

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF COMMISSIONERS OF THE
CAMBRIDGE HOUSING AUTHORITY
WEDNESDAY, MARCH 8, 2023 5:30 P.M.**

MEMBERS PRESENT: ELAINE DEROSA, CHAIRPERSON
VICTORIA BERGLAND, MEMBER
GERARD J. CLARK, MEMBER

ABSENT: SUSAN CONNELLY, TREASURER
LOUIS BACCI, VICE CHAIRPERSON

ALSO PRESENT: MICHAEL JOHNSTON, EXECUTIVE DIRECTOR
BRENDA DOWNING, DEPUTY EXECUTIVE DIRECTOR
SUSAN COHEN, GENERAL COUNSEL
NICHOLAS DESOUZA, RECORDING SECRETARY

In accordance with temporary changes to the open meeting law this meeting is being held by teleconference.

ROLL CALL PRESENT: VICTORIA BERGLAND, ELAINE DEROSA, GERARD CLARK

1. MINUTES:

a. Approval of the Minutes of Regular Meeting of February 8, 2023.

MOTION: Mr. Clark moved that the Minutes of the Regular Meeting of February 8, 2023, be approved as submitted. Ms. Bergland seconded the motion which upon being put to vote, was **passed three in favor, two absent.**

2. EXECUTIVE DIRECTOR'S REPORT

Mr. Johnston yielded the Executive Director's Report for this meeting to have time for discussion on the agenda items.

3. AWARD OF CONTRACT FOR LANDSCAPE SERVICES FOR MAINTENANCE AND REPAIRS AT VARIOUS LOCATIONS TO M. NEVES INC.

Authorize to award contract to M. Neves Inc, Dartmouth, MA for Landscape Services for Maintenance and Repairs at Various Locations.

MOTION: Ms. Bergland moved to approve award contract to M. Neves Inc, Dartmouth, MA for Landscape Services for Maintenance and Repairs at Various Locations. Mr. Clark seconded the motion which upon being put to vote, was **passed three in favor, two absent.**

4. SALTONSTALL APARTMENTS, MEDFORD, MA- CHA and CHAL AUTHORIZATION TO EXECUTE DOCUMENTS ASSOCIATED WITH PROJECT FINANCING AND CLOSING

MOVED: That Cambridge Housing Authority a public body corporate and politic established under Massachusetts General Laws c. 121B ("CHA") as sole member of Cambridge Housing

Affordable Lending LLC (“CHAL”) be, and it hereby is, authorized, empowered and directed to cause CHAL to become (i) a 99.99% member of MHA Saltonstall, LLC (the “Company”) and (ii) the managing member of MHA Saltonstall Manager, LLC (the “Saltonstall Manager”) (with CHAL holding a 44.5% interest and Medford Housing Authority (“MHA”) holding a 55.5% member interest), which entity is the managing member of the Company and to take all actions and execute and deliver any documents necessary or proper to direct, carry out and effectuate such admission all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran, acting singly, may, in his or her sole discretion, deem in the best interest of the CHAL.

MOVED: That CHA, as sole member of CHAL, the managing member of Saltonstall Manager, the managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to appoint authorized signatories of the Company and Saltonstall Manager.

MOVED: That CHA, as sole member of CHAL, the managing member of Saltonstall Manager, the managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to cause the Company to ground lease a portion of the property located at 121 Riverside Avenue, Medford, Massachusetts for a term of 99 years (“Leasehold Parcel A”) from MHA, all on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, as sole member of CHAL, the managing member of Saltonstall Manager, the managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to create MHA Saltonstall Leasehold Condominium (the “Condominium”) by submitting Leasehold Parcel A to Chapter 183A of the Massachusetts General Laws, creating one (1) office unit (“Unit A”) and one (1) residential unit (“Unit B”), including, without limitation, a (i) Master Deed, (ii) Declaration of Trust, and (iii) By-Laws, all on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may, in his or her sole discretion, deem in the best interest of the CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of the CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to direct, carry out and effectuate the conveyance of Unit A to MHA, including, without limitation, a Unit Deed for nominal consideration, all on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA be, and it hereby is, authorized, empowered and directed, on its own behalf and in its capacity as sole member of CHAL, on its own behalf and as managing member of MHA Saltonstall, on its own behalf and as managing member of the Company, to take all actions and execute and deliver any documents necessary or proper to direct, carry out and effectuate the

leasing, financing, construction, and rehabilitation of 200 existing dwelling units, with 22 units to be added during the course of construction, located in Unit B (the "Project"), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to cause the Company to assume all of the MHA's rights, title, and interest in and to (i) any and all contracts and agreements, (ii) any and all plans, specifications and drawings, (iii) any and all governmental approvals, permits or licenses, and (iv) any and all financing and equity commitments, related to the construction, design, development and operation of the Project to the Company (the "Assignments"), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran, acting singly, may, in his or her sole discretion, deem in the best interest of the CHAL, Saltonstall Manager, and the Company as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions to implement the withdrawal of CHAL as a member of the Company and the admission of Wincopin Circle LLLP, a Maryland limited liability partnership, and its successors and assigns, including, without limitation, Enterprise Housing Partners XLI Limited Partnership and/or Enterprise Housing Partners CalGreen IX Fund, L.P., each a Maryland limited partnership (collectively, the "Investor") to the Company as investor members of the Company on or before January 1, 2025, such admission to be on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate, and in connection therewith, to execute and deliver such documents necessary to implement such withdrawal and such admission and such other documents as required by the Investor (the "Equity Documents"), including, without limitation, an amended and restated operating agreement, and all exhibits attached thereto, of the Company, all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA as sole member of CHAL is authorized, empowered and directed and, to cause CHAL to execute guaranties, and such other documents necessary or proper to effectuate the Equity Documents (the "Equity Guaranties"), such documents to be on such terms and conditions as Margaret Donnelly Moran or Michael Johnston, acting singly, may in his or her sole discretion deem in the best interests of the CHA and CHAL.

MOVED: That CHA acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a bond issuance (the "Bond Issuance") by Massachusetts Development Finance Agency ("Mass Development") on

behalf of the Project in the approximate aggregate amount of \$68,000,000 (the "Bonds"), the proceeds of the sale of which will be loaned to the Company (the "Bond Loan"), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as managing member of Saltonstall Manager, acting in its capacity as the managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper in connection with the purchase of the Bonds (the "Bond Purchase") by (i) Citizens Bank, N.A., which will also act as initial servicer of the Bond Loan, (ii) Broadway Securities Corporation, and (iii) Porter Securities, Inc. II (collectively, the "Bond Purchasers"), including, without limitation, a Bond Purchase Agreement, Affordable Housing and Tax Regulatory Agreement, a Loan and Security Agreement (all such documents being referred to herein as the "Bond Documents"), all of the foregoing to be on such terms and conditions as any all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting on its own behalf and in its capacity as the managing member of the Saltonstall Manager, acting on its own behalf and in its capacity as the managing member of the Company be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate (i) a construction loan from Citizens Bank, N.A. ("Citizens") to the Company in the approximate amount of \$24,900,000 (the "Taxable Loan"), and (ii) the Bond Loan, which shall be three loans from the Bond Purchasers to the Company in the approximate aggregate amount of \$68,000,000, the proceeds of which will be used for the completion of the rehabilitation and construction of the Project and upon the construction completion and satisfaction of other stabilization conditions thereof ("Conversion"), the Bond Loan will be paid down to a permanent loan facility in the approximate aggregate amount of \$67,978,00, the portion of the Bond Loan from Citizens will be assigned to Massachusetts Housing Partnership Fund Board who shall be the servicer of the Bond Loan, following Conversion, including but not limited to a (i) a supplemental loan agreement, (ii) a mortgage, (iii) a pledge of membership interest in the Company, (iv) a pledge of capital contributions and the developer fees for the Project, (v) promissory notes, (vi) a hazardous materials indemnification agreement, (vii) payment, performance and completion guaranty, (viii) all such other documents required to evidence and secure the Taxable Loan and the Bond Loan as shall be required by Citizens, as Administrative Agent for itself and the Bond Purchasers, and the Bond Purchasers, and (ix) all documents required in connection with the Conversion and servicing of the Bond Loan by or assignment of the portion of the Bond Loan from Citizens to Massachusetts Housing Partnership Fund Board, including but not limited to the execution and delivery of a rate lock agreement with Massachusetts Housing Partnership Fund Board (all such documents, together with the Bond Documents being referred to herein as the "Senior Loan Documents"), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: CHA, as sole member of CHAL, is authorized, empowered and directed to cause CHAL to execute a payment guaranty, a completion guaranty, an environmental indemnity, and such other documents necessary or proper to effectuate the Bond Loan and the Taxable Loan (the "Loan Guaranties"), such documents to be on such terms and conditions as Margaret Donnelly Moran or Michael Johnston, acting singly, may in his or her sole discretion deem in the best interests of CHA and CHAL.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a bridge loan from Wincopin Circle LLLP to the Company in the approximate aggregate amount of \$6,300,193 (the "Investor Bridge Loan"), all on such terms and conditions as any all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: CHA is authorized, empowered and directed as sole member of CHAL, to cause CHAL to execute guaranties and such other documents necessary or proper to effectuate the Investor Bridge Loan (the "Investor Loan Guaranties"), such documents to be on such terms and conditions as Michael Johnston or Margaret Donnelly Moran, acting singly, may in his or her sole discretion deem in the best interests of CHA and CHAL.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate an acquisition loan from MHA to the Company in the original principal amount of approximately up to \$3,172,542 (the "Acquisition Loan"), including, without limitation, (i) a promissory note in the amount of the Acquisition Loan, (ii) a mortgage securing the Acquisition Loan, and (iii) a subordination agreement subordinating the Acquisition Loan to the Senior Loan Documents, all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a program funds loan from MHA to the Company in the original principal amount of approximately \$3,200,000 (the "Program Funds Loan"), including, without limitation, (i) a promissory note in the amount of the Program Funds Loan, (ii) a mortgage securing the Program Funds Loan, (iii) a loan agreement concerning the disbursement of the Program Funds Loan, (iv) an affordable housing restriction, and (iii) a subordination agreement subordinating the Program Funds Loan to the Senior Loan Documents, all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran

may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate the allocation of federal low income housing tax credits by the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development to the Company, including, without limitation, (a) a Tax Credit Regulatory Agreement and Declaration of Restrictive Covenants (the "TCRA"), and (b) a Tax Credit Release and Indemnification, all to be on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA be, and it hereby is, authorized, empowered and directed to file a certificate of formation/organization with the Massachusetts Secretary of the Commonwealth (the "Secretary") to form a limited liability company to be known as MHA-CHA Developer LLC (the "Developer LLC") and to become a member and the manager of the Developer LLC (with MHA as the second member) and to take all actions and execute and deliver any documents necessary or proper to direct, carry out and effectuate the formation of the Developer LLC and the appointment of authorized signatories, all on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may in his or her sole discretion deem in the best interest of CHA.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions necessary or proper to cause the Company to enter into (i) a management agreement and any related documents with MHA for property management services for the Project (the "Management Agreement"), (ii) an asset management agreement with CHA for asset management services (the "Asset Management Agreement") and (iii) a development agreement and any related documents with the Developer LLC for development services with respect to the Project (the "Developer Agreement"), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting on its own behalf, be, and it hereby is, authorized, empowered and directed to enter into the Asset Management Agreement with the Company for asset management services for the Project, all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHA.

MOVED: That CHA, acting in its capacity as manager of the Developer LLC, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver the Development Agreement to provide development services to the Company in connection with development of the Project, all on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may, in his or her sole discretion, deem in the best interest of the Developer LLC.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to obtain the approval of the U.S. Department of Housing and Urban Development (“HUD”) for the disposition of the Project under Section 18 of the United States Housing Act of 1937 and an award of project-based Section 8 vouchers to the Project (the “Disposition”), including, without limitation, (a) the HUD Use Agreement, and (b) Release of HUD Declaration of Trust, all on such terms and conditions as required by HUD and all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to enter into (i) a Housing Assistance Payment Contract with MHA for 200 units, (ii) an Agreement to Enter Into a Housing Assistance Payment Contract for 22 units (the “AHAP”) with MHA, and (iii) upon completion of the construction of the 22 units governed by the AHAP enter into a Housing Assistance Payment Contract with MHA for such 22 units and, (collectively, the “HAP Contracts”), all on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a payment in lieu of taxes arrangement with the City of Medford concerning the Project (the “PILOT”), on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a Joint Development Agreement with MHA concerning the Project (the “Joint Development Agreement”), if necessary, on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA, acting in its capacity as the sole member of CHAL, acting in its capacity as the managing member of Saltonstall Manager, acting in its capacity as managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to effectuate a Reimbursement,

Assignment and Assumption Agreement with MHA concerning the Project (the "Reimbursement Agreement"), on such terms and conditions as Michael Johnston or Margaret Donnelly Moran may, in his or her sole discretion, deem in the best interest of CHAL, Saltonstall Manager, and the Company, as appropriate.

MOVED: That CHA in its capacity as the sole member of CHAL, in its own capacity and its capacity as managing member of Saltonstall Manager, acting in its own capacity and in its capacity as the managing member of the Company, be, and it hereby is, authorized, empowered and directed to take all actions and execute and deliver any documents necessary or proper to direct, carry out and effectuate the leasing, acquisition, financing, construction, development and operation of the Project or any of the foregoing resolutions, on such terms and conditions as Margaret Donnelly Moran or Michael Johnston may, in his or her sole discretion, deem necessary or desirable for the benefit of the CHAL, the Saltonstall Manager or the Company, as applicable.

MOVED: That, in connection with the foregoing votes, Michael Johnston or Margaret Donnelly Moran, be, and each hereby is authorized, empowered and directed to execute, seal, acknowledge and deliver on behalf of Saltonstall Manager, acting in its own capacity and in its capacity as managing member of the Company, all documents in connection with the transactions described in the foregoing votes, including, without limitation, certificates, mortgages, security agreements, financing statements, assignments of leases and rents, loan agreements, notes, affordable housing restrictions, operating agreements, leases, guaranties, service agreements, management agreements, property management agreements, incentive management agreements, condominium documents, together with any amendments thereto, relating to the Project in order to effectuate the purposes and carry out the intent of the foregoing resolutions, and any such documents or instruments as he or she may deem necessary or desirable in connection with the creation of the Condominium, the admission of the Investor, the Ground Lease, the Assignments, the Equity Documents, the Development Agreement, the Bond Issuance, the Bond Loan, the Bond Purchase, the Taxable Loan, the Conversion, the Loan Guaranties, the Investor Bridge Loan, the Acquisition Loan, the Program Funds Loan, the TCRA, the Management Agreement, the Disposition, the AHAP, the HAP Contracts, and the PILOT, the Joint Development Agreement and the Reimbursement Agreement, and to take any other action of whatever nature as Michael Johnston or Margaret Donnelly Moran deems necessary or desirable in connection with the Project, and that the doing of any such act or thing and the execution and delivery of any such document shall be conclusively deemed to have been authorized by this vote.

MOVED: That, in connection with the foregoing votes, each of Michael Johnston and Donnelly Moran, acting singly, be, and hereby is authorized, empowered and directed to execute, seal, acknowledge and deliver on behalf of the CHAL, acting in its own capacity and in its capacity as the managing member of the Saltonstall Manager, acting in its own capacity and in its capacity as the Managing Member of the Company, all documents in connection with the transactions described in the foregoing votes, including, without limitation, certificates, mortgages, security agreements, financing statements, assignments of leases and rents, pledges, loan agreements, subordination agreements, notes, affordable housing restrictions, operating agreements, leases, guaranties, service agreements, management agreements, property management agreements,

incentive management agreements, together with any amendments thereto, relating to the Project in order to effectuate the purposes and carry out the intent of the foregoing resolutions, and any such documents or instruments as he or she may deem necessary or desirable in connection therewith and to take any other action of whatever nature as Michael Johnston or Margaret Donnelly Moran deems necessary or desirable in connection with the Project, and that the doing of any such act or thing and the execution and delivery of any such document shall be conclusively deemed to have been authorized by this vote.

MOVED: That CHA, in its capacity as the manager of the Developer LLC, be, and hereby is authorized, empowered and directed (i) to execute, seal, acknowledge and deliver on behalf of the Developer LLC, all documents in connection with the transactions described in the foregoing votes in order to effectuate the purposes and carry out the intent of the foregoing resolutions, as Michael Johnston or Margaret Donnelly Moran, each acting individually, may deem necessary or desirable in connection therewith and (ii) to take any other action of whatever nature as Michael Johnston or Margaret Donnelly Moran deems necessary or desirable in connection with the Project, and that the doing of any such act or thing and the execution and delivery of any such document shall be conclusively deemed to have been authorized by this vote.

MOVED: That any and all prior actions taken by CHA acting on its own behalf and acting in its capacity as (i) manager of the Developer LLC, and (ii) sole member of CHAL, acting in its own capacity and in its capacity as managing member of the Saltonstall Manager, acting in its own capacity and in its capacity as managing member of the Company, in order to effectuate the foregoing are hereby ratified and confirmed

a. Mr. Johnston reported that he met with Medford Housing's Board of Commissioners for a lengthy period of time. Mr. Johnston reports that this is a real exciting time for two Housing Authorities in Massachusetts working together. Mr. Johnston said he was honored to speak in Medford Housing Authority Executive Director Jeffery Driscoll's home turf in front of staff on the PHADA Board. CHA has the best Planning and Development Department in the State. The process got to a certain point where an investor was needed. In today's economic climate, Medford is not big enough for Tax Credit investors to be comfortable with engaging. To help ease the investors, CHA's Operations Department will continue to help bring staff up to speed on Tax Credit compliance for three years. We have strong people at CHA that we do not need to look outside for redevelopment which helps keep housing deeply affordable. CHA and MHA align with their mission. Mr. Johnston is proud of recent additions to the CHA portfolio such as 116 Norfolk Street. Although there are many skeptics, this codeveloping partnership is going to set an example and standard moving forward.

b. Ms. Margaret Donnelly Moran reports that MHA and CHA have an alignment of mission, and MHA has wanted to emulate what CHA has been doing. This relationship has gone back as far as a decade, and it is important for residents that housing authorities manages the units. The team at Medford Housing wants to be institutional. Late in 2020 CHA helped MHA take the first steps as that took place, put together finances but experienced road blocks, but worked through it. Last March addressed at the Medford board about issues with investors. The balance sheet was much of the money tracked by restrictions. There was a sliver of funding available without

restriction. \$3 million unrestricted were identified but that amount was not efficient enough. Management team under Kevin Braga rise to the occasion and did great work with tax credit. MHA asked CHA for help. Saltonstall is a 1960's building located in Medford Square consisting of elderly and disabled units. First task was to assess building about obsolescence and scope of work. The scope of the work matched the work we have been doing down to the studs, solving significant issues. Residents being relocated to vacate three floors at a time. There will be two working floors and one buffer floor. Our relocation team has prior agreement with MHA. The relocation team has been working on relocation for one year. Unique within footprint figured out rearranging to add 22 new units and add 10% more units (200 to 220). Team in place, architect MHA selected is someone CHA has experience with. Encounter problems with financing and CHA serving as an expanding role of CHA. Board authorized to continue discussion and negotiation to make sure thorough risk and contingency. No confusion or disconnect to govern day to day roles to provide insurance to protect our resources and make certain to progress project. The risk is similar to all transactions, guarantee complete construction, rent up of units to eligible, convert current financing and materialize what we set as a goal. Arrangement to share MHA for guarantee, going to put \$3 million into CAHC sit in account under CHA control. Plan is to spend MHA money rather than CHA money. Managing day to day operations and developer. Decisions with Mike's direction and be mindful it is their property. Giving updates to MHA board to help inform our decision making. Operations is getting ready to lease up building and get tax credit completion. CHA operations will show MHA how to properly complete Tax Credits, by pairing them up with property managers. Bring in a Director of Management to provide stability and bring someone in with Tax Credit Experience CHA stay to help with the period of transition. In the first three years the investors want both Housing Authorities to be on the hook. It is a cap, 6 months of normal operations budget. Projected period of time closing within next week and 3 years of stabilization, 7 years approximately the total. After three years CHA will leave as guarantor. MHA will be on the hook after 5 years. It is important to CHA that there is the opportunity to exit guarantee at some point they are not small, about 500 units with 200-300 units to be added. 1,000-unit vouchers make MHA larger than Belmont and quality of staff. Language was worked out while managing risk. Settling on economic terms put together types of fees, with admin cost of 10% profit, hourly arrangement, and overhead. First fee is a development fee which is 50/50 between CHA and MHA. Some of MHA is going back into deal, approximately 3.9 million. Fee number two is a management or asset management fee once out of guarantee they no longer pay. 4% to Medford for staff and maintenance and 2% to CHA for asset management like CHA. This covers time and talent with operations. Once into year 3 period, property should cash flow \$1 million a year. Housing Authority will split each cash flow with Medford retaining 85% and CHA 15% equals 5.25 Million of income. Projecting 2-2.2 Million budget for Margaret's fee arrangement 3 million to guarantee bank account. Week or two of closing a lot of moving parts. Following script of CHA Deals. \$142 Million project Mass Development, \$65 Million of tax free bonds, memo references ownership LLC, management member 99.99% owner of Tax Credit entity similar to Jefferson Park, delay to save on sales tax for material and supplies. Takes characteristic of NP. MHA Saltonstall LLC. Loan becomes equity. This is in manager LLC place we need to be for day to day for Tax credit LLC and affiliates. 44.6% member, but written for us to be managing members. CHA control is no cosigner. Key to negotiate to avoid risk for CHA. Similar to HRI deal to change economic because acquisition credit only way to get better economic is for it not to be 100%

owned by MHA. Helps make sure no cash motivation to have investors stick around. Help Structure deal, want properties to come back to public stewardship. We would have recommended this approach using section 8 voucher to kick in at Closing. Accrue interest on MHA loans. Cost is \$600,000 per unit. Seeing interests through rate with interest rate of 5.29%. Construction financing in mid 6%. Helped Medford implement small area FMR HUD gave Medford regular allotment. Condominium structure there and MHA admin office on first floor. Better for it to be separated from resident software. Five acer site, architecture team to plan future building portion of parking owned by Department of Transportation.

MOTION: Ms. Bergland moved to approve Saltonstall Apartments, Medford- CHA and CHAL Authorizations to Execute Documents Associated with Project Financing and Closing. Mr. Clark seconded the motion which upon being put to vote, was **passed three in favor, two absent.**

MOTION: Mr. Clark moved that there being no further business to come before the Board, that the Board of Commissioners adjourn its Meeting. Ms. Bergland seconded the motion which upon being put to vote, was **passed four in favor, one absent.**



Michael Johnston, Secretary