



# **Housing Authority of the City of Perth Amboy**

881 AMBOY AVENUE, P.O. BOX 390, PERTH AMBOY, NJ 08862

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EDNA DOROTHY CARTY-DANIEL, Chairperson  
REVEREND GREGORY PABON, Vice-Chairman  
MIGUEL A. AROCHO  
SHIRLEY JONES  
REVEREND H. WAYNE BRADY  
PASTOR BERNADETTE FALCON-LOPEZ  
DAVID BENYOLA

DOUGLAS G. DZEMA, P.H.M.  
Executive Director

EDWARD TESTINO  
Counsel

**THE MINUTES OF THE REGULAR MONTHLY MEETING  
OF  
THE BOARD OF COMMISSIONERS  
OF  
THE HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**

**Tuesday, October 10, 2017  
12:30 p.m.**

The Board of Commissioners of the Housing Authority of the City of Perth Amboy met for the Regular Monthly meeting on Tuesday, October 10<sup>th</sup>, 2017 at the Dunlap Homes complex, Housing Administrative Offices, main conference room located at 881 Amboy Avenue, Perth Amboy, New Jersey 08861.

<Moment of Silence.>

<Pledge of Allegiance.>

The meeting was called to order by Chairperson Carty-Daniel and statement read as to proper notification of the meeting given in accordance with the Open Public Meeting Act Law as follows:

“Adequate Notice has been made as to the time, place, and date of the meeting and as to the nature of business to be discussed being the general business of the Authority.”

Upon roll call, those present and absent were as follows:

Present:	Chairperson	Edna Dorothy Carty-Daniel
	Vice-Chairman	Reverend Gregory Pabon
	Commissioner	Miguel A. Arocho
	Commissioner	Shirley Jones
	Commissioner	Pastor Bernadette Falcon-Lopez
	Commissioner	David Benyola

Excused:	Commissioner	Reverend H. Wayne Brady
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The Chairperson declared said quorum present.

On the motion of Commissioner Arocho, which motion was seconded by Commissioner Benyola, the Board concurred to approve the Minutes of the Regular Board Meeting of September 5, 2017, as presented. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

<No Reports of Committee >

<No Public Discussion of Agenda Topics.>

The following resolution was introduced by Commissioner Benyola, read in full and considered:

**RESOLUTION NO. 3249-17**

**RESOLUTION BY THE HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY APPROVING, RATIFYING, AND AUTHORIZING (1) THE EXECUTIVE DIRECTOR IN EXECUTE AND DELIVER ALL CLOSING DOCUMENTS PERTAINING TO THE PERTH AMBOY HOUSING AUTHORITY FAMILY RAD TRANSACTION, AND (2) THE EXECUTIVE DIRECTOR TO TAKE SUCH OTHER ACTIONS AS THE EXECUTIVE DIRECTOR DEEMS NECESSARY TO CARRY OUT THIS RESOLUTION AND CLOSING**

**WHEREAS**, it is the mission Housing Authority of the City of Perth Amboy (the “**Authority**”) to provide a safe, secure, clean and quiet community environment for the families and residents of the Authority’s housing projects.

**WHEREAS**, the Authority applied to the U.S. Department of Housing and Urban Development (“**HUD**”) to convert two hundred thirteen (213) units of public housing to Project Based Section 8 (“**PBV**”) assistance at (i) William A. Dunlap Homes, (ii) George J. Otlowski Gardens, (iii) Douglas D. Dzema Gardens, and (iv) John E. Sofield Gardens (collectively, the “**Project**”).

**WHEREAS**, HUD approved conversion of the Project from public housing to PBV assistance pursuant to the Rental Assistance Demonstration (“**RAD**”) program and Rental Assistance Demonstration Conversion Commitment, dated June 19, 2017.

**WHEREAS**, as part of the RAD conversion of the Project, the Authority secured tax exempt bond financing and low income housing tax credits (“**LIHTC**”), among other funding, to finance the rehabilitation of the Project.

**WHEREAS**, the Authority will ground lease the Project to Dunlap RAD LLC (the “**Company**”) pursuant to a ground lease agreement (“**Ground Lease**”) to facilitate the RAD conversion of the Project and LIHTC equity contributions from the anticipated LIHTC investor member of the Company, PNC Bank, National Association (the “**Investor**”).

**WHEREAS**, the Authority shall serve as the developer of the Project and the Authority’s instrumentality, Perth Amboy Housing Inc, will serve as the sole member of the managing member of the Company.

**WHEREAS**, the Authority has secured funding from third party sources including: (i) approximately \$6,218,489 in LIHTC equity from Investor, or its affiliate; (ii) a first priority construction and permanent period loan of approximately \$11,300,000 from the New Jersey Housing and Mortgage Finance Agency (“**NJHMFA**”), which shall be funded with proceeds from the sale of tax exempt bonds, a portion of which will be purchased by TD Bank, N.A. (“**TD Bank**”).

**WHEREAS**, as payment for the transfer of the Project pursuant to the Ground Lease, the Authority will receive a promissory note from the Company in the approximate amount of \$7,150,000 and secured by a leasehold mortgage (collectively, the “**HAPA Acquisition Documents**”) and a portion of the tax exempt bonds in the

approximate amount of \$2,350,000 as evidenced by an assignment to the Authority of the promissory note and leasehold mortgage between the Company and NJHMFA (collectively, the “**Bond Acquisition Documents**”).

**WHEREAS**, the Authority will provide a loan to the Company for the rehabilitation of the Project in the approximate amount of \$3,041,722 secured by a promissory note and leasehold mortgage (collectively, the “**HAPA Conversion Documents**”).

**WHEREAS**, pursuant to the RAD program the Authority will enter into a PBV Housing Assistance Payments Contract and Rental Assistance Demonstration Use Agreement (collectively, the “**RAD Documents**”) providing for, respectively, PBV assistance to the Project and long term affordability restrictions at the Project.

**WHEREAS**, the Investor, NJHMFA, and/or TD Bank may require guarantees from the Authority in its capacity as developer as additional security for the financing and completion of the rehabilitation of the Project (collectively, “**Guarantees**”); provided that any Guarantees shall be limited as required under the RAD program or by HUD.

**WHEREAS**, PARTNER: Perth Amboy Redevelopment Team for Neighborhood Enterprise and Revitalization, Inc., an instrumentality of the Authority, will serve as the initial management agent for the Project, pursuant to a property management.

**WHEREAS**, the forgoing financing and RAD conversion activities are essential to the rehabilitation and preservation of affordable housing in the City of Perth Amboy, New Jersey and are in furtherance of the Authority’s mission.

**NOW THEREFORE**, the Board of Commissioners of the Authority hereby authorizes and approves the following:

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is hereby authorized, empowered and directed to enter the (i) Ground Lease, (ii) HAPA Acquisition Documents, (iii) Bond Acquisition Documents, (iv) HAPA Conversion Documents, and (v) RAD Documents and any additional or ancillary documents, instruments, certifications, guarantees, and agreements required thereunder and to take such further actions to carry out the forgoing transactions and as may be necessary in connection with the closing of the Project or related thereto;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is authorized, empowered, and directed to negotiate and execute any and all necessary documents, agreements, and/or certifications necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is authorized, empowered, and directed to negotiate and execute any and all Guarantees, necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that to the extent any of the actions authorized by this Resolution have already been taken, such actions are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken.

This Resolution shall be in full force and effect from and upon its adoption.

Commissioner Falcon-Lopez moved that the following resolution was carried and said resolution was seconded by Commissioner Arocho. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay; None

The Chairperson thereupon declared said motion was carried and said resolution was adopted.

The following resolution was introduced by Commissioner Jones, read in full and considered:

**RESOLUTION NO. 3250-17**

**RESOLUTION BY THE HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY APPROVING, RATIFYING, AND AUTHORIZING (1) THE EXECUTIVE DIRECTOR IN EXECUTE AND DELIVER ALL CLOSING DOCUMENTS PERTAINING TO THE PERTH AMBOY HOUSING AUTHORITY SENIOR RAD TRANSACTION, AND (2) THE EXECUTIVE DIRECTOR TO TAKE SUCH OTHER ACTIONS AS THE EXECUTIVE DIRECTOR DEEMS NECESSARY TO CARRY OUT THIS RESOLUTION AND CLOSING**

**WHEREAS**, it is the mission Housing Authority of the City of Perth Amboy (the “**Authority**”) to provide a safe, secure, clean and quiet community environment for the families and residents of the Authority’s housing projects.

**WHEREAS**, the Authority applied to the U.S. Department of Housing and Urban Development (“**HUD**”) to convert one hundred forty-seven (147) units of public housing to Project Based Section 8 (“**PBV**”) assistance at (i) Wesley T. Hansen Apartments, and (ii) Richard F. Stack Apartments (collectively, the “**Project**”).

**WHEREAS**, HUD approved conversion of the Project from public housing to PBV assistance pursuant to the Rental Assistance Demonstration (“**RAD**”) program and Rental Assistance Demonstration Conversion Commitment, dated August 8, 2017.

**WHEREAS**, as part of the RAD conversion of the Project, the Authority secured tax exempt bond financing and low income housing tax credits (“**LIHTC**”), among other funding, to finance the rehabilitation of the Project.

**WHEREAS**, the Authority will ground lease the Project to Hansen RAD LLC (the “**Company**”) pursuant to a ground lease agreement (“**Ground Lease**”) to facilitate the RAD conversion of the Project and LIHTC equity contributions from the anticipated LIHTC investor member of the Company, PNC Bank, National Association (the “**Investor**”).

**WHEREAS**, the Authority shall serve as the developer of the Project and the Authority’s instrumentality, Perth Amboy Housing Inc, will serve as the sole member of the managing member of the Company.

**WHEREAS**, the Authority has secured funding from third party sources including: (i) approximately \$4,889,983 in LIHTC equity from Investor, or its affiliate; (ii) a first priority construction and permanent period loan of approximately \$7,400,000 from the New Jersey Housing and Mortgage Finance Agency (“**NJHMFA**”), which shall be funded with proceeds from the sale of tax exempt bonds.

**WHEREAS**, as payment for the transfer of the Project pursuant to the Ground Lease, the Authority will receive a promissory note from the Company in the approximate amount of \$5,659,500 and secured by a leasehold mortgage (collectively, the “**HAPA Acquisition Documents**”).

**WHEREAS**, the Authority will provide a loan to the Company for the rehabilitation of the Project in the approximate amount of \$2,130,443 secured by a promissory note and leasehold mortgage (collectively, the “**HAPA Conversion Documents**”).

**WHEREAS**, pursuant to the RAD program the Authority will enter into a PBV Housing Assistance Payments Contract and Rental Assistance Demonstration Use Agreement (collectively, the “**RAD Documents**”) providing for, respectively, PBV assistance to the Project and long term affordability restrictions at the Project.

**WHEREAS**, the Investor and/or NJHMFA may require guarantees from the Authority in its capacity as developer as additional security for the financing and completion of the rehabilitation of the Project (collectively, “**Guarantees**”); provided that any Guarantees shall be limited as required under the RAD program or by HUD.

**WHEREAS**, PARTNER: Perth Amboy Redevelopment Team for Neighborhood Enterprise and Revitalization, Inc., an instrumentality of the Authority, will serve as the initial management agent for the Project, pursuant to a property management.

**WHEREAS**, the forgoing financing and RAD conversion activities are essential to the rehabilitation and preservation of affordable housing in the City of Perth Amboy, New Jersey and are in furtherance of the Authority’s mission.

**NOW THEREFORE**, the Board of Commissioners of the Authority hereby authorizes and approves the following:

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is hereby authorized, empowered and directed to enter the (i) Ground Lease, (ii) HAPA Acquisition Documents, (iii) HAPA Conversion Documents, and (iv) RAD Documents and any additional or ancillary documents, instruments, certifications, guarantees, and agreements required thereunder and to take such further actions to carry out the forgoing transactions and as may be necessary in connection with the closing of the Project or related thereto;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is authorized, empowered, and directed to negotiate and execute any and all necessary documents, agreements, and/or certifications necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Authority, is authorized, empowered, and directed to negotiate and execute any and all Guarantees, necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that to the extent any of the actions authorized by this Resolution have already been taken, such actions are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken

This Resolution shall be in full force and effect from and upon its adoption.

Commissioner Benyola moved that the foregoing resolution be adopted as presented, which motion was seconded by Commissioner Arocho. Upon roll call, the following vote was carried;

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

The Chairperson thereupon declared said motion was carried and said resolution was adopted.

The following resolution was introduced by Commissioner Falcon-Lopez, read in full and considered:

**RESOLUTION NO. 3251-17**

**TO APPROVE THE AMENDMENT TO THE SECTION 8 ADMIN PLAN/ REVISION OF PAYMENT STANDARDS.**

**WHEREAS**, a recommendation has been made for a 1% increase in the payment standards after reviewing the revised Fair Market Rents, which were effective 10/1/2017. HUD requires payment standards to be set between 90% and 110% of the current FMRs. They can be no less than 90%. The payment standards established reflect the highest rent the Authority will approve. The Authority must determine the amount to set the payment standards in accordance with HUD requirements, comparable rents in the community, and the average gross rents of units on the Section 8 program; and

Payment Standards	2018 FMRs							Revised 12/12017	Effective Date
	OBR	1BR	2BR	3BR	4BR	5BR	6BR		
Perth Amboy Payment Standards	\$ 1,049.39	\$ 1,251.39	\$ 1,503.89	\$ 1,917.99	\$ 2,318.96	\$ 2,667.41	\$ 3,259.27	12/1/2017	
Perth Amboy Current Payment Standards	\$ 1,039.00	\$ 1,239.00	\$ 1,489.00	\$ 1,899.00	\$ 2,296.00	\$ 2,641.00	\$ 3,227.00	10/1/2016	
Middlesex FMR	\$ 1,040.00	\$ 1,268.00	\$ 1,627.00	\$ 2,068.00	\$ 2,474.00	\$ 2,845.10	\$ 3,216.20		
Middlesex Minimum PS	\$ 936.00	\$ 1,141.20	\$ 1,464.30	\$ 1,861.20	\$ 2,226.60	\$ 2,560.59	\$ 2,894.58		
Middlesex Maximum PS	\$ 1,144.00	\$ 1,394.80	\$ 1,789.70	\$ 2,274.80	\$ 2,721.40	\$ 3,129.61	\$ 3,537.82		

**WHEREAS**, the revised payment standards are effective December 1, 2017; and

**NOW, THEREFORE BE IT RESOLVED** by the Board of the Authority, approves the amendment to the Section 8 Admin Plan/Revision of Payment Standards, as presented.

Commissioner Benyola moved that the foregoing resolution be adopted as presented, which motion was seconded by Commissioner Arocho. Upon roll call, the following vote was carried;

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

The Chairperson thereupon declared said motion was carried and said resolution was adopted.

On the motion of Commissioner Falcon-Lopez, which motion was seconded by Commissioner Benyola, the Board concurred to approve the October Bill List and Communications, as presented. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

### **Report on PARTNER**

- Discussed Edward Testino, Counsel review on the PARTNER Personnel Policy.
- Discussed status of 400 Lawrie Street property. Met with new Director, Kamli Williams of Plainfield Habitat for Humanity.
- Gateway update. Wells Fargo on-site Meeting taking place today.

### **Update on the RAD Program**

- Douglas Dzema, Executive Director updated the Board on the RAD Program, as follows:
  - o Documents submitted to HMFA and awaiting bond financing.
  - o Still expected to close by end of 11/2017.
  - o Resident interviews continuing.
  - o Keansburg/Highlands RAD continues.

### **PUBLIC SESSION**

- No comment from the public.

### **UNFINISHED BUSINESS - None reported.**

### **NEW BUSINESS**

On the motion of Commissioner Arocho, which motion was seconded by Commissioner Jones, the Board concurred to approve the change of date of the next Board of Commissioners Meeting from Tuesday, November 14<sup>th</sup> to Thursday, November 16<sup>th</sup>, 2017 @ 12:30 pm. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

### **REPORT OF THE ATTORNEY - None reported.**

### **REPORT OF THE EXECUTIVE DIRECTOR**

- Douglas Dzema commented to the Board on the following:
  - o HUD Housing Counseling Review – met/exceeded requirements and was extended for 3 years.
  - o SEMAP assessment (FYE March 31, 2017) – High Performer – 93%
  - o Catholic Charities (Lautenberg Center) ended 20-year relationship with Housing Authority on 9/29/2017.
  - o Loss of the Bridges Program.
  - o Capital program update.

**REPORT OF THE CHAIRPERSON – None reported.**

On the motion of Commissioner Benyola, which motion was seconded by Commissioner Falcon-Lopez, the Board concurred to open the Perth Amboy Housing Inc. Board Meeting. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

The following resolution was introduced by Commissioner Jones, read in full and considered:

**RESOLUTION NO.   5**

**RESOLUTION BY PERTH AMBOY HOUSING INC APPROVING, RATIFYING, AND AUTHORIZING (1) THE ACTION TAKEN BY THE EXECUTIVE DIRECTOR IN EXECUTING ALL CLOSING DOCUMENTS PERTAINING TO THE PERTH AMBOY HOUSING FAMILY RAD TRANSACTION, AND (2) THE EXECUTIVE DIRECTOR TO TAKE SUCH OTHER STEPS AS THE EXECUTIVE DIRECTOR DEEMS NECESSARY TO CARRY OUT THIS RESOLUTION AND CLOSING**

**WHEREAS**, Perth Amboy Housing Inc (the "**Corporation**") is an instrumentality of the Housing Authority of the City of Perth Amboy (the "**Authority**") organized to assist the Authority in its mission to provide a safe, secure, clean and quiet community environment for the families and residents of Perth Amboy, New Jersey.

**WHEREAS**, the Authority applied to the U.S. Department of Housing and Urban Development ("**HUD**") to convert two hundred thirteen (213) units of public housing to Project Based Section 8 ("**PBV**") assistance at (i) William A. Dunlap Homes, (ii) George J. Otlowski Gardens, (iii) Douglas D. Dzema Gardens, and (iv) John E. Sofield Gardens (collectively, the "**Project**").

**WHEREAS**, HUD approved conversion of the Project from public housing to PBV assistance pursuant to the Rental Assistance Demonstration ("**RAD**") program and the Rental Assistance Demonstration Conversion Commitment, dated June 19, 2017.

**WHEREAS**, as part of the RAD conversion of the Project, the Corporation secured tax exempt bond financing and low income housing tax credits ("**LIHTC**"), among other funding, to finance the rehabilitation of the Project.

**WHEREAS**, the Corporation is the sole member of HAPA RAD 1 LLC (the "**Managing Member**"), the managing member of Dunlap RAD LLC (the "**Company**"), and the Company is to serve as the owner of the Project.

**WHEREAS**, in accordance with the operating agreements of the Managing Member and the Company in effect as of the date hereof, the Corporation is authorized to act on behalf of the Managing Member and the Company in relation to the Project.

**WHEREAS**, the Authority intends to ground lease the Project to the Company pursuant to a ground lease agreement ("**Ground Lease**") to facilitate the RAD conversion of the Project and LIHTC equity contributions from the anticipated LIHTC investor member of the Company, PNC Bank, National Association (the "**Investor**").

**WHEREAS**, in furtherance of the LIHTC equity contributions to the Project from the Investor, the Corporation pursuant to an Amended and Restated Operating Agreement (the "**Operating Agreement**") will admit (i) the Investor, as investor member, and (ii) Columbia Housing SLP Corporation, as special member (the "**Special Member**"), as members of the Company; provided that upon request of the Investor or Special Member, an affiliate of Investor or Special Member may be admitted to the Company in place of the Investor or Special Member.



**WHEREAS**, the Corporation, on behalf of the Company, has secured funding from third party sources including: (i) approximately \$6,218,489 in LIHTC equity from Investor, or its affiliate; (ii) a first priority construction and permanent period loan of approximately \$11,300,000 from the New Jersey Housing and Mortgage Finance Agency (“**NJHMFA**”), which shall be funded with proceeds from the sale of tax exempt bonds, a portion of which will be purchased by TD Bank, N.A. (“**TD Bank**”).

**WHEREAS**, in accordance with the requirements of NJHMFA and TD Bank, the Corporation, on behalf of the Company, will execute various documents including, but not limited to, one or more first mortgages, one or more promissory notes, a financing deed restriction and regulatory agreement and other related documents in connection with the Project (collectively, the “**Bond Documents**”).

**WHEREAS**, as payment for the transfer of the Project pursuant to the Ground Lease, the Corporation, on behalf of the Company, will execute a promissory note to the Authority in the approximate amount of \$7,150,000, a leasehold mortgage to secure such promissory note and other documents as required by the Authority (collectively, the “**HAPA Acquisition Documents**”).

**WHEREAS**, the Company will receive a loan from the Authority for the rehabilitation of the Project in the approximate amount of \$3,041,722, secured by a promissory note, a leasehold mortgage, and other documents as required by the Authority, and executed by the Corporation, on behalf of the Company, in favor of the Authority (collectively, the “**HAPA Conversion Documents**”).

**WHEREAS**, pursuant to the RAD program the Corporation, on behalf of the Company, will enter into a PBV Housing Assistance Payments Contract and Rental Assistance Demonstration Use Agreement (collectively, the “**RAD Documents**”) providing for, respectively, PBV assistance to the Project and long term affordability restrictions at the Project.

**WHEREAS**, the Investor, Authority, NJHMFA, and/or TD Bank may require guarantees from the Corporation as additional security for the financing and completion of the rehabilitation of the Project (collectively, “**Guarantees**”).

**WHEREAS**, PARTNER: Perth Amboy Redevelopment Team for Neighborhood Enterprise and Revitalization, Inc., an instrumentality of the Authority, will serve as the initial management agent for the Project pursuant to a property management with the Company (the “**Management Agreement**”).

**WHEREAS**, the forgoing financing and RAD conversion activities are essential to the rehabilitation and preservation of affordable housing in the City of Perth Amboy, New Jersey and are in furtherance of the Corporation’s purpose.

**NOW THEREFORE**, the Board of Trustees of the Corporation hereby authorizes and approves the following:

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is hereby authorized, empowered and directed to enter the (i) Ground Lease, (ii) HAPA Acquisition Documents, (iii) Bond Documents, (iv) HAPA Conversion Documents, (v) RAD Documents (vi) Operating Agreement, and (vii) Management Agreement and any additional or ancillary documents, instruments, certifications, guarantees, and agreements required thereunder and to take such further actions to carry out the forgoing transactions and as may be necessary in connection with the closing of the Project or related thereto;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is authorized, empowered, and directed to negotiate and execute the Operating Agreement providing for the admission to the Company of the Investor and Special Member and to take such further actions as may be necessary to carry out such admission of the Investor and Special Member;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is authorized, empowered, and directed to negotiate and execute any and all necessary documents, agreements, and/or certifications necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, is authorized, empowered, and directed to negotiate and execute any and all Guarantees, necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that to the extent any of the actions authorized by this Resolution have already been taken, such actions are hereby ratified and confirmed as the valid actions of the Corporation, Managing Member and Company, effective as of the date such actions were taken.

Commissioner Falcon-Lopez moved that the foregoing resolution be adopted as presented, which motion was seconded by Commissioner Benyola. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

The Chairperson thereupon declared said motion was carried and said resolution was adopted.

The following resolution was introduced by Commissioner Falcon-Lopez, read in full and considered:

**RESOLUTION NO.   6**

**RESOLUTION BY PERTH AMBOY HOUSING INC APPROVING, RATIFYING, AND AUTHORIZING (1) THE ACTION TAKEN BY THE EXECUTIVE DIRECTOR IN EXECUTING ALL CLOSING DOCUMENTS PERTAINING TO THE PERTH AMBOY HOUSING SENIOR RAD TRANSACTION, AND (2) THE EXECUTIVE DIRECTOR TO TAKE SUCH OTHER STEPS AS THE EXECUTIVE DIRECTOR DEEMS NECESSARY TO CARRY OUT THIS RESOLUTION AND CLOSING**

**WHEREAS**, Perth Amboy Housing Inc (the "**Corporation**") is an instrumentality of the Housing Authority of the City of Perth Amboy (the "**Authority**") organized to assist the Authority in its mission to provide a safe, secure, clean and quiet community environment for the families and residents of Perth Amboy, New Jersey.

**WHEREAS**, the Authority applied to the U.S. Department of Housing and Urban Development ("**HUD**") to convert one hundred forty-seven (147) units of public housing to Project Based Section 8 ("**PBV**") assistance at (i) Wesley T. Hansen Apartments, and (ii) Richard F. Stack Apartments (collectively, the "**Project**").

**WHEREAS**, HUD approved conversion of the Project from public housing to PBV assistance pursuant to the Rental Assistance Demonstration ("**RAD**") program and the Rental Assistance Demonstration Conversion Commitment, dated August 8, 2017.

**WHEREAS**, as part of the RAD conversion of the Project, the Corporation secured tax exempt bond financing and low income housing tax credits ("**LIHTC**"), among other funding, to finance the rehabilitation of the Project.

**WHEREAS**, the Corporation is the sole member of HAPA RAD II LLC (the "**Managing Member**"), the managing member of Hansen RAD LLC (the "**Company**"), and the Company is to serve as the owner of the Project.

**WHEREAS**, in accordance with the operating agreements of the Managing Member and the Company in effect as of the date hereof, the Corporation is authorized to act on behalf of the Managing Member and the Company in relation to the Project.

**WHEREAS**, the Authority intends to ground lease the Project to the Company pursuant to a ground lease agreement ("**Ground Lease**") to facilitate the RAD conversion of the Project and LIHTC equity contributions from the anticipated LIHTC investor member of the Company, PNC Bank, National Association (the "**Investor**").

**WHEREAS**, in furtherance of the LIHTC equity contributions to the Project from the Investor, the Corporation pursuant to an Amended and Restated Operating Agreement (the "**Operating Agreement**") will admit (i) the Investor, as investor member, and (ii) Columbia Housing SLP Corporation, as special member (the "**Special Member**"), as members of the Company; provided that upon request of the Investor or Special Member, an affiliate of Investor or Special Member may be admitted to the Company in place of the Investor or Special Member.

**WHEREAS**, the Corporation, on behalf of the Company, has secured funding from third party sources including: (i) approximately \$4,889,983 in LIHTC equity from Investor, or its affiliate; (ii) a first priority construction and permanent period loan of approximately \$7,400,000 from the New Jersey Housing and Mortgage Finance Agency ("**NJHMFA**"), which shall be funded with proceeds from the sale of tax exempt bonds.

**WHEREAS**, in accordance with the requirements of NJHMFA, the Corporation, on behalf of the Company, will execute various documents including, but not limited to, one or more first mortgages, one or more promissory notes, a financing deed restriction and regulatory agreement and other related documents in connection with the Project (collectively, the "**Bond Documents**").

**WHEREAS**, as payment for the transfer of the Project pursuant to the Ground Lease, the Corporation, on behalf of the Company, will execute a promissory note to the Authority in the approximate amount of \$5,659,500, a leasehold mortgage to secure such promissory note and other documents as required by the Authority (collectively, the "**HAPA Acquisition Documents**").

**WHEREAS**, the Company will receive a loan from the Authority for the rehabilitation of the Project in the approximate amount of \$2,130,443, secured by a promissory note, a leasehold mortgage, and other documents as required by the Authority, and executed by the Corporation, on behalf of the Company, in favor of the Authority (collectively, the "**HAPA Conversion Documents**").

**WHEREAS**, pursuant to the RAD program the Corporation, on behalf of the Company, will enter into a PBV Housing Assistance Payments Contract and Rental Assistance Demonstration Use Agreement (collectively, the "**RAD Documents**") providing for, respectively, PBV assistance to the Project and long term affordability restrictions at the Project.

**WHEREAS**, the Investor, Authority, and/or NJHMFA may require guarantees from the Corporation as additional security for the financing and completion of the rehabilitation of the Project (collectively, "**Guarantees**").

**WHEREAS**, PARTNER: Perth Amboy Redevelopment Team for Neighborhood Enterprise and Revitalization, Inc., an instrumentality of the Authority, will serve as the initial management agent for the Project pursuant to a property management with the Company (the "**Management Agreement**").

**WHEREAS**, the forgoing financing and RAD conversion activities are essential to the rehabilitation and preservation of affordable housing in the City of Perth Amboy, New Jersey and are in furtherance of the Corporation's purpose.

**NOW THEREFORE**, the Board of Trustees of the Corporation hereby authorizes and approves the following:

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is hereby authorized, empowered and directed to enter the (i) Ground Lease, (ii) HAPA Acquisition Documents, (iii) Bond Documents, (iv) HAPA Conversion Documents, (v) RAD Documents (vi) Operating Agreement, and (vii) Management Agreement and any additional or ancillary documents, instruments, certifications, guarantees, and agreements required thereunder and to take such further actions to carry out the forgoing transactions and as may be necessary in connection with the closing of the Project or related thereto;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is authorized, empowered, and directed to negotiate and execute the Operating Agreement providing for the admission to the Company of the Investor and Special Member and to take such further actions as may be necessary to carry out such admission of the Investor and Special Member;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, on behalf of the Corporation, Managing Member and Company, is authorized, empowered, and directed to negotiate and execute any and all necessary documents, agreements, and/or certifications necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that Douglas Dzema, the Executive Director of the Corporation, is authorized, empowered, and directed to negotiate and execute any and all Guarantees, necessary to complete and close with all funding partners with respect to the Project;

**RESOLVED**, that to the extent any of the actions authorized by this Resolution have already been taken, such actions are hereby ratified and confirmed as the valid actions of the Corporation, Managing Member and Company, effective as of the date such actions were taken.

Commissioner Benyola moved that the foregoing resolution be adopted as presented, which motion was seconded by Vice-Chairman Pabon. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

The Chairperson thereupon declared said motion was carried and said resolution was adopted.

On the motion of Commissioner Benyola, which motion was seconded by Commissioner Jones, the Board concurred to close the Perth Amboy Housing Inc. Board Meeting. Upon roll call, the following vote was carried:

Aye: Edna Dorothy Carty-Daniel, Reverend Gregory Pabon, Miguel A. Arocho, Shirley Jones, Pastor Bernadette Falcon-Lopez and David Benyola.

Nay: None

On the motion of Commissioner Falcon-Lopez, which motion was seconded by Commissioner Benyola, the Board concurred to adjourn.

Respectfully submitted by:

Douglas G. Dzema, PHM  
Executive Director and Secretary