

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
MARCH 15, 2024 – 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 March 15, 2024, at the offices of the Authority, 111 East Wacker Drive, Suite 1000, Chicago, Illinois.

**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, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore participated in the meeting in-person, being physically present at the Authority’s office at 111 E. Wacker.
- C. Employee Acknowledgements: Chairman Harris stated that he would like to begin the meeting with the recognition of two employees for their length of service with IHDA. The first employee that was recognized was Stathis (*Stath-y*) Mellos, Business Analysis & Planning Manager in the IT Department, who is celebrating 10 years with the Authority. GeorgeAnn Vanness, Assistant Director, Business Analysts, made some remarks about Stathis and presented him with a Certificate of Service. Next, Juanita Capiak, Senior Department Assistant in the Accounting Department, was introduced by Tim Hicks, Deputy CFO, Managing Director of Accounting, Tim indicated Juanita is celebrating 50 years with the Authority. He made several nice remarks and she ultimately received a standing ovation for her unwavering dedication.
- D. Recognition of IHDA (U.S. Bank)

James Careno & Louis Caresani from US Bank presented the Excellence in Homeownership Award to the Authority. He said Illinois ranked first among their partner agencies in volume for 2023. Tara Pavlik, Managing Director of Homeownership Programs was present to accept the award on behalf of the Authority.
- E. Chairman Harris indicated Ms. Bridgette McBride & Ms. Gloria Moretti who had provided public comment during the February board meeting requested the opportunity to provide additional public comments related to the HAF Program. Both Ms. McBride and Ms. Moretti indicated that they believed their HAF applications were wrongfully denied and that they should be reconsidered and approved. Ms. McBride indicated that she believes IHDA violated the administrative rules that govern the program in connection with the review and processing of her application. Chairman Harris thanked them for their comments and made a few remarks about the number of HAF applications received, reviewed, and approved by IHDA.

## **II. Committee Minutes**

- A. Audit Committee Minutes, Chairman Harris recommended the Members' approval of the minutes from the December 15, 2023, Audit Committee meeting.

A motion to approve the Audit Committee Minutes from December 15, 2023, was made by Ms. Berg and seconded by Mr. Hayes; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

- B. Finance Committee Minutes, Chairman Harris recommended the Members' approval of the minutes from the February 16, 2024, Finance Committee meeting.

A motion to approve the Finance Committee Minutes from February 16, 2024, was made by Vice Chairperson Ramirez and seconded by Ms. Berg; the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

## **IV. Consent Agenda**

Chairman Harris noted that there were eleven (11) 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. 2024-03-IHDA-031: Resolution Approving the Minutes of the Regular Meeting of the Members of the Illinois Housing Development Authority Held on February 16, 2024.

### **B. Procurement Matters**

1. 2024-03-IHDA-032: Resolution Authorizing Agreement with SHI International Corp. For SecureWorks Managed Security Operations Center in an Amount Not to Exceed \$138,023.20
2. 2024-03-IHDA-033: Resolution Authorizing Agreement for Mortgage Loan Servicing Software and Cloud Hosting Platform Services in an initial Amount Not to Exceed \$557,432.62
3. 2024-03-IHDA-034: Resolution Authorizing Purchase of Small Package Delivery Service for an Amount Not to Exceed \$2,100,000.00

### **C. Finance Matters**

1. 2024-03-IHDA-035: Resolution Regarding Additional Funding of the Authority's Access 5% and Access 10% Down Payment Assistance Programs (\$12,500,000)

2. 2024-03-IHDA-036: Resolution Authorizing Amendment of Standby Bond Purchase Agreement Revenue Bonds, 2019 Series B

#### **A. Multifamily Matters**

1. 2024-03-IHDA-037: Resolution Authorizing Section 811 Rental Assistance (Not to exceed \$670,680) for Greenhaven Apartments (PID-11978)
2. 2024-03-IHDA-038: Resolution Authorizing Extension of the Commitment Expiration Date for a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$2,842,107.00) for North Bend Senior Residences (PID-12140) Fairview Heights, Illinois (Amending Resolution No. 2023-06-IHDA-128)
3. 2024-03-IHDA-039: Resolution Authorizing and Extension of the Commitment Expiration Date (Not to exceed \$4,019,153) for SACRED Apartments (PID-12224)

#### **E. General Administrative Matters**

1. 2024-03-IHDA-041: Resolution Regarding the Officers of the Authority
2. 2024-03-IHDA-047: Resolution Appointing Members to Board Committees

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. Ms. Poethig complimented IHDA for its work with eviction diversion programs such as the court room based rental assistance program. She indicated that programs such as these are endorsed by the Biden administration in general to help provide housing stability. A motion to adopt the consent agenda Resolutions was made by Ms. Poethig and seconded by Ms. Berg. The eleven (11) Resolutions noted above were adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

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

##### **A. Multifamily Matters**

1. 2024-03-IHDA-042: Resolution Authorizing a Grant under the COVI-19 Affordable Housing Grant Program (Not to Exceed \$3,073,396) and Legal Description Change for Downtown Villas (PID-12280)

Mr. Kessel stated that the Authority is authorized as the low income housing tax credit agency for the State of Illinois (“Federal Tax Credit Agency”) to allocate federal low income housing tax credits (“Federal Tax Credits”) to housing projects and 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.

He then stated that pursuant to Resolution 2023-06-IHDA-129o the Authority had previously allocated federal low-income housing tax credits (“Federal Tax Credits”) to a housing development known as Downtown Villas (“Development”); however, 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, Will County Housing Development Corporation (“CAHGP Sponsor”) has applied for a grant under the CAHGP in an amount not to exceed \$3,073,396.00 (“Grant”), to address the financing gap in the acquisition, construction and permanent financing of the Development.

He further stated that the Owner has provided a corrected legal description, as stated in EXHIBIT A attached to the Resolution (“Legal Description Change”) to add an additional parcel to be acquired by the Owner.

A motion to adopt the Resolution was made by Ms. Poethig and seconded by Mr. Hayes. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

2. 2024-03-IHDA-043: Resolution Authorizing Grants under the under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$3,769,755) and Section 811 Rental Assistance (Not to Exceed \$624,600.00) For Taylor Place Apartments (PID-12097)

Ms. Foster stated that pursuant to Resolution 2023-03-IHDA-129d, the Authority has previously allocated federal low income housing tax credits (“Federal Tax Credits”) to a multi-family housing development known as Taylor Place Apartments (“Development”); however, due to increased construction costs, supply and labor shortages related to the COVID-19 pandemic, Therefore, Housing Opportunity Development Corporation (“Sponsor”) has a financing gap which would make the Development financially infeasible and has applied for a grant under the CAHGP in an amount not to exceed \$3,769,755.00 (the “COVID Grant”), to address the financing gap in the acquisition, construction and permanent financing of the Development.

He then stated that pursuant to Resolution No. 2020-12-IHDA-259, the Authority was authorized to accept rental assistance funds in the amount of \$7,000,000.00 and enter into an agreement with the United States Department of Housing and Urban Development (“HUD”) to administer the Section 811 PRA Demo for Illinois for

Persons with Disabilities Project Rental Assistance Demonstration Program (the “Section 811 PRA Demo”) and that the primary purpose of the Section 811 PRA Demo is to identify, stimulate, and support innovative state-level strategies that will transform and increase housing for extremely low-income persons with disabilities while also making available appropriate supportive services.

He further stated that the Authority proposes to award funds under the Section 811 PRA Demo to provide rental assistance to the Owner in an aggregate amount not to exceed \$624,600.00.

A motion to adopt the Resolution was made by Ms. Poethig and seconded by Mr. Hayes. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

## **B. Multifamily Finance Matters**

Chairman Harris then indicated that the next two resolutions to be presented are Multifamily Finance matters. He indicated that staff would proceed to present the first of two bond deals by presenting the companion resolutions noted below.

### **1. Diamond Senior at Carroll Towers**

- a. 2024-03-IHDA-044a: Resolution Authorizing a Conduit Loan (not to exceed \$29,000,000.00) and a Trust Fund Loan (\$2,500,000) For Diamond Senior Apartments at Carroll Tower (PID-11314)
- b. 2024-03-IHDA-044b: Resolution Authorizing the Issuance of Not to Exceed \$29,000,000 Aggregate Principal Amount Multifamily Housing, Revenue Bonds, Series 2024 (Carroll Tower)

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 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 and that the Authority has been designated the program administrator of the Illinois Affordable Housing Program (“Trust Fund Program”).

She then stated that 3 Diamond Development LLC (“Sponsor”) has requested the Authority make a Conduit Loan through the issuance of Bonds in an amount not to exceed \$29,000,000.00 and a junior mortgage loan under the Trust Fund Program in an amount not to exceed \$2,500,000.00 (“Trust Fund Loan”) for the rehabilitation and permanent financing of a multifamily housing development

located on the real estate legally described on Exhibit A attached to the Resolution (as may be further updated as part of standard closing due diligence) and known as Diamond Senior Apartments (“Development”).

She further stated that the Resolution authorizes the issuance by the Authority of not to exceed \$29,000,000 in aggregate principal amount of its Multifamily Housing Revenue Bonds, Series 2024 (Carroll Tower) (the “Bonds”). The Bonds would be issued to provide funds to be applied to make one or more new loans to Diamond Development Fox River, LLC, for the Development. The Bonds will be purchased by NewPoint + MORE Capital Affordable Fund LLC. The Bonds will be issued as fixed rate bonds. The Bonds will be a special limited obligation and will not be a general obligation of the Authority.

She also stated that this is a delegation Resolution. Issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$29,000,000.

A motion to adopt the Resolution Numbers: 2024-03-IHDA-044a and 2024-03-IHDA-044b was made by Mr. Tornatore and seconded by Mr. Morsch. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

Chairman Harris then indicated that staff would proceed to present the second bond deal by presenting the companion resolutions noted below.

## **2. Walden Oaks**

- a. 2024-03-IHDA-045a: Resolution Authorizing a Conduit Loan (not to exceed \$22,425,000.00) and a Trust Fund Loan (\$3,262,000.00) For Walden Oaks (PID-12048)
- b. 2024-03-IHDA-045b: Resolution Authorizing the Issuance of Not to Exceed \$22,425,000 Aggregate Principal Amount Multifamily Housing, Revenue Bonds, Series 2024 (Walden Oaks)

Mr. Thompson stated that the Authority acquires funds to make loans (individually, a “Conduit Loan”) for affordable housing developments through the issuance of tax-exempt 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 and that the Authority has been designated the program administrator of the Illinois Affordable Housing Program (“Trust Fund Program”).

He then stated that Hispanic Housing Development Corp. (“Sponsor”) has requested the Authority make a Conduit Loan through the issuance of Bonds in an amount not to exceed \$22,425,000.00 and a junior mortgage loan under the Trust Fund Program in an amount not to exceed \$3,262,000.00 (“Trust Fund Loan”) for

the rehabilitation and permanent financing of a multifamily housing development located on the real estate legally described on Exhibit A attached to the Resolution (as may be further updated as part of standard closing due diligence) and known as Walden Oaks (“Development”).

He further stated that the Resolution authorizes the issuance by the Authority of not to exceed \$22,425,000 in aggregate principal amount of its Multifamily Housing Revenue Bonds, Series 2024 (Walden Oaks) (the “Bonds”). The Bonds would be issued to provide funds to be applied to make one or more new loans to Walden Oaks Preservation, L.P., for the Development. The Bonds will be underwritten by Stifel, Nicolaus & Company, Inc. The Bonds will be issued as fixed rate bonds. The Bonds will be a special limited obligation and will not be a general obligation of the Authority.

He also stated that this is a delegation Resolution. Issuance of the Bonds will require the use of volume cap in an aggregate amount not to exceed \$22,425,000.

A motion to adopt the Resolution Numbers: 2024-03-IHDA-045a and 2024-03-IHDA-045b was made by Vice Chairperson Ramirez and seconded by Mr. Morsch. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

Chairman Harris then indicated that the next resolution was an Asset Management matter.

### **C. Asset Management Matters**

1. 2024-03-IHDA-046: Resolution Authorizing a Change in Ownership, Release of Mortgage and Regulatory Agreement, Partial Trust Fund Loan Payoff and Write-Off for Genesis Place (PID-30-1543-01)

Ms. Jurmu stated that the Authority has previously made a loan under its Trust Fund Program (“TF Loan”) to Interdependent Living Solutions Center (“Owner”) for the financing of a housing development commonly known as Genesis Place (“Development”). The Development is vacant and both physically and financially distressed and the Owner is unwilling to make payments under the TF Loan. In lieu of pursuing foreclosure of the TF Loan, the Authority desires to obtain consent to allow the Owner to sell the Development and transfer of 100% of its ownership interests in the Development (“Transfer”) to the Village of Evergreen Park (“Buyer”) or another single purpose entity owned and controlled by Buyer.

She then stated that the Owner has proposed that the Authority accept a partial payment of the TF Loan in the approximate amount of \$385,000 and has requested that the Authority: (a) write-off the remaining balance of the TF loan and any accrued interest estimated to be approximately \$8,000, but in no event greater than \$10,000 (“Partial Write-Off”); and (b) cancel the Mortgage Note and release the Mortgage and

Regulatory Agreement (“Release”) associated with the TF Loan, as outlined in the summary (“Summary”) attached to the Resolution.

A motion to adopt the Resolution was made by Mr. Tornatore and seconded by Ms. Berg. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

Chairman Harris then indicated that the next resolution was a Strategic Response matter.

#### **D. Strategic Response Matters**

1. 2024-03-IHDA-040: Resolution Terminating Participation in the Homeless Emergency Rental Assistance Program and Reallocating Funds to the Court Based Rental Assistance Program

Mr. Sellke stated that pursuant to Resolution No. 2023-11-IHDA-316 (the “Prior Resolution”), the Authority was authorized to enter into an intergovernmental agreement (“IGA”) with the Illinois Department of Human Services (“IDHS”) for a statewide emergency rental assistance program to support persons experienced homelessness transition from unstable living situations into affordable rental housing units (“HERA Program”) and to allocate up to \$15,000,000 of “ERA2” Federal Emergency Rental Assistance Program Funds (Section 3201 of the American Rescue Plan Act of 2021) (“Funds”) to the HERA Program and that the Authority has not entered into the IGA with IDHS for the HERA Program.

He further stated that pursuant to Resolution Nos. 2021-08-IHDA-167 (as amended by Resolution No. 2022-08-IHDA-215) and 2023-06-IHDA-134, the Authority established an ERA2 funded court based rental assistance program (“CBRAP”) and that the CBRAP funding is nearing exhaustion, however CBRAP continues to demonstrate measurable results at achieving the State of Illinois’s goal of preventing and ending homelessness. Therefore, the Authority desires to terminate the authorizations provided in the Prior Resolution (“Termination”), and to reallocate the Funds from the HERA Program to the CBRAP (“Reallocation”) in order to continue operating the CBRAP.

A motion to adopt the Resolution was made by Mr. Tornatore and seconded by Ms. Berg. The Resolution was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

## **VI. Closed Session**

Chairman Harris then stated that the Board will vote by roll call on a motion that the Board retire immediately to executive closed session pursuant to **Sections 2©(1) an©(c)(11)** of the Open Meetings Act to discuss personal and litigation matters.

At 11:41 a.m. a motion to move to closed session was made by Mr. Morsch and seconded by Vice Chairperson Ramirez. A roll call vote was conducted and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore.

The Board Members relocated to a private conference room to proceed with the closed session discussion which was recorded verbatim and will remain confidential until released in compliance with the Open Meetings Act. At this point in time, at approximately 11:42 a.m. Ms. Berg left the meeting due to a scheduling conflict. Seven (7) Board Members remained. The closed session commenced promptly and was adjourned at approximately 12:05 p.m.

The Members returned from the private conference room to the main IHDA Board Room to call the open meeting back to order.

At 12:06 p.m., the Board motioned and unanimously agreed to reconvene the Open Session.

## **VII. New Business**

The Chairman then asked if there was any new business. No new business was raised.

## **VIII. Written Reports**

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

## **IX. Adjournment**

A motion to adjourn was made by Mr. Hutchcraft and seconded by Vice Chairperson Ramirez. The motion was unanimously approved by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Mr. Hayes, Mr. Hutchcraft, Mr. Morsch, Ms. Poethig and Mr. Tornatore, and the meeting adjourned at 12:07 p.m.