

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MAY 17, 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 May 17, 2024, at the offices of the Authority, 111 East Wacker Drive, Suite 1000, Chicago, Illinois.

I. Opening

- A. Call to Order: In the absence of Chairman Harris, Vice Chairperson Ramirez called the meeting to order at 11:00 a.m.
- B. Roll Call: Ms. Synowiecki took a roll call. Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig participated in the meeting in-person, being physically present at the Authority’s office at 111 E. Wacker. Chairman Harris, Mr. Morsch and Mr. Tornatore were not present and did not otherwise participate in the meeting.

C. Resolution in Recognition of Robert Grossman

Vice Chairperson Ramirez presented a special Resolution in Recognition of Mr. Robert Grossman. As detailed further in the resolution, Mr. Grossman was the principal draftsman of the 1967 Illinois Housing Development Act, establishing the Authority. Vice Chairperson Ramirez said a reference to the resolution will be included in the minutes of the meeting and a copy presented to the family of Mr. Grossman as a token of the Authority’s appreciation and sincerest thanks. A ceremonial motion to adopt the resolution then took place.

- D. Vice Chairperson Ramirez indicated that no one was registered or otherwise indicated they wanted to participate in portion of the meeting reserved for public comment.

II. Committee Minutes

- A. Asset Management Committee Minutes, Vice Chairperson Ramirez recommended the Members’ approval of the minutes from the February 16, 2024, Asset Management Committee meeting.

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

- B. Finance Committee Minutes, Vice Chairperson Ramirez recommended the Members' approval of the minutes from the April 19, 2024, Finance Committee meeting.

A motion to approve the Finance Committee Minutes from April 19, 2024, was made by Mr. Hutchcraft and seconded by Ms. Poethig; the motion was adopted by the affirmative votes of Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig.

IV. Consent Agenda

Vice Chairperson Ramirez noted that there were fourteen (14) Resolutions on the consent agenda. She then proceeded to publicly recite the title of each of the Resolutions on the consent agenda.

A. Minutes

1. 2024-04-IHDA-078: Resolution Approving the Minutes of the Regular Meeting of the Members of the Illinois Housing Development Authority Held on April 19, 2024.

B. Procurement Matters

1. 2024-04-IHDA-079: Resolution Authorizing Agreement with Bloomberg Finance L.P. in an Amount Not to Exceed \$140,000.00

C. Finance Matters

1. 2024-04-IHDA-080: Resolution Ratifying Establishment of Loan Loss Reserve.
2. 2024-04-IHDA-081: Resolution Authorizing Amendment of Standby Bond Purchase Agreements Housing Bonds, 2008 Series A, B and C

D. Multifamily Matters

1. 2024-04-IHDA-082: 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)
2. 2024-04-IHDA-083: Resolution Amending Resolution 2024-03-IHDA-44b regarding Diamond Senior Apartments at Carroll Tower (PID-12048)

E. Asset Management Matters

1. 2024-04-IHDA-084: Resolution Approving an Extension of Maturity Date, Resubordinate Loan to New Senior Loan and Modification of Low-Income Housing Tax Credit Extended Use Agreement for North Avenue Redevelopment Family (30-2344)

2. 2024-04-IHDA-085: Resolution Approving a Loan Paydown and Modification of Loan Documents for Edison Avenue Lofts (11330)
3. 2024-04-IHDA-086: Resolution Authorizing Approval of a Change in the Subordinated Position, Change of Owner Name and Assumption of Loan and Grant Documents for Vision House (PID-30-504-01)
4. 2024-04-IHDA-087: Resolution Authorizing Additional Subordinate Loan for Liberty Arms Senior Apartments (FTC- 2063-01), 40-2063-01 and 30-2063-01)
5. 2024-04-IHDA-088: Resolution Authorizing the Re-subordination of the Trust Fund Loan and Regulatory Agreement for A Safe Place (30-1744)

F. Community Affairs Matters

1. 2024-04-IHDA-089: Resolution Authorizing Amendments to the Sub recipient Agreement and to the Fee for Service Agreements for the Cook County Mortgage Foreclosure Mediation Program
2. 2024-04-IHDA-090: Resolution Authorizing Grant Increases (\$2,900,000.00) And Removal of the Maximum Grant Award under the Home Repair and Accessibility Program (HRAP)

G. General Matters

1. 2024-04-IHDA-091: Resolution Regarding the Officers of the Authority

After the completion of the public recital of the Resolution titles, Vice Chairperson Ramirez 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 Mr. Hayes and seconded by Ms. Berg. The fourteen (14) Resolutions noted above were adopted by the affirmative votes of Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig.

V. Vice Chairperson Ramirez indicated that the Additional Resolutions would now be discussed.

A. Multifamily Matters

1. 2024-04-IHDA-092: Resolution Authorizing a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$4,063,608.00) For Stevens Apartments (PID-11765)

Ms. Hilmer 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 and that the Authority has allocated Federal Tax Credits to the Development; however, due to increased construction costs, supply and labor shortages related to the COVID-19 pandemic, the Stevens Apartments, L.P. (“Owner”) has a financing gap which would make the Development financially infeasible and the Owner has applied for a grant under the CAHGP in an amount not to exceed \$4,063,608.00 (“CAHGP Grant”), to address the financing gap in the acquisition, construction and permanent financing of a multi-family housing development known as Stevens Apartments.

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

2. 2024-04-IHDA-093: Resolution Authorizing a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$3,338,365.00) and a Trust Fund Loan (Not to Exceed \$670,000.00) for Lincoln Senior Flats (PID-12266)

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

He then stated that Lincoln Senior Flats LLC (“Owner”) has requested that the Authority provide a construction to permanent mortgage loan under the Trust Fund Program in the amount of \$670,000.00 (the “Trust Fund Loan”) and a grant under the CAHGP in an amount not to exceed \$3,338,365.00 (“Grant”), to address the financing gap in the acquisition, construction and permanent financing of an independent living senior housing development known as Lincoln Senior Flats (“Development”).

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

3. 2024-04-IHDA-094: Resolution Authorizing State Tax Credits (2,161,351) for Woodland Court (PID-12336)

Ms. Jackson stated that the Authority has been authorized to allocate Affordable Housing Tax Credits (“State Tax Credits”) in Illinois.

She then stated that the DuPage Habitat for Humanity (“Sponsor”) has also applied to the Authority for FY24 State Tax Credits in the amount of 2,161,351 (“FY24 State Tax Credit Reservation Amount”), in connection with the rehabilitation, construction and permanent financing of scattered site housing development described on Exhibit A attached to the Resolution and known as Woodland Court (“Development”).

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 Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig.

4. 2024-04-IHDA-095: Resolution Authorizing State Tax Credits (1,304,187) for 2024 South Side (PID-12476)

Ms. Jackson stated that the Chicago Habitat for Humanity (“Sponsor”) has also applied to the Authority for FY24 State Tax Credits in the amount of 1,304,187 (“FY24 State Tax Credit Reservation Amount”), in connection with the acquisition, construction and permanent financing of scattered site housing development described on Exhibit A attached to the Resolution and known as 2024 South Side (“Development”).

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

5. 2024-04-IHDA-096: Resolution Authorizing an FFB Risk Sharing Permanent Loan (Not to exceed 87% LTV, approx. \$1,920,000), an Affordable Housing Surplus Loan (Not to Exceed \$570,000), an Interest Rate Swap Agreement and a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$3,953,000) for Starling Senior Apartments (PID-12276)

Mr. Bannon stated that the Authority administers a program known as the Risk Sharing Program wherein the Authority makes mortgage loans to borrowers (“Risk Sharing Loans”) and the Sponsor 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 \$2,427,000, but not to exceed 87% loan to value sized to maintain a debt service coverage ratio of 1.15:1.0 through year 20 of the loan (“FFB Risk Sharing Loan”) in connection with the permanent financing of the Development.

He then stated that Starling Senior Apartments Limited Partnership (“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 \$1,920,000. Sponsor has applied for a grant under the CAHGP in an amount not to exceed \$4,924,000 (“CAHGP Grant”), to address the financing gap in the financing of the Development.

He further stated that pursuant to Resolution No. 2020-07-147-IHDA, supplementing the Affordable Housing Program Trust Fund Bond General Resolution the Authority may make a loan to the Owner in an amount not to exceed \$578,000 (“AHS Loan”) in connection with the permanent financing of the Development, which may be needed to allow the Authority to maintain the debt service payment committed to as part of the FFB Risk Sharing Loan and pursuant to Resolution No. 2017-IHDA-235, the Authority is authorized to enter into International Swaps and Derivatives Association, Inc. Master Agreements (“ISDA Master Agreements”) and such Schedules to such ISDA Master Agreements (“Schedules”).

He also stated that the Authority is now 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 Development to protect the Authority’s risk with regard to the interest rate for the interest to be conveyed to the FFB.

He added that the Sponsor has applied for a grant under the CAHGP in an amount not to exceed \$3,953,000 (the “Grant”), to address the financing gap of the Development.

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

6. 2024-04-IHDA-097: Resolution Authorizing Return and Reallocation of Low Income Housing Tax Credits, State Tax Credits (1,032,500); a Grant under the COVID-19 Affordable Housing Grant Program (Not to Exceed \$2,300,000); an FFB Risk Sharing Permanent Loan (Not to exceed 87% LTV, approx. \$6,270,000); and Affordable Housing Surplus Loan (Not to Exceed \$2,000,000); and an Interest Rate Swap Agreement for Oak and Larrabee Phase I (PID-11667)

Mr. Ryan stated that the Brinshore Development (“Sponsor”) 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 \$6,270,000, but not to exceed 87% loan to value sized to maintain a debt service coverage ratio of 1.15:1.0 through year 20 of the loan (“FFB Risk Sharing Loan”) to Oak-Larrabee, LLC,

("Owner"), in connection with the acquisition, construction and permanent financing of a multi-family housing development known as Oak and Larrabee Phase I ("Development").

He then stated that pursuant to Resolution No. 2020-07-147-IHDA, supplementing the Affordable Housing Program Trust Fund Bond General Resolution adopted on May 20, 1994 as amended and restated on July 15, 1994, the Authority may make a loan to the Owner in an amount not to exceed \$2,000,000 ("AHS Loan") for the Development, which may need additional financing to allow the Authority to maintain the debt service payment committed to as part of the FFB Risk Sharing Loan and

He further stated that the Authority is now 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 Development to protect the Authority's risk with regard to the interest rate for the interest to be conveyed to the FFB.

She also added that the Sponsor has applied for a grant under the CAHGP in an amount not to exceed \$2,300,000 (the "Grant") and FY24 State Tax Credits in the amount of 1,032,500 ("FY24 State Tax Credit Reservation Amount"), in connection with the Development.

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

B. Multifamily Finance Matters

1. Ravine Terrace

- a. 2024-04-IHDA-098a: Resolution Authorizing the making of a Conduit Loan (Not to Exceed \$35,750,000), a Risk Sharing Loan (Not to exceed 90% LTV, approx. \$7,400,000), a Junior Loan (Not to exceed 90% LTV together with the Risk Sharing Loan, approx. \$1,265,000), and State Tax Credits (Not to exceed 6,795,000) for Ravine Terrace (PID-12332)
- b. 2024-04-IHDA-098b: Resolution Authorizing the Issuance of Not to Exceed \$35,750,000 Revenue Bonds 2024 Series C.

Mr. Ryan stated that the Waukegan Housing Development Corporation NFP ("Sponsor") has applied to the Authority for FY24 State Tax Credits in an amount not to exceed 6,795,000 ("FY24 State Tax Credit Reservation Amount"), in connection with the acquisition, construction, rehabilitation and permanent

financing of a multifamily housing development described on Exhibit A attached to the Resolution to be known as Ravine Terrace (“Development”).

He then 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 the Authority intends to obtain the funds to make a Conduit Loan described below through the issuance of its Bonds.

He further stated that this Resolution authorizes the issuance of not to exceed \$350,750,000 aggregate principal amount of Illinois Housing Development Authority Revenue Bonds, 2024 Series C (the “2024 Series C Bonds”) in one or more series (including subseries within a series) at the same time or at different times.

He then stated that the Resolution is a delegation resolution and that the 2024 Series C Bonds are to be issued on or before December 31, 2024, pursuant to a Revenue Bonds General Indenture (the “General Indenture”) entered into by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and a Series Indenture to be entered into by and between the Authority and the Trustee (the “Series Indenture”).

He then added that the 2024 Series C Bonds are not general obligations of the Authority. Issuance of additional Bonds under the General Indenture subsequent to the 2024 Series C Bonds would require a future resolution of the Authority authorizing such additional Bonds, a similar cash flow projection with respect to the 2024 Series C Bonds and such additional Bonds, and confirmation that such issuance will not reduce the rating on the 2024 Series C Bonds.

He added that the Sponsors have requested the Authority make a first position permanent loan to the Owner from the Risk Sharing Program, in an amount not to exceed a 90% loan to value, sized to maintain a debt service coverage ratio of 1.11:1.0 through year 20 of the loan (currently underwritten at \$7,400,000) (“Risk Sharing Loan”), for the permanent financing of the Development and a second position permanent loan to the Owner, in an amount not to exceed (when taken together with the Risk Sharing Loan) 90% loan to value (currently underwritten at \$1,265,000) (“Junior Loan”) in connection with the Development.

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 Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig.

C. SPAR Matters

1. 2024-04-IHDA-099: Resolution Authorizing Renewal of an Intergovernmental Agreement in connection with the Statewide Housing Locator.

Mr. Mendoza stated that the Authority administers the web-based statewide housing locator (“Housing Locator”), which allows anyone in Illinois to search for rental housing in specific communities and allows property owners to list any rental units they have available for occupancy. Embedded within the Housing Locator is the Prescreening, Assessment, Intake, and Referral Module, used for both the Statewide Referral Network units and Section 811 units.

He then stated that the Authority was authorized to enter into and subsequently renew an Intergovernmental Agreement (“IGA”) with the Illinois Department of Human Services, the Illinois Department of Healthcare and Family Services, and the Illinois Department on Aging (collectively, “Partner Agencies”), wherein the Partner Agencies would share the cost of the Housing Locator with the Authority and that the IGA expires on June 30, 2024 and the Authority desires to renew the IGA with the Partner Agencies for the 2 year period from July 1, 2024 through June 30, 2026 (“IGA Term”) in an amount of approximately \$157,201.00 during the IGA Term.

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 Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig

VI. Presentation

A. Affordable Housing Challenges/Emerging Topics in Illinois

Executive Director Faust gave a brief presentation regarding challenges in the affordable housing industry, with a focus on emerging topics in Illinois. She identified the following 4 current challenges being faced in the U.S. and Illinois.

- Broken Rental Market- *especially for households at <30% AMI and 60-120% AMI*
- Resources to continue our work in the 30%-60% AMI rental market are *shrinking*
- Preserving our existing affordable rental housing demands resources- units at risk
- Home ownership is out of reach – *the biggest and most reliable onramp to the middle class is closed due to lack of inventory*

She also stated that regardless of the challenges being faced, IHDA continues to be an innovative leader in the affordable housing industry. She further listed some of the solutions IHDA needs to discuss so that Illinois can continue to be a leader in affordable housing.

She then asked the Members for their opinions on how IHDA can continue to be a leader in affordable housing and provide decent, safe and affordable housing.

Vice Chair Ramirez stated she would like to see IHDA exploring opportunities to provide housing that is built with domestic abuse survivors in mind as well as consider options to develop sober living spaces. Later in the discussion she indicated that she would like to see IHDA continue to focus on trying to make funds available for owner-occupied residences that need accessibility driven modifications, particularly to support the concept of aging in place.

Mr. Hayes stated he would like to see IHDA focus on the ‘missing middle’, especially as related to workforce housing. He also talked about the importance of planning for the aging population in the United States and the need for a strong continuum of care.

Ms. Poethig made remarks about Chicago being a relatively affordable place to live when taking other large cities into consideration. She stated she would like to see IHDA focus on taking steps to preserve this comparative advantage for the State of Illinois. Ms. Poethig also suggested IHDA focus on potential financing tools with the FHA and as related to the NHIA. She mentioned that IHDA should continue to explore condos as an affordable housing tool. She also made some remarks reiterating Mr. Hayes’ remarks about the aging population.

Mr. Hutchcraft stated that one of the obstacles we are seeing in the affordable housing space is the increasing cost of insurance. He suggested that we look for ways to highlight this issue with other state partners in an effort to try to minimize the impact of rising insurance costs on affordable housing. Ms. Poethig indicated that she thought Mr. Hutchcraft’s point was an excellent one, particularly given that Illinois is the home to many large insurance companies.

Executive Director Faust thanked the Board for their thoughtful input and indicated that she would continue to make sure IHDA is focused on multifaceted solutions to these complex challenges.

VII. New Business

Chairperson Ramirez then asked if there was any new business. No new business was raised.

VIII. Written Reports

Vice Chairperson Ramirez referred the Members to the written reports in the Board book: Authority Financial Statements, Accounting Payments Report, Investment Holdings,

Communications Report, External Relations Report and COVID-19 Housing Assistance Programs. Report.

IX. Adjournment

A motion to adjourn was made by and seconded by Mr. Hutchcraft. The motion was unanimously approved by the affirmative votes of Vice Chairperson Ramirez, Ms. Berg, Mr. Hayes, Mr. Hutchcraft and Ms. Poethig, and the meeting adjourned at 11:46 a.m.