

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
DECEMBER 16, 2022 – 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 December 16, 2022. Consistent with Section 7(e) of the Open Meetings Act and gubernatorial disaster proclamations issued by Governor Pritzker in connection with the Coronavirus Disease 2019 (COVID-19) pandemic, the Authority determined, as certified by the Authority’s Executive Director, that conducting a “hybrid” meeting was prudent due to the disaster and provided public notice that it would conduct the regularly scheduled December Board Meeting with limited in-person capacity, plus audio and video.

I. Opening

- A. Call to Order: Chairman Harris called the meeting to order at 11:00 a.m.
- B. Roll Call: Ms. Synowiecki took a roll call. Chairman Harris, Ms. Berg and Mr. Tornatore participated in the meeting in-person, being physically present at the Authority’s office at 111 E. Wacker. Vice Chair Ramirez and Mr. Arbuckle participated via the virtual platform. Ms. Kotak was not present at the meeting virtually or otherwise.
 - C. Chairman Harris announced Ms. Berg has been elected President of the National Conference of State Housing Boards (NCSHB).
 - D. He then indicated that no one had requested the opportunity to provide public comments.

II. Committee Materials

Next, Chairman Harris referred the Members to the electronic Board book material for the Audit and Finance Committees.

III. Committee Minutes

- A. Audit Committee Minutes, Chairman Harris recommended the Members’ approval of the minutes from the September 16, 2022, Audit Committee meeting.

A motion to approve the Audit Committee Minutes from September 16, 2022, was made by Mr. Morsch and Seconded by Mr. Tornatore; A roll call was taken, and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

- B. Finance Committee Minutes, Chairman Harris recommended the Members’ approval of the minutes from the November 18, 2022, Finance Committee meeting.

A motion to approve the Finance Committee Minutes from November 18, 2022, was made by Mr. Tornatore and seconded by Mr. Morsch; A roll call was taken, and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

IV. Consent Agenda

Chairman Harris noted that there were nineteen (19) Resolutions on the consent agenda. He then proceeded to publicly recite the title of each of the Resolutions on the consent agenda.

A. Minutes

1. 2022-12-IHDA-305: Resolution Approving the Minutes of the Regular Meeting of the Members of the Illinois Housing Development Authority Held on November 18, 2022.

B. Procurement Matters

1. 2022-12-IHDA-321: Resolution Authorizing Engagement of an Insurance Broker in Connection with Directors' and Officers' Liability Insurance.
2. 2022-12-IHDA-306: Resolution Authorizing Execution of Agreements and Expenditure of Funds in Connection with Directors' and Officers' Liability Insurance for an Aggregate amount Not to Exceed \$359,245.00

C. Multifamily Matters

1. 2022-12-IHDA-307: Resolution Authorizing return and Reallocation of Low-Income Housing Tax Credits
2. 2022-12-IHDA-308: Resolution Authorizing a Legal Description Update for WIN Recovery ReEntry Safe Home Network (PID-52205)

D. Asset Management Matters

1. 2022-12-IHDA-309: Resolution Authorizing an Extension of the Reserve Termination Date of the Loss Reserve Account for Corporation for Supportive Housing (PID-11071)
2. 2022-12-IHDA-310: Resolution Authorizing a Change in Ownership and an Assignment and Assumption of Extended Use Agreement, Regulatory Agreement and Loan Documents for Wabash Christian Apartments (30-453)
3. 2022-12-IHDA-311: Resolution Authorizing a Change in Ownership and an Assignment and Assumption of Extended Use Agreement for Wabash Estates (FTC-

2499)

4. 2022-12-IHDA-312: Resolution Authorizing the Change of Ownership and Assignment and Assumption of Regulatory Agreement of Extended Use Agreement for Village Estates (FTC-2506)
5. 2022-12-IHDA-313: Resolution Approving an Extension of Maturity Date and Modification of Loan Documents for Hillsboro Apartments (30-1546)
6. 2022-12-IHDA-314: Resolution Authorizing the Change of Ownership, Assignment and Assumption of Regulatory Agreement and Re-subordination for O'Keefe Apartments (10342-2230)
7. 2022-12-IHDA-315: Resolution Approving a Modification of Loan Documents for Whispering Winds (HOME 30-1488)
8. 2022-12-IHDA-316: Resolution Authorizing the Change of Ownership, Change in Property Manager, Loan Payoff, and Assignment and Assumption of Regulatory Agreement and Extended Use Agreement for Court Street Apartments (30-377)
9. 2022-12-IHDA-317: Resolution Authorizing Entering into a Forbearance Agreement and Making Protective Advances for New Holland Apartments (2060)
10. 2022-12-IHDA-330: Resolution Authorizing Matters Related to the Disposition of Valley Ridge Senior community (40-487-01)

E. Community Affairs Matters

1. 2022-12-IHDA-318: Resolution Authorizing an Extension and Adjustments of Grants under the NeighborWorks America Housing Stability Counseling Program

F. Finance Matters

1. 2022-12-IHDA-320: Resolution Regarding the Funding of the Authority's Various Down Payment Assistance Programs

G. Administrative Matters

1. 2022-12-IHDA-319: Resolution Authorizing Capital Bill Funding Allocation to Opening Doors
2. 2022-12-IHDA-322: Resolution Authorizing a Modification to an Agreement with

DCEO in connection with the Administration of COVID-19 emergency Rental Assistance Funds

After the completion of the public recital of the Resolution titles, Chairman Harris asked the Members if anyone had any additional comments or wanted to remove any Resolutions from the consent agenda.

The Members had no additional comments or questions and none of the Members made a motion to remove any Resolution from the consent agenda. A motion to adopt the consent agenda Resolutions was made by Ms. Berg and seconded by Mr. Morsch. A roll call was taken, and the nineteen (19) Resolutions noted above were adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

V. Chairman Harris indicated that the Additional Resolutions would now be discussed.

A. Multifamily Matters

1. 2022-12-IHDA-323: Resolution Authorizing Return of 2021 Federal Tax Credits and Allocation of 2022 Federal Tax Credits (1,346,015) and Authorizing a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$5,939,524.00 for Harvey Lofts (PID-11950)

Ms. Brown stated that the Authority was allocated funds to establish the COVID-19 Affordable Housing Grant Program (“CAHGP”) to provide gap financing for eligible, qualified multi-family rental developments for low and moderate households within the State of Illinois and that the Authority is authorized to allocate Affordable Housing Tax Credits (“Federal Tax Credits”) for the state of Illinois.

She then stated that pursuant to Resolution 2021-05-IHDA-093g (“Prior Resolution”) the Authority was authorized to allocate 2021 Federal Tax Credits in the amount of 1,346,015 (“2021 Credits”) in connection with the acquisition, construction and permanent financing of the multifamily housing development known as Harvey Lofts (“Development”) and due to extenuating circumstances beyond the control of the Sponsor, the Sponsor determined that the Development is in danger of not expending 10% of the property’s reasonably expected basis within twelve months of the carryover allocation as set forth in Section 42 (“10% Test”) by the date Development must meet the 10% Test pursuant to the 2021 Credits. She further stated that due to increased construction costs, supply and labor shortages related to the COVID-19 pandemic, Regional Housing Development, Inc. has a financing gap which would make the Development financially infeasible and has now applied for a grant under the CAHGP in an amount not to exceed \$5,939,524.00 (the “Grant”) to address the financing gap in the Development.

A motion to adopt the Resolution was made by Mr. Morsch and seconded by Ms. Berg. A roll call was taken, and the Resolution was adopted by the affirmative votes of

Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

2. 2022-12-IHDA-324: Resolution Authorizing State Tax Credits (218,808) for Habitat Estates (PID-12223)

Ms. Foster 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 Fox Valley Habitat for Humanity has applied to the Authority for FY23 State Tax Credits in the amount of 218,808 (“FY23 State Tax Credit Reservation Amount”), in connection with the acquisition, construction and permanent financing of for the permanent financing of a scattered-site housing development consisting of two (2) single-family homes to be constructed on the real estate legally described on **Exhibit A** attached to the Resolution and known as Fox Valley Habitat for Humanity (“Development”).

A motion to adopt the Resolution was made by Mr. Morsch and seconded by Ms. Berg. A roll call was taken, and the Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

B. Multifamily Finance Matters

1. Poplar Place Townhomes

- a. 2022-12-IHDA-325a: Resolution Authorizing Change in Ownership, Assignment and Assumption of Existing Loans, a Conduit Loan (not to exceed \$20,240,000.00), a Grant under the COVID-19 Affordable Housing Grant Program Not to Exceed \$ 6,421,566.00), a FBB Risk Sharing Permanent Loan (Not to Exceed 87% LTV, approx. \$3,105,000.00), an Affordable Housing Surplus Loan (Not to Exceed \$1,282,000.00), and an Interest Rate Swap Agreement and State Tax Credits (324,445) for Poplar Place Townhomes (PID-12073)
- b. 2022-12-IHDA325b: Resolution Authorizing the Issuance of Multifamily Housing Revenue Bonds Series 2023 and Multifamily Housing Subordinate Revenue Bonds, Series 2023 (Poplar Place)

Ms. Montoya stated that the Authority has previously made loans under its Trust Fund Program (“Existing TF Loan”) and FAF Program (“Existing FAF Loan”) to American National Bank and Trust Company of Chicago (“Trustee”), not personally but solely as Trustee under a Trust Agreement dated April 1, 1985, and known as Trust Number 63906 (“Trust Agreement”), and Union Square Limited Partnership, the sole beneficiary under the Trust Agreement (“Beneficiary”); the Trustee and Beneficiary are sometimes collectively referred to in this Resolution as “Poplar Place Previous Owner”, for the acquisition, rehabilitation, construction and

permanent financing of the housing development commonly known as Poplar Place Townhomes (“Development”).

She then stated that the Springfield Housing Authority has previously been allocated State Tax Credits in the amount of 4,068,644 for the Development (“FY22 State Tax Credit Reservation Amount”) pursuant to Resolution 2022-06-IHDA-153 (“Prior Resolution”), however CCC, the Springfield Housing Authority’s not-for-profit corporation, will take title to the Development, so Sponsors desire the Authority to reflect CCC as the “Sponsor” for the FY22 State Tax Credit Reservation Amount (“Sponsor Change”) and that the Poplar Place Previous Owner desires to obtain the Authority’s consent to the transfer of 100% of its ownership interests in the Development to CCC, who in turn will contemporaneously transfer 100% of its ownership interests in the Development (collectively, “Transfer”) to Capital City Preservation L.P., or a single purpose entity owned and controlled by them (“Owner”), to allow the Poplar Place Previous Owner and then CCC to assign and ultimately the Owner to assume Poplar Place Previous Owner’s obligations related to the Existing TF Loan and Existing FAF Loan (“Assignment and Assumption”), all substantially in accordance with the terms set forth in the summary (“Summary”) attached to the Resolution.

Ms. Montoya added that the Owner has requested the Authority make a Conduit Loan through the issuance of Bonds in the amount not to exceed \$20,240,000.00 for the acquisition, rehabilitation, construction and permanent financing of the Development and that due to increased construction costs, supply and labor shortages related to the COVID-19 pandemic, the Owner has a financing gap which would make the Development financially infeasible. Therefore, CCC has applied for a grant under the CAHGP in an amount not to exceed \$6,421,566.00 (the “Grant”), to address the financing gap in the Development.

She also stated that the Owner 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 \$3,105,000.00, but not to exceed 87% loan to value sized to maintain a debt service coverage ratio of 1.15 through year 20 (“FFB Risk Sharing Loan”; together with the Grant, AHS Loan, and Conduit Loan, collectively, “Financing”) for the Development.

She also added that the Authority is also seeking authorization to enter into a confirmation (“Confirmation”, and collectively with the relevant ISDA Master Agreement and Schedule, an “Interest Rate Swap Agreement”) with an approved counterparty, and to use such Interest Rate Swap Agreement for the Project to protect the Authority’s risk with regard to the interest rate for the interest to be conveyed to the FFB.

She further stated that the Sponsor has applied to the Authority for FY23 State Tax Credits in the amount of 324,445 (“FY23 State Tax Credit Reservation Amount”), in connection with the Development.

She further stated that the Resolution authorizes the issuance by the Illinois Housing Development Authority (the “Authority” and the “Issuer”) of its (i) Multifamily Housing Revenue Note, Series 2023 (Poplar Place) in an aggregate principal amount not to exceed \$16,000,000 (the “Note” or “Governmental Lender Note”) and (ii) Multifamily Housing Subordinate Revenue Bonds, Series 2023 (Poplar Place) in an aggregate principal amount not to exceed \$7,000,000 (the “Subordinate Bonds,” together with the Governmental Lender Note, the “Obligations”). This is a delegation Resolution. Issuance of the Obligations will require the use of volume cap in an aggregate amount not to exceed \$20,240,000.

Mr. Morsch asked why we were decreasing the number of affordable units from 200 to 100. Ms. Moran stated that IHDA has been working closely with many different stakeholder groups in an effort to move forward in a way the benefits everyone. Decreasing the number of units will be beneficial. Chairman Harris pointed out that although the number of units is being reduced in this development, IHDA has financed other units across the Springfield area..

A motion to adopt Resolution Nos. 2022-12-IHDA-325a and 2022-12-IHDA-325b was made by Mr. Morsch and seconded by Ms. Berg. A roll call was taken, and the Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

2. South Shore Apartments (fka The Parkways)
 - a. 2022-12-IHDA-326a: Resolution Authorizing a Conduit Loan (not to exceed \$75,000,000.00) for South Shore Apartments f/k/a The Parkways (PID-12184)
 - b. 2022-12-IHDA-326b: Resolution Authorizing the Issuance of Not to Exceed \$75,000,000.00 Aggregate Principal Amount of Multifamily Housing Revenue Bonds Series 2023 (South Shore Apartments)

Mr. Ryan stated that the Authority acquires funds to make loans (individually, a “Conduit Loan”) for affordable housing developments through the issuance of notes (“Notes”) and 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 and that the Authority intends to obtain the funds to make the Conduit Loan in an amount not to exceed \$75,000,000.00 through the issuance of its Note.

He further stated that this Resolution authorizes the issuance by the Authority of not to exceed \$75,000,000 in aggregate principal amount of its Multifamily Housing Revenue Bonds, Series 2022 (South Shore Apartments) (the “Bonds”).

The Bonds will be issued as fixed rate bonds, with an interest rate, mandatory tender date and final maturity date to be established in the Indenture, subject to adjustment of the interest rate in the event of a remarketing upon such mandatory tender. The final form of the Bonds shall be established in accordance with the Determination discussed below. The Bonds will be a special limited obligation and will not be a general obligation of the Authority. This is a delegation Resolution. Issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$75,000,000.

Chairman Harris stated the scattered site approach is great at helping rejuvenate neighborhoods.

A motion to adopt Resolution Nos. 2022-12-IHDA-326a and 2022-12-IHDA-326b was made by Mr. Tornatore and seconded by Mr. Arbuckle. A roll call was taken, and the Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

C. Community Affairs Matters

1. 2022-12-IHDA-327: Resolution Authorizing Grants (Not to Exceed \$16,000,000.00) under the Home Repair and Accessibility Program (HRAP)

Mr. Wieczorek stated the Neighborhood Reinvestment Corporation d/b/a NeighborWorks America (“NeighborWorks”) received \$100 million from the American Rescue Plan Act of 2021 to create a Housing Stability Counseling Program (“Program”) that will provide grants to support housing counseling services for households facing housing instability (“Counseling Services”) and that the Authority has been issued a grant from NeighborWorks under the Program in the amount of \$2,858,550.00 (“NeighborWorks Grant”) and pursuant to Resolution No. 2021-07-IHDA-153 (“Prior Resolution”) the Authority was authorized to enter into a grant agreement with NeighborWorks (“Grant Agreement”) to memorialize the Authority’s receipt and use of the NeighborWorks Grant.

He then stated that the Grant Agreement performance period will expire on February 28, 2023, and to extend the performance period with possible additional funds to March 31, 2024, with possible additional funds available in 2023 (“Extension”). He also added that the individual NeighborWorks Grants (“Grants”) awarded to Grantees (“Grantees”) pursuant to Resolution No. 2021-10-IHDA-240 (“Additional Prior Resolution”) will be reviewed and the Authority desires to reserve the right to extend the grant period and adjust upwards or downwards individual Grants to Grantees (“Adjustments”) based upon individual performances of the counseling services and other criteria, as determined by the Authority, to protect the aggregate goals and requirements of the Authority and the Program.

A motion to adopt the Resolution was made by Mr. Tornatore and seconded by Vice Chairperson Ramirez. A roll call was taken, and the Resolution was adopted by the

affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Mr. Morsch, and Mr. Tornatore.

Out of an abundance of caution, Ms. Berg abstained from voting.

Chairman Harris thanked the staff for their efforts to improve this program.

D. Asset Management Matters

1. 2022-12-IHDA-328: Resolution Authorizing a Modification of Loan Documents for Bloomindale Horizon Senior Living (40-2236)

Ms. DeCuir stated that the Authority had previously provided a loan under the HOME program in the original principal amount of \$3,350,000.00 (“Loan”) evidenced, governed and secured by a note, mortgage, regulatory agreement and other loan documents (collectively “Loan Documents”) to Bloomingdale Horizon I Limited Partnership (“Owner”) for the acquisition, construction and permanent financing of Bloomingdale Horizon Senior Living (“Development”) and that the Owner has requested the Authority approve changes to the repayment terms for the Loan (“Loan Modification”) as described in the project summary (“Summary”) attached to the Resolution.

A motion to adopt the Resolution was made by Vice Chairperson Ramirez and seconded by Mr. Morsch. A roll call was taken, and the Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

2. 2022-12-IHDA-329: Resolution Authorizing A Change in Ownership, Change in Property Manager, Assignment and Assumption of Regulatory Agreement for Howard Theater (30-998)

Ms. Thompson stated the Authority previously allocated Low-Income Housing Tax Credits to Howard Theater LP (“Previous Owner”) for the acquisition, construction and permanent financing of the housing development commonly known as Howard Theater, (“Development”) and is governed by and subject to a Regulatory and Land Use Restriction Agreement (“Regulatory Agreement”) and an Extended Use Agreement (“EUA”).

She then stated that the Previous Owner sold the Development to Howard Theater LLC (“Current Owner”) on December 20, 2021, without obtaining requisite consent from the Authority and that the Current Owner desires to obtain the Authority’s retroactive consent regarding the previous acquisition of 100% ownership interest in the Development from the Previous Owner. Including assuming the obligations of the Previous Owner under both the Regulatory Agreement and EUA (“Transfer and Assumption”) and to act as the new property manager for the Development, or to

engage another entity to manage the Development (“Change in Property Management”) as described in the Project Summary attached to the Resolution.

Mr. Morsch inquired about the review process and Ms. Weaver provided a brief description.

A motion to adopt the Resolution was made by Mr. Morsh and seconded by Chairman Harris. A roll call was taken, and the Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

VI. New Business

Mr. Morsch stated he thinks staff is doing a wonderful job on the ESG at the Authority. He mentioned that one area of new opportunity for the Authority to look in to is in the Inflation Reduction Act. Ms. Faust said that she is in the process of doing so with NCHSA and other industry partners.

VII. Written Reports

Chairman Harris referred the Members to the following written reports in the Board book: Authority Financial Statements, Accounting Payments, Investment Holdings, Communications, External Relations, Quarterly DEI and COVID-19 Housing Assistance Report.

IX. Adjournment

Chairman Harris congratulated the staff on an extraordinary year and wished everyone a Happy Holiday Season.

A motion to adjourn was made by Mr. Morsch and seconded by Ms. Berg. A roll call was taken, and the motion to adjourn was approved by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Arbuckle, Ms. Berg, Mr. Morsch, and Mr. Tornatore.

The meeting adjourned at 11:38am.