (the “Trust Fund Loan”), b) a first position mortgage loan under the National Housing Trust Fund Program in an amount not to exceed \$3,223,569.00 (the “National Housing Trust Fund Loan”), c) FY19 State Tax Credits in the amount of 110,000 and d) rental assistance from the LTOS Program in an amount not to exceed \$1,305,930.00 (the “Rental Assistance”).

A motion to approve the Resolution was made by Ms. Kane and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- d. 2018-IHDA-163d: Resolution Authorizing a Transfer of Physical Assets, Assumption, Modification, and Subordination of the Trust Fund Loan and a HOME Loan for Cooke’s Manor (PID-1815) a/k/a Freedom’s Path at Hines III (PID-11642) Hines, Illinois.

Ms. Roddy stated that on November 16, 2004, the Authority made a first position mortgage loan from the Illinois Affordable Housing Trust Fund in the original principal amount of \$750,000.00 (the “Trust Fund Loan”) to Cooke’s Manor, LLC, (the “Owner”) for the rehabilitation and permanent financing of the housing development known as Cooke’s Manor, as described in Exhibit A attached to the Resolution (the “Development”). She then stated that the Owner desires to transfer 100% of its interest in the Development to Hines III Veterans Residences Limited Partnership, (the “New Owner”), and the New Owner desires to assume the obligations of the Owner.

She further stated that the Authority administers the HOME Investment Partnerships Program (“HOME Program”) in Illinois.

She added that the New Owner has requested that the Authority make a first position loan under the HOME Program in an amount not to exceed \$3,507,342.00 (the “HOME Loan”) for the acquisition, rehabilitation and permanent financing of the Development (to be known as Freedom’s Path at Hines III). The New Owner also requested that the Authority (i) modify the term of the Trust Fund Loan to be coterminous with the HOME Loan (the “Modification”) and (ii) subordinate the

Trust Fund Loan to the HOME Loan (the “Subordination”), as more fully described in the Summary attached to the Resolution.

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- e. 2018-IHDA-163e: Resolution Authorizing a Trust Fund Loan for Pinewood Place (PID-11645) Urbana, Illinois.

Ms. Roddy stated that MGDC Pinewood, LLC (the “Owner”) has requested that the Authority provide a first position mortgage loan under the Trust Fund Program in an amount not to exceed \$2,484,090.00 (the “Trust Fund Loan”) for the acquisition, rehabilitation, and permanent financing of a permanent supportive housing development described in Exhibit A attached to the Resolution and known as Pinewood Place (“Development”).

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Ms. Hocker; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- f. 2018-IHDA-163f: Resolution Authorizing a Trust Fund Loan and Rental Assistance for 2421 Supportive Housing Apartments (PID-11646) Carbondale, Illinois.

Ms. Roddy stated that Franklin-Williamson Properties, Inc. (the “Owner”) has requested that the Authority provide a first position mortgage loan under the Trust Fund Program in an amount not to exceed \$1,349,661.00 (the “Trust Fund Loan”) and rental assistance from the LTOS Program in an amount not to exceed \$1,514,488.00 (the “Rental Assistance”) for the rehabilitation and permanent financing of a permanent supportive housing development described in Exhibit A attached to the Resolution and known as 2421 Supportive Housing Apartments (“Development”).

A motion to approve the Resolution was made by Ms. Kane and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

B. Multifamily/Finance Matters

1. Heather Ridge

- a. 2018-IHDA-164: Resolution Authorizing a Conduit Bond Loan for Heather Ridge (PID-11358) Rock Island, Illinois.

Ms. Hebert stated that the Authority acquires funds to make loans (individually, a “Conduit Loan”) for affordable housing developments through the issuance of tax-exempt multifamily housing bonds (“Bonds”); immediately upon the closing of a Conduit Loan, such Conduit Loan is assigned to a third party, to be determined on or before the closing date of such Conduit Loan.

She then stated that the Heather Ridge IL TC, LP (“Owner”) has requested that the Authority make a Conduit Bond Loan in an amount not to exceed \$19,000,000.00 for the acquisition and rehabilitation of a multifamily housing development described on Exhibit A attached to the Resolution and known as Heather Ridge (“Development”).

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- b. 2018-IHDA-165: Resolution Authorizing the Issuance of not to Exceed \$19,000,000 Aggregate Principal Amount of Multifamily Housing Revenue Bonds, Series 2018 (Heather Ridge).

Mr. Chung stated that the Resolution authorizes the issuance by the Authority of not to exceed \$19,000,000 aggregate principal amount of Multifamily Housing Revenue Bonds, Series 2018 (Heather Ridge) (the “Bonds”). The Bonds will be issued to provide funds to be applied to make one or more new loans to Heather Ridge IL TC, LP, for the purpose of financing the acquisition, rehabilitation and equipping of a 169-unit multifamily residential housing development known as Heather Ridge Apartments, located in Rock Island, Illinois. He further stated that the Bonds be issued as fixed rate bonds and will be a special limited obligation and will not be a general obligation of the Authority.

He then stated that this is a delegation Resolution and that issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$19,000,000.

A motion to approve the Resolution was made by Ms. Rapp and seconded by Ms. Kane; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

2. Century Woods

- a. 2018-IHDA-166: Resolution Authorizing a Conduit Bond Loan for Century Woods Apartments (PID-11359) Rock Island, Illinois.

Ms. Hebert stated that the Century Woods IL TC, LP (“Owner”) has requested that the Authority make a Conduit Bond Loan in an amount not to exceed \$21,000,000.00 for the acquisition and rehabilitation of a multifamily housing development described

on Exhibit A attached to the Resolution and known as Century Woods Apartments (“Development”).

A motion to approve the Resolution was made by Ms. Rapp and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- b. 2018-IHDA-167: Resolution Authorizing the Issuance of not to Exceed \$21,000,000 Aggregate Principal amount of Multifamily Housing Revenue Bonds, Series 2018 (Century Woods).

Mr. Chung stated that the Resolution authorizes the issuance by the Authority of not to exceed \$21,000,000 aggregate principal amount of Multifamily Housing Revenue Bonds, Series 2018 (Heather Ridge) (the “Bonds”). The Bonds will be issued to provide funds to be applied to make one or more new loans to Century Woods IL TC, LP, LP, for the purpose of financing the acquisition, rehabilitation and equipping of a 230-unit multifamily residential housing development known as Century Woods Apartments, located in Rock Island, Illinois. He further stated that the Bonds be issued as fixed rate bonds and will be a special limited obligation and will not be a general obligation of the Authority.

He then stated that this is a delegation Resolution and that issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$21,000,000.

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

3. Standard Illinois Portfolios

- a. 2018-IHDA-168: Resolution Authorizing a Conduit Bond Loan for Standard Illinois Portfolio (PID-11602) Danville, Mount Prospect and Chicago, Illinois.

Ms. Sayen stated that Standard Wolford Owner LLC, Standard CN Owner LLC, Standard CS Owner LLC, Standard Maple Owner LLC and Standard Walsh Owner LLC the (“Owner”) has requested that the Authority make five Conduit Loans in the aggregate amount not to exceed \$154,000,000.00 for the acquisition, rehabilitation and long term financing of five multifamily housing developments described in Exhibit A attached to the Resolution and collectively known as Standard Illinois Portfolio (“Development”). She then proceeded to outline the loans as follows:

1. Conduit Loan in the amount not to exceed \$11,000,000.00 made to Standard Wolford Owner LLC in connection with Wolford Apartments;

2. Conduit Loan in the amount not to exceed \$18,000,000.00 made to Standard CN Owner LLC in connection with Centennial North Apartments;
3. Conduit Loan in the amount not to exceed \$17,000,000.00 made to Standard CS Owner LLC in connection with Centennial South Apartments;
4. Conduit Loan in the amount not to exceed \$70,000,000.00 made to Standard Maple Owner LLC in connection with Maple Point Apartments
5. Conduit Loan in the amount not to exceed \$38,000,000.00 made to Standard Walsh Owner LLC in connection with Walsh Park Apartments; and

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- b. 2018-IHDA-169: Resolution Authorizing the Issuance of not to Exceed \$154,000,000 Aggregate Principal amount of Multifamily Housing Revenue Notes, Series A, B, C, D & E.

Mr. Chung stated that the Resolution authorizes the issuance by the Authority of not to exceed \$154,000,000 aggregate principal amount of Multifamily Housing Revenue Notes, 2018 Series A-E (the "Notes"). The proceeds of the Notes will be issued to provide funds to be applied to make loans to, respectively (i) Standard Maple Owner LLC (the "Maple Point Borrower"), to finance the acquisition and rehabilitation of Maple Point Apartments containing 343 units located in Chicago, Illinois; (ii) Standard Walsh Owner LLC (the "Walsh Park Borrower"), to finance the acquisition and rehabilitation of Walsh park apartments containing 134 units located in Chicago; (iii) Standard CN Owner LLC (the "Centennial North Borrower") to finance the acquisition and rehabilitation of Centennial North Apartments containing 101 units located in Mount Prospect; (IV) Standard CS Owner LLC (the "Centennial South Borrower") to finance the acquisition and rehabilitation of Centennial South Apartments contacting 97 units located in Mount prospect; and (v) Standard Wolford Owern LLC (the "Wolford Borrower) to finance the acquisition and rehabilitation of Wolford Apartments containing 101 units located in Danville. He further stated that the Bonds be issued as fixed rate bonds and will be a special limited obligation and will not be a general obligation of the Authority.

He then stated that this is a delegation Resolution and that issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$154,000,000.

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Ms. Kane; the motion was adopted by the affirmative votes of Chairman

Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

4. I.C.A.R.E. Apartments

- a. 2018-IHDA-170: Resolution Authorizing Re-Structuring of Conduit Bond Loan for I.C.A.R.E. Apartments (PID-11491) Westmont, Illinois (Amending Resolution 2018-IHDA-057).

Ms. Sayen stated that pursuant to Resolution No. 2018-IHDA-057 (the “Prior Resolution”), the Authority authorized a Conduit Bond Loan in an amount not to exceed \$8,000,000.00 (the “Prior Loan”) for the acquisition, rehabilitation and short term financing of a multifamily housing development known as I.C.A.R.E. Apartments (“Development”). She then stated that the Prior Loan was to be made as a single tranche and due to changed circumstances of the Development, the Conduit Bond Loan will now have two tranches with a combined not to exceed amount of \$8,000,000.00 (the “Restructured Loan”), all as shown on the amended summary of the Development (the “Amended Summary”) attached to the Resolution.

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Ms. Hocker; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- b. 2018-IHDA-171: Resolution Authorizing the Issuance of Multifamily Housing Revenue Note, 2018 Series A (I.C.A.R.E. Apartments) and Multifamily Housing Revenue Note, 2018 Series B (I.C.A.R.E. Apartments).

Mr. Chung stated that the Resolution authorizes the issuance by the Authority of its (i) Multifamily Housing Revenue Note, 2018 Series A (I.C.A.R.E. Apartments) in an aggregate principal amount not to exceed \$6,000,000 (the “**Series A Note**”) and (ii) Multifamily Housing Revenue Note, 2018 Series B (I.C.A.R.E. Apartments) in an aggregate principal amount not to exceed \$3,000,000 (the “**Series B Note**”) and, together with the Series A Note, the “**Notes**”), provided, however, the aggregate principal amount of the Notes shall not exceed \$8,000,000.

The Notes would be issued to provide funds to be applied to make one or more new loans to Westmont Preservation Limited Partnership for the purpose of financing the acquisition, rehabilitation and equipping of a 60-unit multifamily residential housing development known as I.C.A.R.E. Apartments, located in Westmont, Illinois (the “**Project**”). The Notes will be a special limited obligation (and not a general obligation) of the Authority.

He further stated that this is a delegation Resolution and issuance of the Notes will require the use of volume cap in an aggregate amount not to exceed \$8,000,000. Such volume cap will be allocated to the Notes by the Authority.

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Ms. Kane; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

C. Finance/Accounting Matters

1. 2018-IHDA-172: Resolution Authorizing the Issuance of Not to Exceed \$100,000,000 Revenue Bonds 2018 Series A.

Mr. Nestlehut stated this Resolution authorizes the issuance of not to exceed \$100,000,000 aggregate principal amount of Illinois Housing Development Authority Revenue Bonds, 2018 Series A (the “2018 Series A Bonds”) in one or more series at the same time or at different times. He also stated that this Resolution is a delegation resolution and that the 2018 Series A Bonds are to be issued on or before June 30, 2019 pursuant to a Revenue Bonds General Indenture (the “General Indenture”). The 2018 Series A Bonds authorized by this Resolution will be issued as fixed interest rate bonds.

He then stated that the proceeds of the sale of the 2018 Series A Bonds, together with other available funds, may be used (i) to finance previously originated qualifying mortgage loans through the purchase of Mortgage-Backed Securities owned and held by the Authority in its Administrative Fund or other Authority funds (or participation interests in such Mortgage-Backed Securities), (ii) to pay the costs of issuing the 2018 Series A Bonds, (iii) to pay accrued interest and capitalized interest on the 2018 Series A Bonds, if required, and/or (iv) to finance second-lien loans for down payment assistance or closing cost assistance that will not be subject to the lien and pledge of the General Indenture. The 2018 Series A Bonds, if issued on a tax-exempt basis, would be expected to use volume cap from the Authority’s 2015 and/or 2016, as applicable, carryforward in an amount not exceeding \$100,000,000.

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

D. Community Affairs Matters

1. 2018-IHDA-173: Resolution Authorizing Funds from the Trust Fund Program for a Single Family Rehab Program – Round 2.

Ms. Bacon stated Authority has previously determined in a prior resolution to establish a homeowner rehabilitation assistance program (“Single Family Rehab Program”) to allocate grants (“Grants”) to units of local governments and nonprofit organizations (“Sponsors”) to make forgivable loans, subject to the terms and conditions described in Exhibit A attached to the Resolution.

She then stated that the Authority currently desires to use \$6,000,000.00 of funds from the Trust Fund Program to carry out the purposes of the Single Family Rehab Program and the Authority will allocate Grants through the Single Family Rehab Program to assist eligible low income and very low income homeowners with rehabilitation of homes located within the State of Illinois except for the Department of Housing and Urban Development HOME Participating Jurisdictions cities and counties identified on the Summary (the “Excluded Jurisdictions”). She then explained that the Sponsors will be selected by the Authority through an application process and approval of such Sponsors will be subject to a resolution passed by a majority of the Members of the Authority.

A motion to approve the Resolution was made by Ms. Kane and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

2. 2018-IHDA-174: Resolution Authorizing Funds from the Trust Fund Program for a Home Accessibility Program – Round 2.

Ms. Williams stated the Authority has previously determined in a prior resolution to establish an accessibility repair program (“Home Accessibility Program”) to allocate grants (“Grants”) to units of local governments and nonprofit organizations throughout Illinois (“Sponsors”) to provide home accessibility forgivable loans, subject to the terms and conditions described in Exhibit A attached to the Resolution.

She then stated that the Authority desires to continue the Home Accessibility Program and use \$3,000,000.00 of funds from the Trust Fund Program to carry out the purposes of the Home Accessibility Program for the second two-year term of the Home Accessibility Program. She then explained that the Sponsors will be selected by the Authority through an application process and approval of such Sponsors will be subject to a resolution passed by a majority of the Members of the Authority.

Chairman Harris made a comment about the importance of the program.

A motion to approve the Resolution was made by Ms. Kane and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

E. Asset Management Matters

1. 2018-IHDA-175: Resolution Authorizing a Change in General Partner for Century Estates Apartments (PID-1347) Harrisburg, Illinois.

Mr. Ansani stated on November 28, 2000 the Authority made a mortgage loan from the Illinois Affordable Housing Trust Fund in the original principal amount of \$1,250,000.00 (“Loan”) to Harrisburg Associates I, L.P. (“Owner”) for the acquisition, construction,

and permanent financing of a multifamily housing development known as Century Estates Apartments, located in Harrisburg, Illinois.

He then stated that Apollo Tax Credit Fund-XX, LP, a limited partner of the Owner, will transfer its interest to the other existing limited partner, FMI Affordable Housing Fund VI, LLC and Lockwood I GP, L.L.C., is the sole general partner of the Owner (the "General Partner"). He further stated that the General Partner desires to sell its general partner interest in the Owner to FMI IL GP LLC ("New General Partner") as described in the summary attached to the Resolution.

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

2. 2018-IHDA-176: Resolution Authorizing a Change in General Partner for Capitol Pointe Apartments (PID-1579) Vandalia, Illinois.

Mr. Ansani stated that on February 26, 2003 the Authority made a junior position mortgage loan from the Illinois Affordable Housing Trust Fund in the original principal amount of \$750,000.00 ("Loan") to Vandalia Partners, L.P. ("Owner") for the acquisition, construction, and permanent financing of a multifamily housing development known as Capital Pointe Apartments, located in Vandalia, Illinois.

He then stated that Apollo Tax Credit Fund-XXX, LP, a limited partner of the Owner, will transfer its interest to the other existing limited partner, FMI Affordable Housing Fund VI, LLC and Capitol Pointe GP, L.L.C. is the general partner of the Owner (the "General Partner"). He further stated that the General Partner desires to sell its general partner interest in the Owner to FMI IL GP LLC ("New General Partner"); and

A motion to approve the Resolution was made by Vice Chairperson Davis and seconded by Ms. Hocker; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

3. 2018-IHDA-177: Resolution Authorizing a Change in General Partner for Kingsbury Campus Apartments.

Mr. Ansani stated that on December 13, 2000 the Authority made a junior position mortgage loan from the Illinois Affordable Housing Trust Fund in the original principal amount of \$750,000.00 ("Loan") to Greenville Associates II, L.P. ("Owner") for the construction and permanent financing of a multifamily housing development known as Kingsbury Campus Apartments, located in Greenville, Illinois.

He then stated that Apollo Tax Credit Fund-XXX, LP, a limited partner of the Owner, will transfer its interest to the other existing limited partner, FMI Affordable Housing Fund VI, LLC and Ken Vitor, an individual is the sole general partner of the Owner (the

“General Partner”). He further stated that the General Partner desires to sell its general partner interest in the Owner to FMI IL GP LLC, (“New General Partner”).

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

4. 2018-IHDA-178: Resolution Authorizing Modification of HOME Loan for Hollow Tree Apartments Phase I & II

Mr. Gladden stated Hollow Tree Apartments Limited Partnership (“Owner”) previously received two mortgage loans from the Authority. One in the original principal amount of \$2,321,850.00 for Hollow Tree Apartments Phase I (“Phase I”) and one in the original principal amount of \$1,710,000.00 for Hollow Tree Apartments Phase II (“Phase II”) from the HOME Program (the “HOME Loans”). The HOME Loans were made for financing the acquisition, construction and permanent financing of the Development. He then stated that the Owner has requested that the Authority modify the HOME Loans by eliminating the monthly payments of interest and principal for a period not to exceed four years (“HOME Loan Modification”).

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

5. 2018-IHDA-179: Resolution Authorizing a Change in Ownership and Assignment and Assumption of HOME Loan, Housing Trust Fund Loan and FAF Loan and a New Housing Trust Fund Loan for Brown Shoe Lofts (HOME/HTF/FAF-2281/STC-2380-06) Litchfield, Illinois.

Mr. Gladden stated on May 30, 2007, the Authority provided the following financing to Brown Shoe Litchfield, LP (the “Owner”) for the acquisition, rehabilitation and permanent financing of a multifamily housing development commonly known as Brown Shoe Lofts located in Litchfield, Illinois (the “Development”): (i) a first position mortgage loan under the HOME Investment Partnerships Program in the original principal amount of \$1,600,000.00 (the “HOME Loan”); (ii) a second position mortgage loan under the Illinois Affordable Housing Program (“Trust Fund Program”) in the original principal amount of \$1,500,000.00 (the “TF Loan”); (iii) a third position mortgage loan under the Financing Adjustment Factor Refunding Agreements Program in the original principal amount of \$1,000,000.00 (the “FAF Loan”) (HOME Loan, TF Loan, and FAF Loan, are collectively the “Loans”); and (iv) allocated Illinois Affordable Housing Tax Credits (“State Tax Credits”); and

He then stated that pursuant to Resolution 2016-IHDA-020, the Authority previously modified the Loans as follows: (i) reduced the interest rate to 0% per annum on the Loans, (ii) reduced the HOME Loan annual debt service payment to \$30,000.00 per year, with a balloon payment at the maturity of the HOME Loan, and (iii) reduced the TF Loan

and FAF Loan annual debt service payments \$0.00 per year, with a balloon payment at the maturity of the TF Loan and the FAF Loan. He further stated that the Owner wishes to transfer 100% of its ownership interest in the Development to Montgomery County Regional Growth & Development Corporation (NFP) or an entity, to be formed, that will be controlled by the Montgomery County Housing Authority (“New Owner”) and the New Owner desires to assume all of the obligations of the Owner under the Loans, the Loan Documents, the State Tax Credits, and the STC Regulatory Agreement (the “Ownership Change and Assumption”).

He then stated that the New Owner has requested the Authority modify the HOME Loan to reduce the annual debt service payment to \$0.00, and have the Loans forgiven incrementally at the following rates as long as the Development remains affordable: (i) the HOME Loan to be forgiven at \$48,123.00 per year, (ii) the TF Loan to be forgiven at \$50,000.00 per year, and (iii) the FAF Loan to be forgiven at \$33,333.00 per year (collectively, the “New Modification”), as described in the summary of the transaction (“Summary”) attached to the Resolution. The New Owner has also requested the Authority make a first position loan under the Trust Fund Program in an amount not to exceed \$3,700,000.00 for the acquisition, rehabilitation and permanent financing of the Development (the “New TF Loan”).

A motion to approve the Resolution was made by Vice-Chairperson Davis and seconded by Ms. Kane; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

F. SPAR Matters

1. 2018-IHDA-180: Resolution Regarding the FY 2018 Capital Magnet Fund.

Mr. Quick stated on July 18, 2018, the U.S. Department of the Treasury’s Community Development Financial Institutions Fund (“CDFI Fund”) opened the Fiscal Year 2018 (“FY 2018”) funding round for the Capital Magnet Fund (“CMF”) by posting a Notice of Funds Availability (“NOFA”) inviting applications and subject to funding availability, the CDFI Fund intends to award approximately \$142 million to qualified organizations across the county to finance, among other things, affordable housing activities. Housing and Economic Recovery Act of 2008 (“HERA”) prohibits the CDFI Fund from obligating more than 15 percent of the aggregate available in CMF Awards to any applicant in the same funding round. In the FY 2017 CMF round, the statutory cap was \$18 million with the largest amount awarded being \$7.5 million. The average award size was \$3 million.

He then stated that awardees must spend at least 70 percent of their award on affordable housing activities and may utilize the funds to create financing tools such as loan loss reserves, revolving loan funds, risk-sharing loans, and loan guarantees. A determination was made by Authority staff that the Authority should apply for funding from the FY 2018 CMF for carrying out the activities described in Exhibit A to the resolution; applications were due on September 17, 2018.

A motion to approve the Resolution was made by Mr. Tornatore and seconded by Vice-Chairperson Davis; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

IV. Committee Minutes

- A. Finance Committee Report, Ms. Kane introduced the Finance Committee Report from the September 21, 2018 meeting. Ms. Kane recommended the Members' approval of the minutes from the August 17, 2018 Finance Committee meeting.

A motion to approve the Minutes was made by Ms. Kane and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice-Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- B. Audit Committee Report, Vice Chairperson Davis introduced the Audit Committee Report from the September 21, 2018 meeting. Vice Chairperson Davis recommended the Members' approval of the minutes from the June 15, 2018 Audit Committee meeting.

A motion to approve the Minutes was made by Vice-Chairperson Davis and seconded by Mr. Tornatore; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Hocker, Ms. Kane, Ms. Rapp and Mr. Tornatore.

- V. Chairman Harris referred the Members to the electronic Board book material for the Committee Materials:

A. IHDA Finance Committee September 21, 2018 Meeting Agenda and Materials.

B. IHDA Audit Committee September 21, 2018 Meeting Agenda and Materials.

VI. Written Reports:

Chairman Harris referred the Members to the electronic Board book material for the following reports: Hardest Hit Fund, Authority Financial Statements, Accounting Payments Report, Investment Holdings, Communications, External Relations and Operational Excellence.

VII. Adjournment:

Chairman Harris then asked for a motion to adjourn the meeting. A motion to adjourn was made by Mr. Tornatore and seconded by Vice Chairperson Davis. All Members present affirmed such motion.

The meeting adjourned at 11:51 a.m.