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 October 16, 2020, via the virtual platform detailed in the public notice.

I. Opening

A. Chairman Harris called the meeting to order at 11:00 a.m.

B. Chairman Harris introduced Rita Ali as a new Board Member.

C. Ms. Synowiecki took a roll call. With a quorum present via the virtual platform consisting of Chairman Harris, Vice Chairperson Ramirez, Ms. Ali, Ms. Berg, Mr. Hubbard, Ms. Kotak, Mr. Morsch and Mr. Tornatore.

D. Chairman Harris stated that an IHDA icon passed away, Bill Pluta, Director of OHCS, was a member of the IHDA team for 28 years. He stated that the state of Illinois will miss Bill.

E. Chairman Harris 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 Finance Committee Materials and the Audit Committee Materials.

III. Committee Minutes

A. Finance Committee Minutes, Mr. Hubbard recommended the Members’ approval of the minutes from the September 18, 2020 Finance Committee meeting.

A motion to approve the Finance Committee Minutes from September 18, 2020 was made by Mr. Hubbard and seconded by Ms. Berg; A roll call was taken and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Ali, Ms. Berg, Mr. Hubbard, Ms. Kotak, Mr. Morsch and Mr. Tornatore.

B. Audit Committee Minutes, Mr. Morsch recommended the Members’ approval of the minutes from the June 19, 2020 Finance Committee meeting.

A motion to approve the Audit Committee Minutes from June 19, 2020 was made by Chairman Harris 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, Ms. Ali, Ms. Berg, Mr. Hubbard, Ms. Kotak, Mr. Morsch and Mr. Tornatore.

IV. Presentation
A. Executive Director update regarding the Coronavirus Relief Programs.

Executive Director Faust stated that the ERA/EMA programs are now in Phase 3, Application processing. She stated that IHDA is administering the largest CRF Program in the Country. One third of the staff is working on this project and the other two thirds are filling in for others while they are redirected to these programs. She then stated that the majority of funds will be distributed by the end of November.

Chairman Harris stated that his is very proud of the work the entire IHDA staff has done to get these programs to the point they are at today. He stated that these have been complicated programs to roll out and administer.

V. 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


B. Procurement Matters

1. 2020-10-IHDA-204: Resolution Authorizing Execution of an Extension to Emergency Contract with a Staffing Agency in an Amount Not to Exceed $1,927,000.00.

2. 2020-10-IHDA-205: Resolution Authorizing Execution of an Extension to Emergency Contract with DocuSign for an amended Total Not to Exceed amount of $3,075,736.64.


C. Finance Matters


2. 2020-10-IHDA-208: Resolution Amending Designations for a Portion of Administrative Fund Net Assets for Various Programs and Expenditures.

3. 2020-10-IHDA-209: Resolution Authorizing Additional Funding of the Access 5% Down Payment Assistance Program.

D. Homeownership Matters
1. 2020-10-IHDA-210: Resolution Authorizing Modifications to the Opening Doors Program, f/k/a the Capital Bill Down Payment Assistance Program.

2. 2020-10-IHDA-212: Resolution Authorizing the Establishment of the IHDA Mortgage SmartBuy Program.

3. 2020-10-IHDA-213: Resolution Authorizing the Closure of the Authority’s Existing Single-Family Loan Modification program and the Establishment of the Borrower Relief Program (Not to Exceed $8,000,000).

E. Administrative Matters

1. 2020-10-IHDA-214: Resolution Authorizing a Technical Assistance Agreement in Connection with the Authority’s Emergency Rental Assistance Program.

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 additional comments and did not seek the removal of any Resolutions. A motion to adopt the consent agenda Resolutions was made by Mr. Hubbard and seconded by Mr. Morsch; A roll call was taken and the eleven (11) Resolutions noted above were adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Ali, Ms. Berg, Mr. Hubbard, Ms. Kotak, Mr. Morsch and Mr. Tornatore.

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

A. Multifamily Financing Matters

1. Martin Farrell House

a. 2020-10-IHDA-217a: Resolution Authorizing a Conduit Loan ($8,800,000) and Trust Fund Loan ($1,115,856) for Martin Farrell House (PID-11870).

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

She then stated that Farrell House Preservation Associates I Limited Partnership (“Owner”) has requested the Authority to make a first position construction Conduit Loan in an aggregate amount not to exceed $8,800,000.00 evidenced by Multifamily Housing Revenue Notes, Series 2020 and a second position permanent loan under
the Trust Fund Program in an amount not to exceed $1,115,856.00 (“Trust Fund Loan”) for the acquisition, rehabilitation and permanent financing of a multifamily housing development located on the real estate legally described on Exhibit A attached to the Resolution and known as Martin Farrell House (“Development”).


Ms. Matkom stated that the Resolution authorizes the issuance by the Authority of its Multifamily Housing Mortgage Revenue Note, Series 2020 (Martin Farrell House) in an aggregate principal amount not to exceed $8,800,000 (the “Note”). It also authorizes the Authority to enter into the Funding Loan Agreement, the Borrower Loan Agreement and the Tax Regulatory Agreement, in substantially the forms attached to the Resolution, setting forth the terms of the Note. The Note will be issued to provide funds to be applied to make a loan to the Owner for the purpose of financing the Development and the Note will be a special limited obligation (and not a general obligation) of the Authority.

She then stated that the Note will be purchased directly by Fifth Third Bank, National Association, or an affiliate thereof, as Funding Lender (the “Lender”), pursuant to a Funding Loan Agreement (the "Funding Loan Agreement") among the Authority, the Lender and Zions Bancorporation, a national banking association, as fiscal agent (the “Fiscal Agent”). The Note will be issued initially as a fixed rate interest-only note during the rehabilitation phase, then become a fixed rate fully-amortized note during the permanent phase. The interest rate and the final maturity date for the Note will be established pursuant to the Funding Loan Agreement and the Borrower Loan Agreement. The Note shall be issued on a draw-down basis as provided in the Funding Loan Agreement. The proceeds of the Note will be lent by the Authority to the Borrower, pursuant to a Borrower Loan Agreement (the “Borrower Loan Agreement”), and the Borrower will issue a note (the “Borrower Note”) the principal amount of which Borrower Note shall equal the principal amount of the Note, requiring payments corresponding to principal and interest coming due on the Note.

She further stated that to secure its obligations under the Borrower Loan Agreement and the Borrower Note, the Borrower will grant a mortgage (the “Mortgage”) on the property and fee interest in the improvements comprising the Development to the Authority, which will be assigned to the Fiscal Agent together with the Borrower Note and the Borrower’s interests in the leases, rents, issues profits, revenues, income, receipts, moneys, royalties, rights and benefits of and from the Development. This is a delegation Resolution. Issuance of the Note will require the use of volume cap in an aggregate amount not to exceed $8,800,000. Such volume cap will be allocated to the Note by the Authority.

A motion to approve the Resolution Numbers 2020-10-IHDA-217a and 2020-10-IHDA-217b was made by Chairman Harris and seconded by Mr. Hubbard; A roll call was taken, and the motion was adopted by the affirmative votes of Chairman
B. Asset Management Matters

1. 2020-10-IHDA-218: Resolution Authorizing the Requisition and Disbursement of Certain Fiscal Year 2021 funds under the Rental Housing Support Program.

Ms. Weaver stated that the Authority is designated as the administrator of the Rental Housing Support Program (“Program”) for the State of Illinois and that the Program is designed to provide rental subsidies for households whose annual income is less than thirty percent (30%) of the median income for the area in which the households reside and that the Program funds are drawn from the Illinois Department of Revenue (“DOR”) for use in accordance with the Act and the rules promulgated thereunder (“Rules”).

She further stated that the Act requires that the Authority disburse a share equal to forty-three percent (43%) of funds collected from the Program to the City of Chicago (“City”), according to a formula based on the applicable United States census data through Fiscal Year 2021, for use in the portion of the Program administered by the City (“City Funds”) and that the Act authorizes the Authority to establish a reserve fund (the “Program Reserve”) to plan for the impact of periodic fluctuations in Program revenue in future years; pursuant to the Program rules, the amount to fund the Program Reserve for the Authority shall be a maximum of 5% of the amount of each annual appropriation after subtracting the amounts set forth in the Rules.

Ms. Weaver then requested approval of the draw of City Funds and Program Reserve funds from DOR in appropriate intervals through Fiscal Year 2021.

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

2. 2020-10-IHDA-219: Resolution Authorizing Change in Ownership, Assignment, Assumption and Subordination of Extended use Agreement, and Change in Property Management for Rainbow Apartments (TC-625-93).

Mr. Padgitt stated that the Authority previously allocated federal tax credits (“Credits”) to Rainbow Apartments, L.P. (“Prior Owner”) for the acquisition, rehabilitation and permanent financing of the housing development commonly known as Rainbow Apartments, located in Urbana, Illinois (“Development”).

He then stated that the Development is governed by and subject to an Extended Use Agreement dated July 26, 1993 (“EUA”) and that SBM Investments, L.L.C. (“Owner”) assumed the obligations of the Prior Owner under the EUA pursuant to that certain
Assignment, Assumption and Amendment of Extended Use Agreement dated August 10, 2012.

He further stated that the Owner desires to transfer 100% of its ownership interest in the Development to Rainbow IL LLC (“New Owner”) and the New Owner desires to assume the obligations of the Owner under the EUA (“Transfer and Assumption”) and the New Owner desires to finance the acquisition of the Development with new Freddie Mac financing and the new mortgage lender has requested that the Authority consent to subordinate the EUA to the new mortgage loan (“Subordination”) and that the New Owner would also like to engage Everest Equities Company, an affiliate of New Owner, to be the new property manager for the Development (“Change in Property Management”).

Mr. Padgitt then requested that the Authority consent to the Transfer and Assumption, Subordination and Change in Property Management (“Consent”), all as more fully described in the project summary (“Summary”) attached to the Resolution.

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

3. 2020-10-IHDA-220: Resolution Approving a Transfer of Partnership Interests and an Amendment to the Extended Use Agreement for Saint Clare’s Villa (SCV)(HTF-1352/TC-1310-00).

Mr. Ansani stated that in 2001 the Authority made a first mortgage loan in the original principal amount of $750,000.00 to Saint Clare’s Villa Limited Partnership (the “Owner”) for the acquisition, construction and permanent financing of the housing development commonly known as Saint Clare’s Villa SLF, located in Alton, Illinois (“Development”). He then stated that ”The Owner has notified the Authority that the limited partnership interests of the Owner have been transferred to Saint Anthony’s LLC, the general partner of the Owner (“General Partner”) and that the ownership of the General Partner has been transferred to OSF Health Care System, an Illinois not-for-profit corporation and has requested approval of such transfers (the “Transfers”) in accordance with the terms set forth in the summary (“Summary”) attached to the Resolution.

He then stated that the Authority is the low income housing tax credit agency for the State of Illinois to allocate federal low income housing tax credits (“Federal Tax Credits”).

He also stated that the Authority allocated Federal Tax Credits in the amount of 214,146 (“Federal Tax Credits”) to the Owner for the construction of the Development and in connection with the allocation of Federal Tax Credits and pursuant to Section 42, the Owner entered into an Extended Use Agreement with the Authority and agreed that the
Development would be governed by the Extended Use Agreement for a compliance period of 30 years and that the Owner has requested that the Extended Use Agreement be amended to reduce the initial compliance period from 30 years to 15 years to correspond to the prescribed time frame in Section 42 (the “EUA Amendment”).

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

C. Administrative Matters

1. 2020-10-IHDA-211: Resolution Authorizing an Intragovernmental Agreement with Will County Regarding Coronavirus Relief Funds.

   Executive Director Faust stated that The Coronavirus Aid, Relief, and Economics Security Act signed into law on March 27, 2020 (the “CARES Act”), created through the CARES Act, the Coronavirus Relief Fund (“CRF”), which provided approximately $121,000,000 in direct assistance to Will County (the “County”) and that the County has indicated to the Authority that they would like to explore transferring funds to the Authority.

   She then stated that the Authority and the County have determined it could be beneficial for the County to potentially allocate up to $4,000,000 of the County’s CRF allocation to the Authority.

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

VII. New Business

Chairman Harris suggested that the Executive Director reach out individually to the Members, particularly the newer Members, to set up a time to discuss the purpose and content of the Authority’s standard form of project summary as used when transactions are presented to the Board for review and approval by the Multifamily Financing.

VIII. Written Reports

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

IX. Adjournment
Chairman Harris asked for a motion to adjourn the meeting. A motion to adjourn was made by Ms. Kotak and seconded by Mr. Hubbard. A roll call was taken, and the motion was adopted by the affirmative votes of Chairman Harris, Vice Chairperson Ramirez, Ms. Ali, Ms. Berg, Mr. Hubbard, Ms. Kotak, Mr. Morsch and Mr. Tornatore. The meeting adjourned at 11:26 a.m.