

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
FEBRUARY 15, 2019 – 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 February 15, 2019, 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 11:02 a.m.
- B. A roll call was taken by Ms. Synowiecki. With a physical quorum consisting of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Mr. Ramirez, Ms. Rapp and Mr. Tornatore, Chairman Harris called the meeting to order at 11:02 a.m.
- C. Chairman Harris indicated the next item on the agenda was related to rapid results. Executive Director Hamernik announced the rapid results project winners for the month of February. Lydia Reed from Asset Management was acknowledged for her project idea. Rebecca Hampton from HR was not present at the meeting, but Executive Director Hamernik recognized her for her project idea.
- D. Chairman Harris indicated there was no one present intending to provide public comments.

II. Committee Materials

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

- A. IHDA Finance Committee February 15, 2019 Meeting Agenda and Materials.
- B. IHDA Asset Management Committee February 15, 2019 Meeting Agenda and Materials.

III. Committee Minutes

- A. Finance Committee Minutes, Ms. Kane recommended the Members’ approval of the minutes from the January 18, 2019 Finance Committee meeting.

A motion to approve the Minutes was made by Ms. Kane and seconded by Ms. Ramirez; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Ramirez, Ms. Rapp and Mr. Tornatore.
- B. Asset Management Committee Minutes, Mr. Tornatore recommended the Members’ approval of the minutes from the November 16, 2018 Asset Management Committee meeting.

A motion to approve the Minutes 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. Ramirez, Ms. Rapp and Mr. Tornatore.

IV. Consent Agenda

- A. Chairman Harris noted that there were seven (7) Resolutions on the consent agenda. He then proceed to publically recite the title of each of the Resolutions on the consent agenda.
- B. Minutes
 - 1. 2019-IHDA-015: Resolution Approving the Minutes of the Regular Meeting of the Members of the Illinois Housing Development Authority Held on January 18, 2019.
- C. Asset Management Matters
 - 1. 2019-IHDA-016: Resolution Authorizing a Change of Limited Partner and Property Manager for Marshall Springs Apartments.
 - 2. 2019-IHDA-017: Resolution Authorizing a Change of Limited Partner and Property Manager for Crestside Village Apartments.
 - 3. 2019-IHDA-018: Resolution Authorizing partial Release of the Extended Use Agreement for Peoria Affordable Housing Initiative.
 - 4. 2019-IHDA-019: Resolution Authorizing Modification of Trust Fund Loan for Longwood Plaza.
- D. Multifamily Transactions
 - 1. 2019-IHDA-020: Resolution Authorizing the Release of Regulatory Agreement for Johnson & Butler-Lindon Apartments.
- E. Finance/Accounting Matters
 - 1. 2019-IHDA-027: Resolution Ratifying Establishment of Loan Loss Reserve

After the completion of the public recital of the Resolution titles, Chairman Harris 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 Ms. Kane and seconded by Ms. Ramirez; the seven (7) Resolutions noted above were adopted by the affirmative votes of Chairman Harris, Vice- Chairperson Davis, Ms. Kane, Ms. Ramirez, Ms. Rapp and Mr. Tornatore.

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

A. Multifamily Matters

1. 2019-IHDA-021: Resolution Authorizing FFB Risk Sharing Permanent Loan for Daniel Burnham Senior Apartments (PID-11675) Chicago, Illinois.

Mr. Wambach stated that the Authority administers a program known as the Risk Sharing Program wherein the Authority makes mortgage loans to borrowers, which loans are credit enhanced through insurance provided by the United States Department of Housing and Urban Development (“HUD”) and that HUD and the Federal Financing Bank, (“FFB”), have implemented a program pursuant to which FFB may acquire beneficial ownership of mortgage loans originated by the Authority and insured under the Risk Sharing Program (the “FFB/542(c) Risk Sharing Program”). He then stated that pursuant to Resolution No. 2015-IHDA-070, the Authority is authorized to participate in the FFB/542(c) Risk Sharing Program.

He further stated that Daniel Burnham Senior Housing, LLC has requested the Authority make a first position permanent mortgage loan under the FFB/542(c) Risk Sharing Program from funds provided by FFB and credit enhanced under the FFB/542(c) Risk Sharing Program, in the approximate amount of \$8,000,000.00, but not to exceed 87% loan to value (based on the appraised value of the Development (“FFB Risk Sharing Loan”) for the rehabilitation and permanent financing of the multi-family housing development described on Exhibit A attached to the Resolution and known as Daniel Burnham Senior Apartments (“Development”).

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

2. 2019-IHDA-022: Resolution Authorizing FFB Risk Sharing Permanent Loan for Harry Schneider Senior Apartments (PID-11676) Chciago, Illinois.

Mr. Wombach stated that Harry Schneider Senior Housing, LLC has requested the Authority make a first position permanent mortgage loan under the FFB/542(c) Risk Sharing Program from funds provided by FFB and credit enhanced under the FFB/542(c) Risk Sharing Program, in the approximate amount of \$5,000,000.00, but not to exceed 87% loan to value (based on the appraised value of the Development (“FFB Risk Sharing Loan”) for the rehabilitation and permanent financing of the multi-family housing development described on Exhibit A attached to the Resolution and known as Harry Schneider Senior Apartments (“Development”).

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

3. 2019-IHDA-023: Resolution Authorizing FFB Risk Sharing Permanent Loan for Lorraine Hansberry Senior Apartments (PID-11677) Chicago, Illinois.

Mr. Wombach stated that Lorraine Hansberry Senior Housing, LLC has requested the Authority make a first position permanent mortgage loan under the FFB/542(c) Risk Sharing Program from funds provided by FFB and credit enhanced under the FFB/542(c) Risk Sharing Program, in the approximate amount of \$6,200,000.00, but not to exceed 87% loan to value (based on the appraised value of the Development (“FFB Risk Sharing Loan”) for the rehabilitation and permanent financing of the multi-family housing development described on Exhibit A attached to the Resolution and known as Lorraine Hansberry Senior Apartments (“Development”).

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

4. 2019-IHDA-024: Resolution Authorizing FFB Risk Sharing Permanent Loan for Vivian Carter Senior Apartments (PID-11678) Chicago, Illinois.

Mr. Wombach stated that Vivian Carter Senior Housing, LLC has requested the Authority make a first position permanent mortgage loan under the FFB/542(c) Risk Sharing Program from funds provided by FFB and credit enhanced under the FFB/542(c) Risk Sharing Program, in the approximate amount of \$10,250,000.00, but not to exceed 87% loan to value (based on the appraised value of the Development (“FFB Risk Sharing Loan”) for the rehabilitation and permanent financing of the multi-family housing development described on Exhibit A attached to the Resolution and known as Vivian Carter Senior Apartments (“Development”).

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

B. Finance Matters

1. Jarrell Washington Park

- a. 2019-IHDA-025: Resolution Authorizing a Conduit Loan and Assignment, Assumption & Amendment of a HOME Loan for Jarrell Washington Park (PID-11496) Chicago, Illinois.

Ms. Matkom 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 notes (“Notes”); 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 Jarrell Washington Park LLC (“Owner”) has requested that the Authority make a Conduit Loan in an amount not to exceed \$11,000,000.00 for the acquisition, rehabilitation and long term financing of a multifamily housing development described on Exhibit A attached to the Resolution and known as Jarrell Washington Park (“Development”).

She further stated that on September 19, 1994, the Authority made a second position mortgage loan in the original principal amount of \$891,721.00 (the “Loan”) to Michigan Corners Limited Partnership (the “Previous Owner”) for the rehabilitation and permanent financing of a multifamily housing development commonly known as Michigan Corners (“Michigan Corners”) and that the Loan is evidenced by a Mortgage Note (“Note”), secured by a Mortgage, Security Agreement and Assignment of Rents and Leases (“Mortgage”) and governed by a Regulatory and Land Use Restriction Agreement (“Regulatory Agreement”; together with the Note and the Mortgage, the “Loan Documents”). She added that the Previous Owner desires to transfer 100% of its ownership interests in Michigan Corners to the Owner and the Owner desires to assume all of the obligations of the Previous Owner under the Loan and the Loan Documents (“Transfer and Assumption”) and that Michigan Corners composes only part of the Development and, as part of the Transfer and Assumption, the Loan Documents will be amended to encumber the entire Development (“Collateral Extension”).

She then stated that the Owner also has requested that the Authority extend the maturity date of the Loan to March 1, 2052 (“New Maturity Date”).

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

- b. 2019-IHDA-026: Resolution Authorizing the Issuance of Multifamily Housing Revenue Note, Series 2019A (Jarrell Washington Park).

Mr. Ess stated that the Resolution authorizes the issuance by the Illinois Housing Development Authority (the “**Authority**”) of its Multifamily Housing Revenue Note, Series 2019A (Jarrell Washington Park) in an aggregate principal amount not to exceed \$11,000,000 (the “**Note**”) and that the Note would be issued to provide funds to be applied to make a loan to Jarrell Washington Park LLC, (“Borrower”). He then stated that The Note will be purchased directly by Citibank, N.A.. and that the Note will be issued initially as a variable rate note during construction and will be a fixed rate note during the permanent phase.

He further added that this is a delegation Resolution and that issuance of the Note will require the use of volume cap in an aggregate amount not to exceed \$11,000,000.

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. Kane, Ms. Ramirez, Ms. Rapp and Mr. Tornatore.

VI. Executive Closed Session

At 11:13 a.m. Chairman Harris made a motion that the Board retire immediately to closed session pursuant to Sections 2(c)(11) of the Open Meetings Act to discuss potential litigation and the motion was seconded by Mr. Tornatore; a roll call was taken and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Ramirez, Ms. Rapp and Mr. Tornatore.

Ms. Rapp left the meeting. Ms. Rapp did not participate in the Executive Closed Session.

Closed Session began at 11:17 a.m. Present at the Closed Session were Chairman Harris, Vice Chairperson Davis, Ms. Kane, Ms. Ramirez, Ms. Rapp, Mr. Tornatore, Executive Director Hamernik, Ms. Olson, Ms. Ohle, Mr. John Janicik and Mr. Veenstra.

Closed session adjourned at 11:36 a.m. Open session reconvened at 11:37 a.m. Chairman Harris stated that no action had been taken during the closed session.

VIII. Written Reports:

Hardest Hit Fund, Authority Financial Statements, Accounting Payments Report, Investment Holdings, Communications, External Relations and Operational Excellence.

IX. Adjournment:

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

The meeting adjourned at 11:38 a.m.