

**Housing Authority of the Town of Somers
Special Meeting May 1, 2012 – 9:00 a.m.
Home of Robert Pettee – 190 Springfield Road, Somers
Agenda**

1. Call to Order
2. Attendance
3. Consider and act on a motion to adopt resolutions pertaining to the relationships between the Housing Authority and Woodcrest Elderly Housing Phase II, LP (attached below)
4. Adjournment

The meeting will be followed by a meeting of the board of directors of Somers Housing Management Phase II, Inc. to consider and act on resolutions pertaining to several matters between SHM Phase II, Inc. and Woodcrest Elderly Housing Phase II, LP. Those resolutions are also attached below.

HOUSING AUTHORITY OF THE TOWN OF SOMERS
(the "Housing Authority")

Resolutions adopted at a meeting
of the Commissioners on May 1, 2012

1. The following is a true and correct copy of the resolutions reflecting approval by the Commissioners of the Housing Authority at a meeting held on May 1, 2012:

WHEREAS, the Housing Authority is the owner of certain property to be leased and operated by Woodcrest Elderly Housing Phase II Limited Partnership (the "Partnership"), which property is situated in the Town of Somers, Connecticut (the "Town") and is known as 53 and 71 Battle Street (the "Property"); and

WHEREAS, the Housing Authority is the owner of certain property adjacent to the Property, which property is situated in the Town and is known as 63 Battle Street ("63 Battle"); and

WHEREAS, improvements to the Property involve the construction of a senior affordable housing community comprised of approximately sixty (60) newly constructed units, with parking spaces and other amenities (the "Project"); and

WHEREAS, the Housing Authority effected the formation of the Partnership for the purposes of constructing and operating the Project; and

WHEREAS, the Housing Authority is the sole limited partner of the Partnership; and

WHEREAS, the Housing Authority has agreed to lease the Property to the Partnership for the purposes of construction of the Project, pursuant to a ground lease under which the Partnership will pay the Housing Authority a one-time base rent payment (the "Base Rent") equal to Two Hundred Sixty-Eight Thousand Five Hundred and 00/100 Dollars (\$268,500.00) for the lease term of ninety-nine years (the "Ground Lease"); and

WHEREAS, in order to take advantage of the benefits of the low-income housing tax credits permitted by Section 42 of the Internal Revenue Code, the limited partner of the Partnership, the Housing Authority shall withdraw from the Partnership and be replaced by Alliant Tax Credit Fund 63, Ltd. (the "Investor Limited Partner") and Alliant ALP 63, LLC (the "Administrative Limited Partner" and, together with the Investor Limited Partner, the "Limited Partners"), and/or such designated affiliate corporations or partnerships thereof as Limited Partner, pursuant to the terms set forth in a commitment letter from Alliant Asset Management Company, LLC dated January 12, 2011 (the "Alliant Commitment") and to be set forth in an amended and restated limited partnership agreement (the "Amended Partnership Agreement") for the benefit of the Project; and

WHEREAS, the Housing Authority has agreed to make a mortgage loan to the Partnership in the approximate total principal amount of \$500,000.00 (the "Housing Authority Loan"), which Housing Authority Loan consists of \$500,000.00 more or less, to be loaned from the proceeds of a grant from the Housing Tax Credit Contribution program administered by the Connecticut Housing Finance Authority to the Housing Authority, for the benefit of the Project; and

WHEREAS, the Housing Authority will borrow the sum of \$400,000.00 from the Federal Home Loan Bank of Boston Affordable Housing Program ("AHP") as a permanent mortgage loan (the "AHP Loan"), which AHP Loan will be secured by a mortgage from the Housing Authority on the Property; and

WHEREAS, the Housing Authority will loan the proceeds of the AHP Loan to the Partnership for the benefit of the Project (the "Partnership AHP Loan"), which Partnership AHP Loan will be secured by a leasehold mortgage from the Partnership on the Property, and which leasehold mortgage will be collaterally assigned from the Housing Authority in favor of Rockville Bank; and

WHEREAS, the Housing Authority will loan \$400,000.00 to the Partnership for the benefit of the Project pursuant to the terms set forth in a commitment letter from the Housing Authority to the Partnership dated April __, 2012 (the "Forward Commitment") which loan will be secured by a leasehold mortgage from the Partnership on the Property;

WHEREAS, the Partnership requires the Housing Authority's approval of final construction plans, as stated in Section 4.1 of the Ground Lease, and the Housing Authority's consent to conveyance of any security interest in the Property for the benefit of the Project,

WHEREAS, the Partnership and the Property will require certain rights over, under and on a portion of 63 Battle, said portion being the "Easement Area," for the purposes of ingress, egress, parking, utilities, drainage, grading and such other uses as may be reasonably required in connection with the Project;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Authority is authorized to, and the executive director and each officer of the Housing Authority, acting by, in the name of and on behalf of the Housing Authority, is hereby individually authorized to enter into the Ground Lease and to approve, enter into, execute and deliver such documents, instruments, certificates and agreements and to take actions to perform the Housing Authority's obligations under said Ground Lease; and

FURTHER RESOLVED, that, in connection with the Amended Partnership Agreement, the Housing Authority is authorized to, and the executive director and each officer of the Housing Authority, acting by, in the name of and on behalf of the Housing Authority, is hereby individually authorized to withdraw the Housing Authority from the Partnership; and

FURTHER RESOLVED, that the Housing Authority is authorized to, and the executive director and each officer of the Housing Authority, acting by, in the name of and on behalf of the Housing Authority, is hereby individually authorized to approve, enter into, execute and deliver such documents, instruments, certificates and agreements (collectively referred to herein as the "Financing Documents") as may be required or necessary to effectuate the terms of and perform the obligations under the Alliant Commitment, the Amended Partnership Agreement, the AHP Loan, the Partnership AHP Loan, the Housing Authority Loans, and the Forward Commitment and to take such actions and perform the Housing Authority's obligations under said Alliant Commitment, the Partnership Agreement, AHP Loan, Partnership AHP Loan, Housing Authority Loans, the Forward Commitment and Financing Documents and such actions and performance shall be in such form and substance and with such changes, additions and modifications thereto as may be approved by any of such officers, such approval to be conclusively evidenced by any such officer's approval, entering into, execution or delivery of the Financing Documents or taking of such actions or causing such performance; and

FURTHER RESOLVED, that any and all documents heretofore approved, entered into, executed and/or delivered and any and all actions heretofore taken or obligations heretofore performed by, in the name of, or on behalf of the Housing Authority, in furtherance of any of the foregoing are hereby ratified, confirmed and approved in all respects; and

FURTHER RESOLVED, that the Housing Authority is authorized to, and the executive director and each officer of the Housing Authority, acting by, in the name of and on behalf of the Housing Authority, is hereby individually authorized to take such actions and to approve, enter into, execute and deliver such notes, mortgages, modifications, guaranties and such other documents, instruments, certificates and agreements as may be necessary in connection with construction of the Project; and

FURTHER RESOLVED, that the Housing Authority consents to the Partnership's conveyance of a security interest in the Property to Rockville Bank, the Federal Home Loan Bank of Boston, the State of Connecticut Department of Economic and Community Development, and the Housing Authority; and

FURTHER RESOLVED, that the Housing Authority approves the final construction plans for the Project; and

FURTHER RESOLVED, that the Housing Authority shall assign that certain agreement with Henry Schadler Associates, PC dated as of January 28, 2010 to the Partnership for the benefit of the Project; and

FURTHER RESOLVED, that the Housing Authority is authorized to, and the executive director and each officer of the Housing Authority, acting by, in the name of and on behalf of the Housing Authority, is hereby individually authorized to take such actions and to approve, enter into, execute and deliver such easements, deeds and such other documents, instruments, certificates and agreements as may be necessary in connection with the grant of rights in and to the Easement Area as may be required for the purposes of the Project by the Partnership, the parties to the Financing Documents or the Town.

2. The foregoing resolutions were enacted in accordance with the Housing Authority's organization by the Town of Somers and the Bylaws of the Housing Authority; the Commissioners of the Housing Authority have full power and authority to bind the Housing Authority pursuant to the foregoing resolutions; and the foregoing resolutions are in full force and effect and have not been altered, modified or rescinded.

IN WITNESS WHEREOF, I have affixed my name as Secretary of the Housing Authority this 1st day of May, 2012.

Name: Robert Pettee
Secretary

SOMERS HOUSING MANAGEMENT PHASE II, INC.
(the "Corporation")

Resolutions adopted at a meeting
of Board of Directors on May 1, 2012

1. The following is a true and correct copy of the resolutions reflecting approval by the Board of Directors of the Corporation at a meeting held on May 1, 2012:

WHEREAS, the Housing Authority of the Town of Somers (the "Housing Authority") is the owner of property leased and to be operated by Woodcrest Elderly Housing Phase II Limited Partnership (the "Partnership"), which property is situated in the Town of Somers, Connecticut (the "City") and is known as 53 and 71 Battle Street (the "Property"); and

WHEREAS, improvements to the Property involve the construction of a senior affordable housing community comprised of approximately sixty (60) newly constructed units, with parking spaces and other amenities (the "Project"); and

WHEREAS, the Corporation effected the formation of the Partnership for the purposes of constructing and operating the Project; and

WHEREAS, the Corporation is the sole general partner of the Partnership; and

WHEREAS, the Housing Authority has agreed to lease the Property to the Partnership for the purposes of construction of the Project, pursuant to a ground lease under which the Partnership will pay the Housing Authority a one-time base rent payment (the "Base Rent") equal to Two Hundred Sixty-Eight Thousand Five Hundred and 00/100 Dollars (\$268,500) for the lease term of ninety-nine years (the "Ground Lease"); and

WHEREAS, the Partnership will borrow the sum of \$5,000,000 from Rockville Bank ("Rockville") as a construction mortgage loan (the "Rockville Loan"), \$2,250,000 of which will convert to a permanent loan, which Rockville Loan will be secured by a leasehold mortgage from the Partnership on the Property; and

WHEREAS, the Partnership will borrow the sum of \$400,000.00 from the Housing Authority as a construction/permanent mortgage loan (the "Partnership AHP Loan"), which Partnership AHP Loan will be secured by a leasehold mortgage from the Partnership on the Property, and which leasehold mortgage will be collaterally assigned from the Housing Authority in favor of Rockville; and

WHEREAS, in order to take advantage of the benefits of the low-income housing tax credits permitted by Section 42 of the Internal Revenue Code, the limited partner of the Partnership, the Housing Authority, is to be replaced with Alliant Tax Credit Fund 63, Ltd. (the "Investor Limited Partner") and Alliant ALP 63, LLC (the "Administrative Limited Partner" and, together with the Investor Limited Partner, the "Limited Partners") and/or such designated affiliate corporations or partnerships thereof as Limited Partner, pursuant to the terms set forth in

a commitment letter from Alliant Asset Management Company, LLC dated January 12, 2011 (the "Alliant Commitment") and to be set forth in an amended and restated limited partnership agreement (the "Amended Partnership Agreement") for the benefit of the Project; and

WHEREAS, the State of Connecticut Department of Economic and Community Development ("DECD") has agreed to make a construction/permanent mortgage loan to the Partnership in the approximate principal amount of \$6,284,000.00 (the "DECD Loan") for the benefit of the Project; and

WHEREAS, the Housing Authority has agreed to make a mortgage loan to the Partnership in the approximate total principal amount of \$500,000.00 (the "Housing Authority Loan"), which Housing Authority Loan consists of \$500,000.00, more or less, to be loaned from the proceeds of a grant from the Housing Tax Credit Contribution program administered by the Connecticut Housing Finance Authority ("CHFA") to the Housing Authority, for the benefit of the Project; and

WHEREAS, CHFA has agreed to provide to the Partnership construction financing in the amount of \$7,000,000 (the "CHFA Loan") which CHFA Loan will consist of proceeds of bonds issued for the benefit of the Project;

WHEREAS, in order to effectuate some or all of the Rockville Loan, the Partnership AHP Loan, the Alliant Commitment, the Amended Partnership Agreement, the DECD Loan, the Housing Authority Loan, and the CHFA Loan, the Corporation may be required to execute guaranties or such other instruments, certificates and agreements as may be required; and

WHEREAS, in order to effectuate some or all of the Rockville Loan, the Partnership AHP Loan, the Alliant Commitment, the Amended Partnership Agreement, the DECD Loan, the Housing Authority Loan, and the CHFA Loan, the Partnership may be required to execute loan agreements, notes, mortgages, guarantees and such other instruments, certificates and agreements as may be required; and

WHEREAS, in conjunction with the Project, the amounts and terms of the Rockville Loan, the Partnership AHP Loan, the Alliant Commitment, the DECD Loan, the Housing Authority Loan, the CHFA Loan, and/or any funds constituting all or part of the foregoing may be varied, or other funds and sources of financing may be substituted in place of all or part of any of the foregoing, throughout the course of the Project (the "Alternative Financing"); and

WHEREAS, the Selectmen of the Town, pursuant to Town Charter and Connecticut General Statutes section 8-215, have adopted a Tax Abatement Ordinance and the Town is willing to offer certain property tax benefits to the Partnership to support the Project,

NOW, THEREFORE, BE IT RESOLVED, that the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Corporation, is hereby individually authorized to effect the formation of the Partnership and the formation of the Partnership is hereby ratified and confirmed; and

FURTHER RESOLVED, that each of the Partnership and the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Partnership as the general partner thereof, and/or acting by, in the name of and on behalf of the Corporation

for itself, is hereby individually authorized to, approve, enter into, execute and deliver such loan agreements, notes, mortgages, modifications, guaranties and such other documents, instruments, certificates and agreements (collectively referred to herein as the "Financing Documents") as may be required or necessary to effectuate the terms of and perform the obligations under the Rockville Loan, the Partnership AHP Loan, the Alliant Commitment, the Amended Partnership Agreement, the DECD Loan, the Housing Authority Loan, the CHFA Loan and the Alternative Financing (the "Project Financing"), and to take such actions and perform the Corporation's and the Partnership's respective obligations under said Financing Documents and/or associated with said Project Financing, and said Financing Documents and such actions and performance shall be in such form and substance and with such changes, additions and modifications thereto as may be approved by any of such officers, such approval to be conclusively evidenced by any such officer's approval, entering into, execution or delivery of the Financing Documents or taking of such actions or causing such performance; and

FURTHER RESOLVED, that each of the Partnership and the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Partnership as the general partner thereof, and/or acting by, in the name of and on behalf of the Corporation for itself, is hereby individually authorized to, approve, enter into, execute and deliver a management agreement and any associated documents for the Project with WinnResidential Connecticut LLC, construction agreements and any associated documents for the Project with Alca Construction Company, Inc. and architectural agreements and any associated documents for the Project with Henry Schadler Associates, PC (collectively, the "Services Documents"), and to take such actions and perform the Corporation's and the Partnership's respective obligations under the Services Documents and the Services Documents and such actions and performance shall be in such form and substance and with such changes, additions and modifications thereto as may be approved by any of such officers, such approval to be conclusively evidenced by any such officer's approval, entering into, execution or delivery of the Services Documents or taking of such actions or causing such performance; and

FURTHER RESOLVED, that each of the Partnership and the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Partnership as the general partner thereof, is authorized to enter into and to perform the obligations under the Ground Lease with the Housing Authority; and

FURTHER RESOLVED, that any and all documents heretofore approved, entered into, executed and/or delivered and any and all actions heretofore taken or obligations heretofore performed by, in the name of, or on behalf of the Corporation for itself and/or by, in the name of, and on behalf of the Partnership as the general partner thereof, in furtherance of any of the foregoing are hereby ratified, confirmed and approved in all respects; and

FURTHER RESOLVED, that the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Corporation and the Partnership, is hereby individually authorized to take such actions and to approve, enter into, execute and deliver such notes, mortgages, modifications, guaranties and such other documents, instruments, certificates and agreements as may be necessary in connection with construction of the Project; and

FURTHER RESOLVED, that the Corporation is authorized to, and each officer of the Corporation, acting by, in the name of and on behalf of the Corporation and the Partnership, is

hereby individually authorized to take such actions and to approve, enter into, execute and deliver such documents, instruments, certificates and agreements as may be necessary in connection with reaching and entering into a tax abatement or payment in lieu of taxes agreement with the Town; and

FURTHER RESOLVED, that the Corporation is hereby authorized to undertake all work in connection with the project.

2. The foregoing resolutions were enacted in accordance with the Articles of Incorporation and the Bylaws of the Corporation; the Board of Directors of the Corporation has full power and authority to bind the Corporation pursuant to the foregoing resolutions; and the foregoing resolutions are in full force and effect and have not been altered, modified or rescinded.

IN WITNESS WHEREOF, I have affixed my name as Secretary of the Corporation this 1st day of May, 2012.

Name: Robert Pettee
Secretary