The annual meetings of the Massachusetts Housing Finance Agency – doing business as MassHousing – and its affiliates – the Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (PADCO) and the Center for Community Recovery Innovations, Inc. (CCRI) – were held October 11, 2022. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

**Members**
- Jeanne Pinado, Chair
- Mark Attia, Designee of Michael Heffernan, ex officio
- Jennifer Maddox, ex officio
- Carmen Panacopoulos
- Carolina Avellaneda
- Patricia McArdle
- Mike Dirrane
- Thomas Flynn
- Jerald Feldman

**Members Not Participating**
- None

**Staff**
*Due to the remote convening, a list of MassHousing staff participating or observing the meeting was not available*

**Guests**
*Due to the remote convening, a list of guests observing the meeting was not collected*

Chair Jeanne Pinado convened the meeting to order at 2:00 p.m.

Chair Pinado then indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote (with Patricia McArdle abstaining) of all the present Members, it was:

**VOTED:** That the minutes of the meeting held on September 13, 2022 are hereby approved and placed on record.
Executive Director’s Report

Chrystal Kornegay began her report by discussing the MassDREAMS program which was created in collaboration with Massachusetts Housing Partnership (MHP) which offers downpayment assistance and assistance with closing costs and mortgage insurance premiums for first-time homebuyers in communities disproportionately impacted by COVID. There was a soft launch of the program on September 12, 2022 and as of the close of business on October 7, 2022 we have pre-approved 259 loans and funded 20 loans with 45% of the funded loans going to BIPOC borrowers. In addition, 31% of the loans – both funded and in the pipeline – are in Boston or Worcester. We will be having a hard launch to make this program more public. Ms. Kornegay gave a shout-out to DHCD for being a champion and sponsor of this effort, as well as to Mark Attia who was involved early-on in the design of the program.

Ms. Kornegay next discussed the PCBA program which HUD had issued a draft solicitation over the summer. The agency submitted comments prior to the September 29 deadline and is continuing to work with our sister agencies in New England in preparation for a potential joint response. Nancy McDonald has also been working with the federal delegation.

Ms. Kornegay noted that she is being honored by CHAPA at their annual dinner for her work in affordable housing and thanked the board for providing her with a platform and thanked the 324 other employees of MassHousing for all their hard work.

Chair Pinado congratulated Ms. Kornegay on this much-deserved honor.

FY22 Year End Results

Rachel Madden gave a presentation on FY22 Year End Results. FY22 was a very successful year mostly driven by additional income and return on investments, as well as lower spending. Income drivers included investment income higher by $1.6 million, MF servicing income higher by $872,000. We also had miscellaneous income of $3.2 million. We had lower expenses of $2.9 million in servicing rights premiums and net grant expenses are $17.2 million below budget. This income was offset by premiums on loans sold down by $2.7 million; MF subsidy and fee income lower by $1.5 million and bond program spread is below by $1.7 million. Expense drivers included payroll and related expenses down $450,000; professional services down by $939,000 primarily due to legal fee reimbursements of $388,000 and a $281,000 decrease in service contracts. Operating costs decreased by $834,000 primarily driven by a decrease in advertising and constituent training costs.

Chair Pinado asked if payroll was lower due to vacant positions. Ms. Madden replied that hiring has been slower and payroll is down relative to budget. Mr. Dirrane inquired about how many new hires there have been and staff responded that they would need to follow-up for accurate figures. Carmen Panacopoulos asked about capital improvements that were undertaken. Ms. Madden replied there had been some purchase of equipment as well as moving and reconfiguring of cubicles for spacing, etc. that we did not get to during the pandemic.

Ms. Madden continued by discussing FY22 Production. Total production was $94 million below budget due to a drop off in Homeownership Production. Multifamily production was $145 million above budget and Homeownership was $239 million below budget. The drop in Homeownership production was mostly due to the increase in interest rates. Chair Pinado asked how the last 3 months have looked like. Ms. Madden replied that things are looking better and there has been an...
uptick in production. Mounzer Aylouche commented that so far in Homeownership production we have had a total of 480 loans this fiscal year for a total of $80,357,000. We anticipate the MassDREAMS program will bring an influx of business. Carmen Panacoupulos asked what impact is expected from the MassDREAMS program. Mr. Aylouche replied that he expects the program will have a positive effect by increase demand but noted that there is a limited amount of funds available for this program and that the availability of housing at a reasonable price coupled with the interest rate environment is a bit dilemma creating a unique balancing act. Mark Attia added that the MassDREAMS is for people with incomes up to 135% AMI and must be first-time homebuyers.

In accordance with the Agency’s annual practice, Ms. Madden recommended depositing $20,100,000, constituting 50% of the excess earnings after bond program transfers for FY22, to the Opportunity Fund.

Chair Pinado commented this is more than what was budgeted and this is a great outcome.

**Vote Approving an Annual Contribution to the Opportunity Fund**

Upon a motion duly made and seconded it was, by roll call vote, approved by all members present.

**VOTED:** To contribute $20,100,000 of the excess earnings after bond transfers from fiscal year 2022 to the Opportunity Fund established by the Members on March 8, 2016.

Chair Pinado continued by mentioning the great outcome we had with the PwC audit thanks to an incredible effort by the Finance staff. Our net position is strong.

**Votes Delegating Authority to Issue Multifamily Bonds and/or Notes and Single Family Bonds and/or Notes**

Ms. Madden presented delegation votes of authority to issue (i) Multi-Family bonds and/or notes to finance up to $500 million using a mix of fixed rate and/or hedged or unhedged variable rate; and (ii) HomeOwnership bonds and/or notes to finance up to $400 million using a mix of fixed rate and/or hedged or unhedged variable rate.

These delegation votes, along with the memorandum from CSG Advisors (“CSG”), MassHousing’s Multi-Family financial advisor and cfX Incorporated (“cfX”), MassHousing’s HomeOwnership financial advisor, will satisfy the requirements of the State Finance and Governance Board with respect to any potential derivative contracts associated with MassHousing financings.

Both the CSG memo and cfX memo are attached and provide detailed explanations of the potential financings through the end of calendar year 2023.

Carmen Panacoupulos asked how much of the approved bond authority is utilized each year. Ms. Madden responded that amount utilized is generally less than the stated request but that an estimated amount is requested to allow the finance team to respond timely to changing market conditions.
Upon a motion duly made and seconded, the following two resolutions, by roll call vote, were approved by all the members present.

I. MULTIFAMILY

RENTAL DEVELOPMENT PARAMETERS RESOLUTION

WHEREAS, the Massachusetts Housing Finance Agency (“MassHousing”) has previously adopted various general bond and note resolutions (the “General Resolutions”) authorizing the issuance of bonds and/or notes for the purposes of financing or refinancing Rental Development Mortgage Loans and Construction Loans, refunding other obligations of MassHousing and establishing reserves therefor;

WHEREAS, in order to finance or refinance certain Rental Development Mortgage Loans and Construction Loans approved by MassHousing (the “Loans”) to be designated by an Authorized Officer, MassHousing desires to provide for the adoption of one or more series resolutions pursuant to the General Resolutions authorizing the issuance of one or more series of bonds and/or notes;

WHEREAS, in furtherance of the provision of mixed income residential facilities, workforce housing and other housing available to low and moderate income persons and families in the Commonwealth, MassHousing desires to provide for the adoption of one or more series resolutions pursuant to the General Resolutions, authorizing the issuance of one or more series of bonds and/or notes;

WHEREAS, MassHousing desires to adopt such resolutions and agreements as may be necessary to effectuate the foregoing purposes and to provide for the modification of such resolutions to the extent necessary; now, therefore, be it

RESOLVED, by the Members of MassHousing as follows:

Section 1. MassHousing hereby adopts one or more Series Resolutions (the “Series Resolutions”), authorizing the issuance of Bonds and/or Notes under one or more of MassHousing’s existing rental development programs with an aggregate principal amount not to exceed $500,000,000 (the “Obligations”). The Series Resolutions shall be in substantially the form previously used by MassHousing, with such changes as shall be deemed necessary in accordance with Section 4 of this Resolution. The Obligations may be issued in one or more series or subseries. Any Obligations issued pursuant to this resolution shall be sold on or prior to December 31, 2023.

Section 2. The Series Resolutions shall provide that the Obligations to be issued thereunder and any related interest rate swap agreements or other hedge agreements, as authorized below, shall be secured by and payable from any and all Revenues in accordance with the General Resolutions. MassHousing’s obligations under the Obligations, any such swap or hedge agreements or any Related Agreement deemed necessary in accordance with Section 5 of this Resolution may also be secured as a general obligation of MassHousing.

Section 3. The Obligations shall be sold to one or more members of MassHousing’s approved underwriting team in accordance with the terms of one or more bond purchase agreements in substantially the forms previously used by MassHousing with respect to its rental
development bond programs, with such changes, interest rates, redemption provisions and maturity schedules as shall be approved by an Authorized Officer, and the same are authorized to execute and deliver the bond purchase agreements. The Obligations (i) may be sold on a tax-exempt basis, provided they do not bear interest at rates and are not sold at prices such that the yield on the Obligations exceeds the yield on 30-year Municipal Market Data index ("MMD") by more than 300 basis points, (ii) may be sold on a taxable basis under federal tax law, provided they do not bear interest at rates and are not sold at prices such that the yield on the Obligations exceeds the yield on 10-year U.S. Treasury securities by more than 400 basis points and (iii) may bear interest at fixed rates or at one or more variable rates determined in accordance with the provisions of the applicable Series Resolution; provided that at no time shall the outstanding principal amount of Obligations bearing interest at variable rates exceed $80,000,000. The Obligations may be sold at a purchase price which reflects an aggregate underwriting fee or discount of not more than 2% of the principal amount of the Obligations issued.

Section 4. The Executive Director, Chair, or Financial Director are each hereby authorized, acting singly, (i) to take whatever action is necessary, not inconsistent with this vote, to carry out the issuance and sale of the Obligations including, without limitation, determining the amount of fixed rate and variable rate to be issued and the rates, terms and conditions thereof, including the series designations, the dates of issuance and sale, the maturities and interest payment dates, the redemption or tender dates, if any, and the establishment of funds and accounts under the applicable resolution, to account for the proceeds thereof and (ii) to approve and execute such changes, additions and revisions to the Series Resolutions, including Series Resolutions with respect to Bonds previously issued under the applicable General Resolution, and the documents and agreements referred to herein and therein as are necessary to effectuate the purposes thereof and the purposes set forth in this resolution.

Section 5. In connection with the issuance of any Obligations, MassHousing hereby approves (i) the delivery of one or more Preliminary Official Statements, in substantially the forms previously used by MassHousing, (ii) the execution by an Authorized Officer and delivery of one or more final Official Statements, with such additions, deletions or other changes from the corresponding Preliminary Official Statements as are deemed advisable by the Authorized Officer executing the same, and (iii) the delivery and, as applicable, execution by an Authorized Officer, of any supplements or amendments to such Preliminary Official Statements and/or Official Statements as are deemed advisable by the Authorized Officer delivering and, as applicable, executing the same.

Section 6. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, standby bond purchase agreements, or other credit enhancement or liquidity agreements with respect to the Obligations ("Related Agreements"). The form of such Related Agreements shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements and to amend the same from time to time.

Section 7. In connection with the issuance of any variable rate Obligations, MassHousing may enter into one or more interest rate swap agreements, forward rate transactions, forward bond purchase transactions, cap transactions, floor transactions, collar transactions, rate lock transactions or other similar transactions to fix the effective rate on the Obligations. The pricing and fixed rate under such agreements and transactions shall not exceed the yield on 30-year MMD by more than 300 basis points, if the related Obligations are tax-exempt, and the yield on 10-year U.S. Treasury securities by more than 400 basis points, if the related Obligations are taxable. The form of such interest rate swap agreements and the rates, terms and conditions thereof shall be
approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements.

Section 8.  MassHousing authorizes any Authorized Officer, to submit the proposed terms of any transaction authorized above to the State Finance and Governance Board as may be necessary for their review in accordance with Section 98 of Chapter 6 of the General Laws, as amended, and the regulations promulgated thereunder.

Section 9.  As used in this Resolution, the term Authorized Officer shall mean MassHousing’s Chair, Executive Director, General Counsel, Financial Director, Comptroller, Senior Director of Finance and Bond Compliance, and any officer or employee of MassHousing acting in such capacity, or any other Authorized Officer of MassHousing as defined in the General Resolutions.

Section 10.  This resolution shall take effect immediately.

II.  SINGLE FAMILY

A RESOLUTION OF THE MASSACHUSETTS HOUSING FINANCE AGENCY ADOPTING SUPPLEMENTAL RESOLUTIONS AND/OR SUPPLEMENTAL TRUST INDENTURES RELATED TO THE ISSUANCE AND SALE OF NOT EXCEEDING $400,000,000 AGGREGATE PRINCIPAL AMOUNT BONDS AND/OR NOTES AND AUTHORIZING OFFICERS OF MASSHOUSING TO APPROVE CHANGES THERETO AND AUTHORIZING THE NEGOTIATION AND APPROVAL OF CERTAIN OTHER DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the Massachusetts Housing Finance Agency (“MassHousing”) previously (i) adopted its Single Family Housing Revenue Bond Resolution (as amended to date, the “Resolution”) and (ii) entered into a Trust Indenture relating to its Residential Mortgage Revenue Bonds (Mortgage-Backed Securities) (as amended to date, the “Trust Indenture”), each authorizing the issuance of bonds and/or notes for the purposes of financing or refinancing Whole Mortgage Loans, Home Improvement Loans, Cooperative Housing Loans or Mortgage-Backed Securities, refunding other obligations of MassHousing and establishing reserves therefor, as applicable, all in furtherance of MassHousing’s Home Ownership Program;

WHEREAS, in order to maintain the continuity of the Home Ownership Program, and in furtherance of the provision of owner-occupied, single-family housing to low and moderate income persons and families in the Commonwealth, MassHousing desires to provide for (i) the adoption of one or more supplemental resolutions pursuant to the Resolution and (ii) the execution of one or more supplemental trust indentures pursuant to the Trust Indenture, authorizing the issuance of one or more series of bonds and/or notes to finance or refinance certain Whole Mortgage Loans and Mortgage-Backed Securities, as applicable, approved by MassHousing (collectively, the “Loans”) to be designated by an Authorized Officer;

WHEREAS, MassHousing desires to adopt such resolutions and agreements as may be necessary to effectuate the foregoing purposes and to provide for the modification of such resolutions to the extent necessary; now, therefore, be it

RESOLVED, by the Members of MassHousing as follows:
Section 1. MassHousing hereby (i) adopts one or more Supplemental Resolutions (the “Supplemental Resolutions”), authorizing the issuance of Bonds and/or Notes under the Resolution, and (ii) approves the execution of one or more Supplemental Trust Indentures (the “Supplemental Trust Indentures”), authorizing the issuance of Bonds under the Trust Indenture, with an aggregate principal amount not to exceed $400,000,000 (the “Obligations”). The Supplemental Resolutions and the Supplemental Trust Indentures shall be in substantially the forms previously used by MassHousing, with such changes as shall be deemed necessary in accordance with Section 3 of this resolution. The Obligations may be issued in one or more series and shall be secured by and payable from (i) in the case of Obligations issued under the Resolution, any and all Revenues in accordance with the Resolution and (ii) in the case of Obligations issued under the Trust Indenture, the security and collateral set forth in the applicable Supplemental Trust Indenture. Any Obligations issued pursuant to this resolution shall be sold on or before December 31, 2023.

Section 2. MassHousing hereby adopts a Supplemental Resolution, which may be part of or separate from the Supplemental Resolutions authorized in Section 1 above, for the purpose of amending the Resolution to set forth therein the treatment of hedging transactions entered into with respect to Bonds and/or Notes issued under the Resolution.

Section 3. The Obligations shall be sold to one or more members of MassHousing’s approved underwriting team in accordance with the terms of one or more bond purchase agreements in substantially the forms previously used by MassHousing with respect to its single family housing revenue bond programs, with such changes, interest rates, redemption provisions and maturity schedules as shall be approved by an Authorized Officer, and the same are authorized to execute and deliver the bond purchase agreements. The Obligations issued under the Resolution may be issued and sold as (i) one or more series of “Fixed Rate Bonds” or “Variable Rate Bonds” or “Compound Interest Bonds” or “Discount Bonds,” (ii) one or more series of Notes or (iii) “Tender Bonds,” as each such term is defined in the Resolution. The Obligations may be sold at a purchase price which reflects an aggregate underwriting fee or discount of not more than 2% of the principal amount of the Obligations issued.

Section 4. The Executive Director, Chairman, Vice President of Home Ownership Programs or Financial Director are each hereby authorized, acting singly, to take whatever action is necessary to carry out the issuance and sale of the Obligations including, without limitation, determining the amount of fixed rate, variable rate, compound interest or discount bonds to be issued and the terms and conditions thereof, including the series designation(s) thereof, the date or dates of issuance and sale thereof, the maturity and interest payment dates thereof, the redemption or tender dates, if any, therefor and the establishment of funds and accounts under the Resolution or the Supplemental Trust Indenture, as applicable, to account for the proceeds thereof. The Executive Director, Chairman, Vice President of Home Ownership Programs or Financial Director are further authorized, acting singly, to make such changes, additions and revisions to the Supplemental Resolutions, the Supplemental Trust Indentures and the documents and agreements referred to herein and therein, as are necessary to effectuate the purposes thereof and the purposes set forth in this resolution.

Section 5. In connection with the issuance of any Obligations, the distribution of one or more Preliminary Official Statements by an Authorized Officer is hereby approved. The Authorized Officers are each hereby authorized to permit the distribution of one or more final Official Statements, with such changes, omissions, insertions and revisions from the preliminary form thereof as they shall deem advisable and made pursuant to the bond purchase agreement.
authorized in Section 2 above, and to execute such final Official Statements.

Section 6. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, standby bond purchase agreements, credit enhancement agreements or other liquidity agreements with respect to the Obligations (“Related Agreements”). The form of such Related Agreements shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements.

Section 7. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, forward rate transactions, forward bond purchase transactions, cap transactions, floor transactions, collar transactions, rate lock transactions or other similar transactions (“Transactions”). The Authorized Officers are authorized to enter into such Transactions and to execute and deliver all agreements necessary or desirable therefor with one or more financial institutions selected by such Authorized Officers, and to pledge and apply such collateral held under the Resolution or the Supplemental Trust Indenture or otherwise held by MassHousing as shall be required by any such Transaction or any insurance therefor, subject to the pledge of any such collateral held under the Resolution or the Supplemental Trust Indenture, as applicable, for the benefit of the holders of all bonds and notes outstanding thereunder, in each case on such terms and conditions as such Authorized Officers shall determine to be in the best interest of MassHousing.

Section 8. The Authorized Officers are, and each of them is, authorized in their discretion to obtain a commitment from an Insurer (as such term is defined in the Resolution) selected by such Authorized Officers to insure all or any portion of the principal and interest payable on the Obligations issued under the Resolution on such terms and conditions as such Authorized Officers shall determine is in the best interests of MassHousing and approve (which terms and conditions shall be set forth in the applicable Supplemental Resolution). If MassHousing shall obtain an insurance policy from an Insurer to insure the Obligations issued under the Resolution, the Authorized Officers are further authorized to execute and deliver such agreements with the Insurer, or to include provisions in the Supplemental Resolutions, containing such terms, covenants and undertakings of MassHousing, as such Authorized Officers shall determine to be in the best interest of MassHousing.

Section 9. In the event the Obligations are not issued prior to the maturity date of all or any portion of any bonds (the “Prior Bonds”) to be refunded with proceeds thereof, the Authorized Officers are, and each of them is, authorized in their discretion to draw amounts under the Second Amended and Restated Revolving Loan Agreement dated November 9, 2017, by and between MassHousing and Bank of America, N.A., as previously amended and as it may be further amended from time to time, sufficient to pay the principal amount of such Prior Bonds and to apply such amounts to such payment on such maturity date, provided that the amount so drawn shall be repaid from the proceeds of the Obligations upon the issuance thereof as provided in the Supplemental Resolutions.

Section 10. MassHousing may make or finance, on an interim basis, certain Loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by MassHousing in the maximum amount of $400,000,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Treasury Regulations §1.150-2(d)(1).
Section 11. MassHousing authorizes any Authorized Officer to submit the proposed terms of any transaction authorized above to the State Finance and Governance Board as may be necessary for their review in accordance with Section 98 of Chapter 6 of the General Laws, as amended, and the regulations promulgated thereunder.

Section 12. As used in this resolution, the term Authorized Officer shall mean MassHousing’s Chairman, Vice Chairman, Treasurer, Secretary, Executive Director, Vice President of Home Ownership Programs, Financial Director, General Counsel, Comptroller, Senior Director of Finance and Bond Compliance, or any person serving in any of the foregoing positions in an “Interim” or “Acting” capacity at the direction of the Members of MassHousing, any Member of MassHousing, or any other Authorized Officer of MassHousing as defined in the Resolution or a Supplemental Trust Indenture.

Section 13. This resolution shall take effect immediately.
Chair Pinado then turned her attention to the Annual Meetings of MassHousing and its affiliates. She referred the Members to the proposed slate of officers. Upon a motion duly made and seconded, by roll call vote of all the Members present, it was

**VOTED:** That Carolina Avellaneda is hereby elected to serve as the Vice-Chair of MassHousing.

**FURTHER VOTED:** That Mark Attia is hereby elected to serve as the Treasurer of MassHousing.

**FURTHER VOTED:** That Chrystal Kornegay, Rachel C. Madden, and Stephen E. Vickery are hereby elected to serve as Assistant Treasurers of MassHousing.

**FURTHER VOTED:** That Colin M. McNiece is hereby elected to serve as the Secretary of MassHousing.

**FURTHER VOTED:** That Carol G. McIver is hereby elected to serve as the Assistant Secretary of MassHousing.

**Massachusetts Housing Finance Agency Employees’ Retirement System**

Upon a motion duly made and seconded, by roll call vote of all members present, it was

**VOTED:** That Thomas Flynn is appointed to serve as a Member of the Massachusetts Housing Finance Agency Employees’ Retirement System.

Please note that Agency Member Mark Attia will also serve on that Board, consistent with Section 20 of Chapter 32 of Massachusetts General Laws, which provides that the Treasurer of MassHousing serve on the Board of the Massachusetts Housing Finance Agency Employees’ Retirement System as an *ex officio* member.

**Other Post-Employment Benefits (“OPEB”) Trust**

In 2008 the Members approved the establishment of the Massachusetts Housing Finance Agency Other Post-Employment Benefits Trust (the “OPEB Trust”) to fund the Agency’s non-pension obligations to retired employees. In accordance with the Members’ vote, the Agency executed an irrevocable trust agreement (the “OPEB Trust Agreement”) to create the trust and appointed as trustee a “MassHousing OPEB Committee.” The OPEB Trust Agreement, as amended in 2018, specifies that the OPEB Committee be composed of the following Agency personnel: (1) the Financial Director or equivalent position, (2) the Manager of Human Resources or equivalent position, (3) the Chief Operating Officer or equivalent position, (4) one member appointed by the Agency Members (currently, Henry Mukasa), and (5) one member appointed by the Executive Director (currently Cynthia Fernandes).
It is recommended that Henry Mukasa, the Agency’s Director of Rental Management, continue to serve as the representative of the Agency Members on the MassHousing OPEB Committee until the next Annual Meeting.

Upon a motion duly made and seconded, by roll call vote of all members present, it was

**VOTED:** That Henry Mukasa serve as the Agency Members’ representative to the MassHousing OPEB Committee until the next Annual Meeting Massachusetts Housing Finance Agency Employees’ Retirement System.

### Committees of the Members and Appointments of Committee Members

In accordance with Article VI of the Agency’s bylaws for the establishment and appointment of committees, and M.G.L. Ch. 29 §29K, and the regulations promulgated thereunder in 801 CMR 53.00 et. seq., requiring the establishment of an audit committee and a compensation committee, the following votes, superseding all such previous votes, affirm the existence and purpose of the committees of the Members.

Mr. Dirrane asked why the prior Homeownership Committee is not being continued and for the input of that committee’s members. Ms. Kornegay noted that staff will be increasing regular reporting to the full board on homeownership activities in lieu of the committee. Patricia McArdle, as chair of the HomeOwnership Committee, noted that she had no objection to the change.

**VOTED:** That the Agency hereby establishes the following committees, which shall comprise all of the committees of the Members of MassHousing and shall supersede any prior committees, and such committees shall exist for the purposes set forth below.

**FURTHER VOTED:** That the “Loan Committee,” in its capacity as a committee of the Members of MassHousing, reviews and renders advice to the Members with respect to all lending decisions recommended by the staff that require the action of the Members including but not limited to loan commitments and recommitments, granting of Official Action Status (OAS), mortgage increases, refinancings, restructurings, workouts, releases of collateral, transfers of ownership, as well as any other action requiring approval of the Members that effects an asset in the loan portfolio. The Loan Committee also reviews the performance of the loan portfolio, with a focus on those developments which are delinquent or held by PADCO and in need of – or the subject of – corrective strategies.
FURTHER VOTED: That the “Investment and Audit Committee,” in its capacity as a committee of the Members of MassHousing, reviews and renders advice to the Members with respect to the management and performance of MassHousing’s financial resources, particularly its bond resolutions and investments, as well as the auditing and reporting of MassHousing’s financial results.

FURTHER VOTED: That the “Executive Compensation Committee,” in its capacity as a committee of the Members of MassHousing, shall evaluate and establish compensation and benefits for the executive positions in accordance with M.G.L. c. 29 §29K and 801 CMR 53.00.

FURTHER VOTED: That the “Human Resources Committee,” in its capacity as a committee of the Members of MassHousing, reviews and renders advice to the Members with respect to MassHousing’s personnel policies, practices and procedures in personnel management including recruitment and retention, training and development, diversity, employee relations, staffing and organizational structure.

FURTHER VOTED: That the “Mortgage Insurance Fund (MIF) Committee,” in its capacity as a committee of the Members of MassHousing, reviews and renders advice to the Members on the performance and policies of the Massachusetts Housing Finance Agency Mortgage Insurance Fund (MIF) and in furtherance of MIF’s compliance with Fannie Mae’s and Freddie Mac’s Private Mortgage Insurance Eligibility Requirements (PMIERS) and best practices for oversight of the separation of functions.

Upon the adoption of these resolutions, the following appointments are made to the committees of the Members:

**Appointments to Committees**

**Loan Committee**
- Jennifer Maddox, DHCD *ex officio, or designee*
- Jerry Feldman
- Roger Herzog
- Carmen Panacopolous

**Human Resources Committee**
- Carolina Avellaneda
- Patricia McCardle
- Jerry Feldman

**Investment and Audit Committee**
- Jeanne Pinado
- Mark Attia, A&F *ex officio, or designee*
- Michael Dirrane

**Mortgage Insurance Fund Committee**
Chair Pinado then called for a motion to recess MassHousing’s Annual Meeting to conduct the annual meetings of MassHousing’s affiliates: the Center for Community Recovery Innovation Inc. (“CCRI”) and the Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (“PADCO”).

Upon a motion duly made and seconded, by roll call vote of all Members present, it was

**VOTED:**  To recess the MassHousing Annual Meeting and convene the Annual Meeting of PADCO.

**Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (PADCO) Annual Meeting**

Chair Pinado called the Annual Meeting of the Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (PADCO) to order. Chair Pinado referred the Members to the proposed slate of officers.

Upon a motion duly made and seconded, by roll call vote of all the Members present, it was

**VOTED:**  That the Board of Directors of PADCO shall consist of the Members of MassHousing.

**FURTHER VOTED:**  That Jeanne Pinado is hereby elected to serve as Chairman of PADCO.

**FURTHER VOTED:**  That Chrystal Kornegay is hereby elected to serve as President of PADCO.

**FURTHER VOTED:**  That Henry Mukasa is hereby elected to serve as Vice President of PADCO.

**FURTHER VOTED:**  That Rachel C. Madden is hereby elected to serve as Treasurer of PADCO.

**FURTHER VOTED:**  That Paul Scola is hereby elected to serve as Assistant Treasurer of PADCO.
FURTHER VOTED: That Colin M. McNiece is hereby elected to serve as Clerk of PADCO.

FURTHER VOTED: That Carol G. McIver is hereby elected to serve as Assistant Clerk of PADCO.

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the PADCO meeting and convened the CCRI meeting.

Center for Community Recovery Innovations, Inc. CCRI Annual Meeting

Chair Pinado called the Annual Meeting of CCRI to order. Chair Pinado then referred the Members to the proposed slate of officers.

Upon a motion duly made and seconded, by roll call vote of all the Members present (Jennifer Maddox was not present for this action), it was

VOTED: That the Board of Directors of the Center for Community Recovery Innovation, Inc. shall consist of the Members of MassHousing.

FURTHER VOTED: That Jeanne Pinado is hereby elected to serve as Chairman of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Chrystal Kornegay is hereby elected to serve as President of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Henry Mukasa is hereby elected to serve as Vice President of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Rachel C. Madden is hereby elected to serve as Treasurer of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Paul Scola is hereby elected to serve as Assistant Treasurer of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Colin M. McNiece is hereby elected to serve as Clerk of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Carol G. McIver is hereby elected to serve as Assistant Clerk of the Center for Community Recovery Innovations, Inc.

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the CCRI meeting and reconvened the MassHousing meeting.
Loan Committee

Beverly Village for Living & The Arts, Beverly

Hana Migliorato presented a proposal for Official Action Status, Commitment of a Tax-Exempt Permanent Loan, Commitment of a Tax-Exempt Equity Bridge Loan and Approval for the Use of Low-Income Housing Tax Credits for Beverly Village for Living & The Arts in Beverly.

The proposed financing will support the conversion of the historic former Briscoe School, home to Beverly’s middle and high schools until 2018, into a 91-unit residential development know as Beverly Village for Living and the Arts (“Beverly Village”, or the “Development”).

Beacon Communities (the “Sponsor”) in partnership with Harborlight Community Partners (the “Co-Sponsor”) propose to reimagine the building to create a mixed-use space including 85 age-restricted units to residents aged 55 and older, six (6) market units with a preference for artist occupancy, and space for a local theater. As the Sponsor, Beacon Communities will lead the historic adaptive redevelopment of the property. Harborlight Community Partners will work in a supportive role to Beacon throughout the development period. Harborlight will also provide a part-time resident service coordinator upon completion.

The Development is located on a 6.5-acre parcel in downtown Beverly, which is less than a mile from the Montserrat Station and a mile away from the Beverly Station on the Newburyport/Rockport Line of the MBTA Commuter Rail. Only a portion of this parcel will ultimately be associated with the Development.

The Sponsor proposes to separate the parcel into four lots (please see site map on page 23), three of which will be retained by the City of Beverly and will be maintained as a turf bowl, recreation fields, and access drive. The owner of the Development will be responsible for on-going landscaping of the turf bowl – the nominal cost of which is included in the operating budget.

The fourth lot (the “Site”) houses the existing school building and will be sold to the Sponsor and will be part of the collateral for the financing contemplated herein. In addition to the renovated building, the Site will include 234 parking spaces, of which 156 will be dedicated for resident use and the remaining will be for visitor use. Site improvements will include a new accessible residential entrance, repaving the parking lot, sidewalk improvements, landscaping improvements, and dog walking area.

The existing three-story school building will be rehabilitated while preserving historical features of the building, such as the windows and façade. Classrooms will be converted into the affordable housing units, and the rear former locker rooms will become the artist live/work studios. There will be a management office on the first floor. Amenity spaces such as a community room, wellness room, fitness center, library, and workshop will be in the space currently occupied by the gymnasium.

Additionally, the Development includes a 14,150-square-foot theater. Due to the historic nature of the theater, it will mostly be preserved as-is with upgrades to HVAC, lighting, soundproofing, and code fire protection. The Co-Sponsor is engaged in conversations with potential future tenants, and the space will ultimately be subject to a triple-net lease.
Of the 91 housing units, 85 are subject to both affordability and age restrictions. Sixteen (16) of the affordable age-restricted units will benefit from new project-based rental subsidies (eight Section 8 and eight MRVP) and will be income-restricted to households at or below 30% of area median income (“AMI”). An additional unit will also be income-restricted at or below 30% of AMI but will not receive rental subsidy. The remaining 68 affordable age-restricted units will be income-restricted to households at or below 60% of AMI. Six (6) units will be subject to an artist preference with no affordability or age restrictions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

**Official Action Status**

**VOTED:** To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Beverly Village for Living & the Arts” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of $33,187,500 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

**Official Action Status Findings**

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. Beacon Communities Services, LLC (“Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

**First and Bridge Mortgage Loans**

**VOTED:** To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $7,750,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $18,800,000, in each case to be made to Briscoe Village LLC or another single-purpose entity controlled by Beacon Communities LLC (the
“Borrower”) as owner of the multifamily residential development known as “Beverly Village for Living & the Arts” (the “Development”) and located in Beverly, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

**FURTHER VOTED:** To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing’s requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing’s General Counsel or his designee

**4% Low-Income Housing Tax Credits**

**VOTED:** That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

**FURTHER VOTED:**

To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the
STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing’s enabling act, Chapter 708 of the Acts of 1966, as amended (the “Act”). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

85 units (93%) in the Development will be affordable to low-income persons and families, as specified in the Act, at rents that do not exceed the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects the information available to A&M staff as of the date of collection September 8, 2022 and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (approximately 720 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 99%, and range between 98% and 100%. None of the comparables were offering concessions.

3rd Qtr. 2022 CoStar data for the subject’s North Shore Multi-Family Submarket (13,086 units) has an overall vacancy rate at 2.5% YTD, which is a decrease of 1.05% from one year ago. CoStar data for the Boston market (253,698 units) has an overall vacancy rate of 4.2% YTD, which is a decrease of .67% from one year ago. The North Shore Submarket vacancy rate is projected to increase to 4.0% over the next five years, while the Boston market is projected to increase to 5.4%.

CoStar, submarket data for the North Shore Multi-Family Submarket 4-5 Star building type (4,656 units) indicates a 3rd Qtr. 2022 vacancy rate of 4.0% and an average asking rent of $2,696, while submarket data for the subject’s 3 Star building type (4,912 units) indicates a 3rd Qtr. 2022 vacancy rate of 1.4% at an average asking rent of $2,163 and 1-2 Star buildings (3,518 units) indicates a 3rd Qtr. 2022 vacancy rate of 2.1% at an average asking rent of $1,490. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

Per the representative of Beverly Housing, (BHA), they own manage 470 State subsidized units with 16,118 applicants on the Elderly/Disabled and Family waiting lists. They also manage 39 Federally subsidized units and the estimated wait time for a unit is Two or more years for an elderly unit with 466 applicants on the waiting list and 55 applicants on the Family list with an estimated wait of three or more years for a family unit. The also administer 420 Housing Choice Vouchers and there are 446,161 on the centralized waiting list of which 864 applicants have a local preference.

foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote
According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Beverly has 16,552 year round housing units, 1,954 (11.8%) of which are subsidized for low/moderate income household, the Town of Danvers has 11,671 year round housing units, 1,140 (10.35) of which are subsidized for low/moderate income households., the City of Peabody has 22,135 year round housing units, 2,122 (9.6%) of which are subsidized for low/moderate income households and the City of Salem has 18,998 year round housing units, 2,391 (12.6%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2016-2020 American Community Survey (ACS) indicates 16,568 households in the City of Beverly approximately 73.4% earned less than the HUD published 2022 AMI, approximately 41.9% earned less than 50% of 2022 AMI, approximately 48.4% earned less than 60% of the 2022 AMI, and approximately 60.8% earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.
5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>0BR</th>
<th>1BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Units</td>
<td>17</td>
<td>74</td>
</tr>
<tr>
<td>Net SF/Unit</td>
<td>568</td>
<td>665</td>
</tr>
<tr>
<td>Elev./Non-Elev.</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>

Market Rate Rent
(10% Rate 20 Year Term)

- $4,541
- $4,596

MHFA Below Market Rent
(Cost-Based Rent)

- $3,105
- $3,159

MHFA Adjusted Rent
30% of 60% of AMI

Underwriting Rents

<table>
<thead>
<tr>
<th></th>
<th>0BR</th>
<th>1BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>PB-MRVP 30%</td>
<td>$1,725</td>
<td>$2,100</td>
</tr>
<tr>
<td>PB-Section 8 30%</td>
<td>-</td>
<td>$2,019</td>
</tr>
<tr>
<td>30% AMI</td>
<td>-</td>
<td>$651</td>
</tr>
<tr>
<td>60% AMI</td>
<td>$1,366</td>
<td>$1,450</td>
</tr>
<tr>
<td>Market Unrestricted</td>
<td>$1,623</td>
<td>-</td>
</tr>
</tbody>
</table>

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

Grace Apartments, East Boston
Jeff Geller presented a proposal for an increase of $1,000,000 to the Permanent Loan Authorization from $4,000,000 to $5,000,000 for Grace Apartments in East Boston.

Grace Apartments is a 42-unit elderly-restricted development in East Boston (the “Development”). Agency Members originally approved a taxable forward commitment of $3,660,000 on July 14, 2020 for the construction of the Development. In September 2020, a Staff Delegated loan increase of $440,000 was approved (increasing the total loan amount up to $4,000,000) to cover projected increases to development costs. The construction closing occurred in October 2020.

Construction of the development started in October 2020 and is approximately 80% complete. The Development has experienced construction delays and cost increases. The Sponsor expects that the delays will lead to a reduction in tax credit equity of approximately $230,000 due to timing adjusters, and that increases to construction and general development costs will total $650,000 by construction completion.

Construction is approximately 80% complete and scheduled for completion by the end of December. The Sponsor anticipates achieving stabilized occupancy in April 2023 and permanent conversion in August 2023.

Three factors allow the Development to support the higher loan amount: DHCD’s policy to allow the payment standard for units with MRVP vouchers to increase from 60% of AMI rent levels to HUD Fair Market Rents (FMR); the payment standard for the Project Based Section 8 units has increased since construction closing; and the maximum LIHTC rents for the 60% AMI units have increased since construction closing.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

**VOTED:** To approve the findings and determinations set forth below and to authorize an increase to the permanent first mortgage loan previously authorized by the Members on July 14, 2020 (the “Original Board Vote”), as increased pursuant to a delegated approval process, such that the principal amount of the first mortgage loan shall be up to $5,000,000, such first loan to be insured under the HUD HFA Risk Sharing Program, to be made to Grace Apartments LLC or another single-purpose, sole-asset entity controlled by EBCDC Inc. (the “Borrower”) as owner of the multifamily residential development known as “Grace Apartments” and located in Boston, Massachusetts (the “Development”), and in accordance with the applicable general closing standards and delegations of authority previously approved, and the conditions of the Original Board Vote and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.
Statutory Findings:

The Loan will be financed under the provisions of Section 5 of MassHousing’s enabling act, Chapter 708 of the Acts of 1966, as amended (the “Act”). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
   Forty-two units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
   The market needs data reflects the information available to A&M staff as of the date of collection September 20, 2022, and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

   In-house data for larger market and mixed-income complexes (approximately 1,560 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96%, and range between 94% and 98%. One of the comparables reviewed was offering a rental concession of two weeks free rent.

   3rd Qtr. 2022 CoStar data for the subject’s East Boston/Chelsea Submarket (5,679 units) has an overall vacancy rate at 8.6 % YTD, which is an increase of 5.7% from one year ago. CoStar data for the Boston market (254,001 units) has an overall vacancy rate of 4.2% YTD, which is a decrease of .53% from one year ago. The East Boston/Chelsea Submarket vacancy rate is projected to decrease to 6.5% over the next five years, while the Boston market is projected to increase to 5.3%.

   CoStar, submarket data for the 4-5 Star building type (3,523 units) indicates a 3rd Qtr. 2022 vacancy rate of 12.0 % and an average asking rent of $3,932, while submarket data for the subject’s 3 Star building type (858 units) indicates a 3rd Qtr. 2022 vacancy rate of 4.4 % at an average asking rent of $2,233 and 1-2 Star buildings (1,298 units) indicates a 3rd Qtr. 2022 vacancy rate of 2.2% at an average asking rent of $1,579. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

   According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Boston 269,482 year-round housing units, 55,509 (20.6%) of which are subsidized for low/moderate income households.

   As of January 2022, The Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate Rehab. In addition, the City of Boston’s Annual Plan (FY2020) indicated that the BHA maintains the following wait lists: There are 15,140 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more
than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at this time. The BHA also maintains a Public Housing Wait list with 41,038 applicants.

U.S. Census data from the 2016-2020 American Community Survey (ACS) indicates that of the 273,188 households in the City of Boston approximately 75.8% earned less than the HUD published 2022 AMI, approximately 46.9% earned less than 50% of 2022 AMI, approximately 53.0 % earned less than 60% of the 2021 AMI, and approximately 64.3 % earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing
MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households
The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units
As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Units</td>
<td>36</td>
<td>6</td>
</tr>
<tr>
<td>Net SF/Unit</td>
<td>514</td>
<td>714</td>
</tr>
<tr>
<td>Elev./Non-Elev.</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td><strong>Market Rate Rent</strong></td>
<td><strong>$2,453</strong></td>
<td><strong>$3,036</strong></td>
</tr>
<tr>
<td>(10% Rate 20 Year Term)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MHFA Below Market Rent</strong></td>
<td><strong>$1,752</strong></td>
<td><strong>$2,335</strong></td>
</tr>
</tbody>
</table>
(Cost-Based Rent)

<table>
<thead>
<tr>
<th>MHFA Adjusted Rent</th>
<th>30% of Income</th>
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</thead>
<tbody>
<tr>
<td>Underwriting Rents</td>
<td></td>
</tr>
<tr>
<td>PB Section 8</td>
<td>$1,847</td>
</tr>
<tr>
<td>MRVP</td>
<td>$2,180</td>
</tr>
<tr>
<td>60% AMI</td>
<td>$1,424</td>
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</tbody>
</table>

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

Michael E. Haynes House, Roxbury

Bill Dunn presented a proposal for Approval for Increases to the Tax-Exempt Short-Term and Long-Term Conduit Loans and Approval for the use of Low-Income Housing Tax Credits for Michael E. Haynes House in Roxbury.

In November 2019, Agency Members approved short-term ($11,193,359) and long-term ($6,225,150) conduit loan proposals as well as a Workforce Housing loan ($1,600,000) for the construction of Michael E. Haynes Arms (the “Development”), a 55 unit mixed-income development located in the Roxbury section of Boston. Construction of the Development began in January 2020, and it is now approximately 80% complete.

While construction has progressed, the Developer has experienced delays and cost increases, most notably lumber costs. As a result, the total development cost has increased by approximately $4,500,000. While the construction lender has previously agreed to increase the construction loan to cover cost overruns, the Development is in need of additional tax-exempt debt. The additional issuance of tax-exempt debt will allow the Development to satisfy the 50% test as well as benefit by leveraging more tax credit equity since a change in legislation to allow for a 4% fixed LIHTC rate occurred after the initial closing.

While the Development has experienced delays and cost overruns, work has progressed with construction approximately 80% complete. The Sponsor projects construction completion by the end of the year.

The Sponsor is funding cost overruns through an increase to the taxable construction loan. The tax-exempt and Workforce Housing loans will take-out the taxable construction loan after satisfactory evidence of completion.
Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Michael E. Haynes Arms” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of tax-exempt debt by the Agency not be in excess of $2,638,470 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. Cruz Development, Inc. (“Developer”) has acceptable multifamily housing development experience and acceptable credit history.

2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.

3. The proposed site of the Development is acceptable for the intended housing.

4. There is a need for the proposed housing in the community.

VOTED: To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of $2,322,000 in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Executive Director, General Counsel, Financial Director, Comptroller, or Manager of Finance and Bond Compliance, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an “Authorized Officer”), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate
the purposes of a conduit financing, with the proceeds of such issuance to be lent to Michael E. Haynes Arms, LLC or another single-purpose entity controlled by Cruz Development Corporation (the “Borrower”) as owner of the multifamily residential development known as “Michael E. Haynes Arms” (the “Development”) and located in Boston, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED:

That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED:

To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.
STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing’s enabling act, Chapter 708 of the Acts of 1966, as amended (the “Act”). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
   11 units (20%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
   The market needs data reflects the information available to A&M staff as of the date of collection September 26, 2022 and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

   In-house data for larger market and mixed-income complexes (approximately 360 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.8%, and range between 98% and 100%. None of the comparables were offering concessions.

   3rd Qtr. 2022 CoStar data for the subject’s Roxbury/Dorchester Submarket (7,298 units) has an overall vacancy rate at 2.6% YTD, which is a decrease of 2.68% from one year ago. CoStar data for the Boston market (254,792 units) has an overall vacancy rate of 4.4% YTD, which is a decrease of .26% from one year ago. The Roxbury/Dorchester Submarket vacancy rate is projected to increase to 4.8% over the next five years, while the Boston market is projected to increase to 5.4%.

   CoStar, submarket data for the 4-5 Star building type (1,913) indicates a 3rd Qtr. 2022 vacancy rate of 4.2% and an average asking rent of $2,992, while submarket data for the subject’s 3 Star building type (2,889 units) indicates a 3rd Qtr. 2022 vacancy rate of 1.2% at an average asking rent of $2,549- and 1-2-Star buildings (2,496 units) indicates a 3rd Qtr. 2022 vacancy rate of 1.3% at an average asking rent of $1,618. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

   According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Boston 269,482 year-round housing units, 55,509 (20.6%) of which are subsidized for low/moderate income households.

   As of January 2022, The Boston Housing Authority (BHA) owns and operates 27 family
and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate Rehab. In addition, the City of Boston’s Annual Plan (FY2020) indicated that the BHA maintains the following wait lists: There are 15,140 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. The BHA also maintains a Public Housing Wait list with 41,038 applicants.

U.S. Census data from the 2016-2020 American Community Survey (ACS) indicates that of the 273,188 households in the City of Boston approximately 75.8% earned less than the HUD published 2022 AMI, approximately 46.9% earned less than 50% of 2022 AMI, approximately 53.0% earned less than 60% of the 2021 AMI, and approximately 64.3% earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it will provide housing opportunities for a variety of household incomes. Also, it is located adjacent to market-rate developments and are in areas that include a mix of residential and retail uses.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:
Rent Schedule:

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Units</td>
<td>3</td>
<td>11</td>
<td>36</td>
<td>5</td>
</tr>
<tr>
<td>Net SF/Unit</td>
<td>657</td>
<td>714</td>
<td>956</td>
<td>1,419</td>
</tr>
<tr>
<td>Elev. (E) / Non-Elev. (N)</td>
<td>E</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
</tbody>
</table>

**Market Rate Rent**
- (10% Rate 20-year term) $2,989 $3,438 $3,795 $4,029

**MHFA Below Market Rent**
- (Cost-based Rent) $1,710 $2,160 $2,517 $2,750

**MHFA Rent Adjusted** 30% of adjusted gross income

**Underwriting Rents**
- Tax Credit at 30% $546 $567 $673
- Tax Credit at 50% $940
- Tax Credit at 60% $1,200 $1,433 $1,648
- Workforce at 80% $1,544 $1,841
- Workforce at 120% $1,900 $2,400 $2,700
- Utility Allowance $45 $66 $87 $108

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

Chair Pinado asked if there was any other old or new business for the Members’ consideration. There being no other old or new business, Chair Pinado adjourned the meeting at 3:03 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Meeting Materials:
- Minutes of the Regular Meeting of the Members of MassHousing held on September 13, 2022
- Fiscal Year 2022 Financial Year End Results
• Memorandum: CSG advisors, RE: Multi-Family Authorization for Leveraging Variable Rate Debt for Submission to State Finance and Governance Board, September 7, 2022
• Memorandum: CFX Incorporated, RE: Single Family Program, Review of Variable Rate Debt and Interest Rate Swap Opportunities for Submission to State Finance and Governance Board, October 3, 2022
• Loan Committee Memoranda
  o Beverly Village for Living & the Arts, Beverly
  o Grace Apartments, Boston
  o Michael E. Haynes House, Boston (Roxbury)