

# **RIPPOWAM CORPORATION REGULAR BOARD MEETING**

**June 22, 2022**

**6:45 PM**

**Agenda**

TO: Richard Ostuw  
Ronice Latta  
Bianca Shinn-Desras

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- a. Call to Order
- b. Approval of the Board Meeting Minutes for May 25, 2022
- c. Resolution:
  - 22-07: Authorization Selection of Newcastle Housing Ventures as Financial Consultant Following Public Procurement Process
  - 22-08: Approval of FY 2023 Operating Budget for Rippowam Corporation
- d. Development Update
- e. Other Business
- f. Adjourn

**RIPPOWAM CORPORATION**  
**Meeting Minutes of the Board of Directors**  
**May 25, 2022**

The Meeting of the Board of Directors of the Rippowam Corporation (the "Corporation") was held at 40 Clinton Avenue, Stamford, Connecticut and a remote connection meeting platform, Zoom, on Wednesday, May 25, 2022.

Commissioner Ostuw called the meeting to order at 7:13 p.m.

**Attendees**

Board Members:	Rich Ostuw	Absent:
	Ronice Latta	
	Bianca Shinn-Desras	

COC Board Members:	Susan Rutz
	Lester McKoy
	Laura Burwick
	Ronice Latta
	Sheila Williams-Brown

Staff:	Vin Tufo
	Natalie Coard
	Jon Gottlieb
	Lisa Reynolds
	Sam Feda
	Jackie Figueroa
	Ken Montanez
	Jamie Perna
	Michele Tarulli
	Megan Shutes
	Chris Warren
	Christine Young

1. **Approval of Minutes of Previous Meetings –**  
Meeting Minutes for April 27, 2022, were approved unanimously on a motion by Director Shinn-Desras, seconded by Director Latta.
2. **Update on Planning for Oak Park Redevelopment**  
The planning update for Oak Park Redevelopment was presented by Mr. Gottlieb and Ms. Tarulli.
3. **Development Update –**  
The May Development report was presented by Mr. Gottlieb, Ms. Tarulli, Ms. Shutes and Mr. Warren.
4. **Adjournment -**  
At 7:35 p.m., after a motion duly made by Director Ostuw and seconded by Director Latta, the Board meeting was adjourned.

Respectfully submitted by:  
Jonathan Gottlieb, President

The undersigned, being all of the Directors of Rippowam Corporation, do hereby affirm and consent to each and every resolution duly adopted, and action duly taken by the Directors of the Corporation at this Meeting.

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Ronice Latta

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Rich Ostuw

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Bianca Shinn-Desras

THE ABOVE BEING ALL OF THE DIRECTORS  
OF RIPPOWAM CORPORATION

**RIPPOWAM CORPORATION**  
**40 Clinton Avenue, Suite 101**  
**Stamford, Connecticut 06901**

**Board Meeting Date:** June 22, 2022

**Resolution Number:** 22 - 07

**RESOLUTION**

**Subject:** Authorization Selection of Newcastle Housing Ventures as Financial Consultant Following Public Procurement Process

**Background:** Rippowam Corporation utilizes a financial consultant to assist in the preparations of applications for Low-Income Housing Tax Credits, State tax credits, and State capital funding. The consultant may also assist in the preparation of other funding applications and in complying with the requirements of the various State funding sources.

Only one response was received to an RFP for financial consulting services published in accordance with all procurement rules and guidelines. The respondent was the incumbent, Newcastle Housing Ventures, a firm that has held the position for over ten years. A copy of portions of the proposal submitted by Newcastle Housing Ventures is attached, as is the proposed contract for services.

**Resolution:** Be it resolved by the Board of Directors of Rippowam Corporation that Newcastle Housing Ventures be awarded a contract to serve as Financial Consultant for a term of five years with a maximum price of \$200,000 and that the President and Vice President of Rippowam Corporation be authorized to execute and implement the agreement.

**Jonathan Gottlieb**  
**Staff Member Submitting Report**



May 23, 2022

Jonathan Gottlieb  
President  
Rippowam Corporation  
40 Clinton Avenue, Suite 101  
Stamford, CT 06901

RE: Rippowam Corporation  
Request for Proposals for Real Estate Development Financial Consulting Services

Dear Mr. Gottlieb:

Newcastle Housing Ventures, LLC is pleased to submit a proposal to Rippowam Corporation in connection with its Request For Proposals For Real Estate Development Financial Consulting Services. The balance of the proposal follows this cover letter in the form of proposal as requested by Rippowam Corporation.

Newcastle Housing Ventures (Newcastle) is a development and financing consulting firm, which specializes in securing financing for affordable and mixed-income housing. As Newcastle's sole principal, I have over 37 years of experience in affordable housing finance and a substantial knowledge base of the affordable housing industry in Connecticut. Newcastle will also sub-contract some of the scope of services under the supervision of Newcastle's principal.

Newcastle has considerable and successful experience in working with housing authorities, including the Stamford Housing Authority/Charter Oak Communities, in the development of affordable housing. Newcastle has broad and in depth knowledge of finance programs critical to successful development, including the Low-Income Housing Tax Credit Program, mortgage and grant programs through the Connecticut Housing Finance Authority (CHFA) and the State Department of Housing (DOH) and grant programs through the Federal Home Loan Bank of Boston and philanthropic organizations.

The Scope of Services and number of potential projects identified by Rippowam Corporation are extensive. Newcastle is available to take on these responsibilities and can focus on this work immediately.

Newcastle is pleased to submit this proposal and, if selected, would be committed to diligently execute its contract to make Rippowam's development and revitalization efforts a success.

Please call should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lou Trajcevski".

Lou Trajcevski  
Principal

Attachments

## **2. Service Approach**

- a. Provide an overview of the approach your firm intends to take in completing the Scope of Services. Respondents are encouraged to be as specific in their submissions as possible to demonstrate an understanding of the objectives of Rippowam.**

A key element in the approach Newcastle Housing Ventures (Newcastle) will take in completing the scope of services is the close collaboration with Rippowam Corporation (Rippowam) and the rest of the development team. Communication with, and accountability to, Rippowam will be critical. Newcastle will be diligent about obtaining information and news that would have an impact on Rippowam and will communicate that information on a constant basis to allow Rippowam to make the most informed decisions possible. This is the approach Newcastle has taken with all previous Charter Oak Communities (COC)/The Housing Authority of the City of Stamford (HACS)/Rippowam relationships, including Lawnhill Terrace (all phases), Quintard Manor, Park 215 and others.

The approach Newcastle intends to take is to be aware of as much information as possible that may affect the objectives of Rippowam. This entails assembling knowledge on a current basis relative to CHFA Board activities and policies; DOH policies; federal housing matters; available sources of all types of financings; the tax credit equity market; financing application schedules from all funding sources; all funding applications, including the CHFA/DOH Consolidated Application (and understanding all of the details of successfully completing the Consolidated Application); staff assignments, hierarchy and strengths of funding sources. The affordable financing climate over the next several years will be an uncertain one and Newcastle's charge is to help position Rippowam to succeed in all development and funding activities, as it has to date with the Fairfield Court, Vidal Court and Lawnhill Terrace revitalizations, as well as Clinton Manor and Quintard Manor. In light of continued uncertainty of state and federal housing programs, knowledge and persistence will be essential.

The challenge for the development financing consultant and Rippowam is that, for the most part, all of the tasks identified in the Scope of Services will need to be performed simultaneously. This may be due to multiple phasing of a revitalization effort or that we will work multiple projects simultaneously. For example, as the team may be working diligently in closing the financing on the phase 1 project, it will need to work equally diligently in preparing necessary financing applications (having already secured site control) for the phase 2 project and will need to plan for phase 3. Rippowam may also seek financing for multiple projects at the same time. The consultant must be able to advise and implement a strategy results in successful financing for all projects. We will need to navigate the funding options so as not to compete against ourselves when working on multiple projects. There are numerous tasks, many of which were identified in the Scope of Services, to be

performed for which constant communication with the development team and follow-up are critical.

It is incumbent on the consultant to study and fully understand Rippowam's goals and revitalization plans for each project as these form not only the basis of Rippowam's vision for a better community, but also the basis of its relationship with residents, neighborhood organizations and the City of Stamford officials, all of whose meaningful participation and support are critical to successful revitalization. It is also important to understand that each revitalization plan is fluid. This highlights the need for constant communication with all interested and affected parties.

Newcastle's experience and the focus of its work under this RFP is the coordination of development and financing activities. Given the number of phases and projects and the interconnectedness of the phases and projects, the development tasks are numerous and complex and require strict attention. In terms of specific issues that will need to be addressed and navigated, I offer the following sample:

1. How will the next (and future) Qualified Allocation Plan (QAP) be revised? How can Rippowam and COC provide meaningful input to ensure its development efforts are sufficiently recognized as important and so reflected in the Points Calculation Worksheet?
2. How can Newcastle contribute to the drafting of the Consolidated Application so as to help make it more efficient, thereby reducing the cost of application preparation to Rippowam?
3. A focus will be to understand all aspects of the Consolidated Application to know the scoring system and inform Rippowam of the pros and cons of certain decisions from a scoring standpoint.
4. Understand the hierarchy at CHFA and DOH and maintain good and professional working relationships with all staff, particularly in light of significant senior executive staff changes in recent years.
5. Monitor activities of the Housing Tax Credit Contribution (HTCC) Program to position Rippowam project applications for success.
6. Maintain knowledge of the tax-exempt bond issuance process and advance Rippowam's interests with regard to broad OPM underwriting policy considerations.
7. Maintain a finger on the pulse of the LIHTC equity market and provide information, pro and con, regarding syndicators based on actual experience.

These are but a few of the issues with which we must deal daily.

- b. **Outline, in narrative form and with an organization chart, the firm's proposed staffing to implement the Scope of Services.**



Lou Trajceviski, the sole principal and employee of Newcastle, shall perform the bulk of the tasks identified in the Scope of Services and will oversee the work of subcontractors.

In addition, Newcastle will subcontract with Ann Rotatori of FirstMate Virtual Assistance to perform various responsibilities. These include assistance with the drafting/assembling/uploading of financing applications, preparation and submission of CHFA & DOH advance/payment requests (if requested by client), including contractor requisitions, and preparation and submission of required reports (i.e., CHFA LIHTC & HTCC Quarterly Development Reports & DOH Quarterly Development Reports) of funding sources. Newcastle will monitor the work of its sub-contractor to ensure the quality of the work performed by such sub-contractor.

An organizational chart is not supplied at this time, as Lou Trajceviski is the only Newcastle staff that will perform the relevant tasks. Subcontractors report directly to Lou Trajceviski.

**c. Provide such other information as will enable Rippowam to understand Respondent's approach to implement the Scope of Services.**

Newcastle's approach to implement the scope of services will be consistent with Newcastle's previous work for Rippowam. The best information I can provide to help Rippowam understand Newcastle's approach is to point to the successful track record Newcastle and COC/Rippowam have with respect to previous contracts and projects. The Fairfield Court and Vidal Court revitalization efforts, along with the multiphase redevelopment of Lawnhill Terrace, have all been successfully financed. All LIHTC applications submitted to CHFA were approved. All financing was secured. All timing deadlines were secured. All of this was accomplished by the COC/Rippowam Team. The successful track record illustrates that Newcastle will always work as a member of its client's team.

Previous contracts and projects have been successful in part due the efficient division of labor between client and consultant to reduce costs to COC/Rippowam. It is a credit to the capacity of Rippowam and an understanding of the consultant's specific tasks. It is also a benefit that Newcastle has worked on numerous Rippowam financing applications that much application information and documentation can be repeated or easily and efficiently modified rather than creating new information.

**d. Provide a statement of your firm's affirmative action policy. Prior to being awarded a contract for Real Estate Development Financial Consulting Services the Consultant shall provide Rippowam with an acceptable**

**Affirmative Action/Equal Opportunity Plan that documents all necessary and required steps to assure equal opportunity under the law and applicable regulations.**

It is the policy and strong commitment of Newcastle Housing Ventures, LLC (Newcastle) to promote and affirmatively market fair housing choice and not to discriminate against any person as prohibited in General Statutes 46a-64c as amended. Newcastle will take affirmative action to ensure that all persons with which it interacts are treated fairly and without consideration of race, creed, color, national origin, ancestry, sex, marital status, age, lawful source of income, familial status, physical or mental disability or sexual orientation.

Newcastle will continue to make good faith efforts to comply with all federal, state and local laws and policies, which speak to Fair Housing practices. The Affirmative Action Policy Statement of Newcastle is attached.

**3. Statement of Experience and Capabilities**

**a. The financial consultant for Rippowam revitalization efforts must be capable of providing substantial assistance in successfully implementing the services described in the Scope of Services. In as specific a manner as possible, describe the experience and capabilities of your firm to provide financial consulting services of the type required, including, but not limited to, the following:**

**i. Provide a statement of your firm's experience assisting developers of affordable housing, mixed-income housing, market rate housing, and mixed-use developments utilizing multiple public and private funding sources in projects funded with low-income housing tax credit equity, HUD public housing funds, HOME funds, other funds administered by CHFA and DECD, tax-exempt bond sale proceeds, FHA-insured mortgage proceeds, and other sources. Discuss specific examples of the role of your firm relating to the funding sources noted;**

Attached please find a summary of Newcastle, which describes its experience and expertise. The summary also provides a list of projects in which Newcastle or its Principal/Managing Member in previous employment served as consultant. Please note that the list of projects includes multiple financing sources, including LITHC, DECD/DOH HOME, FLEX & Housing Trust Fund, State Urban Act funds, CHFA HTCC funds, CHFA Community Investment Act funds, municipal HOME funds, CHFA mortgage financing (ITA and taxable & tax exempt bonds), bank mortgage financing (conventional and tax exempt bonds), State & Federal Historic Tax Credits, HUD 221(d)(4) financing, HUD public housing and replacement factor financing, Supportive Housing Demonstration Program, PILOTs and Next Steps funding, 1602 Exchange Program funds, Small Town Economic Assistance Program (STEAP) funds, seller financing, Assisted Living Demonstration Program funds, and single family development funds through DECD, municipality and energy rebate programs.

Newcastle's role in most of the projects listed in the attached summary was to identify, apply to, negotiate terms with and coordinate activities of the project funding sources. This included specific knowledge of each application and the application process of each funding source. It included timely response to questions or issues posed by financing sources. It included positive interaction with financing source staff to achieve closing. It included, in many cases, the coordination of the closing process along with client's legal counsel.

Perhaps the strongest statement of Newcastle's experience is the number of projects on the list undertaken by COC/Rippowam. The number of projects illustrates the positive working relationship Newcastle has developed with Rippowam under previous contracts. If selected under this RFP, Rippowam will

receive the continued commitment of Newcastle to bring your projects to successful closings.

**ii. Provide individual Consultant qualifications for the principal Consultant and other Consultants that will represent Rippowam, emphasizing relevant experience to similar clients in similar situations;**

Attached, following this section, is a personal resume of Lou Trajcevski. Please also see the summary of Newcastle mentioned above for more detail and to highlight the great variety of housing redevelopment types, such as mixed-use, mixed-income, rental and homeownership in which Lou Trajcevski has provided financing and development consulting services. Also attached please find a resume of Ann Rotatori of FirstMate Virtual Assistance, my primary sub-contractor. Ann has worked with Rippowam under previous Newcastle contracts and has a proven track record of successfully completing tasks assigned to her.

Lou Trajcevski, whether at Newcastle, Connecticut Housing Investment Fund (CHIF) or CDC Financial, has been part of numerous major redevelopment teams. With over 37 years of affordable housing finance and development consulting experience, the emphasis in these successful developments has been a team approach to dealing with the numerous and daily issues that arise in the development of affordable or mixed-income housing.

**iii. Provide any other information that you feel is relevant to the requirements of Rippowam Corp.**

The only additional information I have to add is to highlight and emphasize Newcastle's strong commitment to Rippowam as evidenced by the body of work under previous Rippowam/COC contracts/assignments. That commitment will continue if Newcastle is selected under this RFP. As part of capable teams, we were able to secure LIHTC, DECD/DOH and other financing for Rippowam's/COC's projects, even during financially turbulent times. It is that desire for success for my client and a willingness to work that I would bring to this assignment.



## **Newcastle Housing Ventures, LLC**

998 Farmington Avenue, Suite 209A  
West Hartford, CT 06107

### **Summary of Organization**

Formed in 2000 as a housing development and finance consulting firm, Newcastle Housing Ventures, LLC (Newcastle) has established itself as one of the premier affordable housing finance consultants in Connecticut. Newcastle's expertise ranges from developing creative financing structures to the actual procurement and closing of financing from both private and public sources on behalf of its clients in the development of housing. The firm's clients include housing authorities, private developers and community-based non-profit organizations. The common mission among Newcastle's clients is the production of decent, safe, attractive, long-lasting and affordable housing. Lou Trajcevski is the sole principal of Newcastle and has over 37 years of experience in multifamily housing consulting and development. Since 2001, Newcastle has helped to obtain financing for over 3,300 units of housing in Connecticut, Massachusetts and Rhode Island, with total costs in excess of \$814 million and, overall in 37+ years, Lou Trajcevski has assisted in securing financing for over 5,000 housing units, with total costs in excess of \$1 billion.

### **Experience and Expertise**

Newcastle has experience and expertise in all aspects of affordable/mixed-income housing finance. For past clients, Newcastle has provided the following services and capabilities:

- \* Preliminary project feasibility analysis
- \* Analysis of large scale revitalization, i.e., HOPE VI, Choice Neighborhoods
- \* Preparation of project spreadsheets including source & use statements and operating pro forma
- \* Evaluation of acquisition terms and assistance with acquisition negotiations
- \* Extensive knowledge of governmental housing finance programs (federal, CHFA, DOH and local), particularly application processes.
- \* Knowledge of bank financing programs, both construction and permanent
- \* Knowledge of other financing programs, including through the Federal Home Loan Bank and philanthropic/charitable organizations
- \* Knowledge of tax-exempt and taxable bond financing
- \* Comprehensive knowledge of the Low-Income Housing Tax Credit Program
- \* Expertise in multifamily underwriting
- \* Knowledge of the development process, including zoning & wetlands requirements, coordination of development team, financing schedules and tasks to be completed.

- \* Securing financing for various housing types including elderly rental, family rental, supportive housing, mixed-income, mixed-use, assisted living and multi-phase public housing revitalization
- \* Familiarity with State 8-64a requirements and process
- \* Familiarity with State resident participation plan requirements

### **Housing Authority Experience**

Newcastle (and Lou Trajcewski in his previous position at CHIF) has an extensive record of collaboration with housing authorities. Clients include urban, suburban and rural housing authorities. The type of developments includes suburban assisted living, suburban/rural large scale mixed-income, Urban HOPE VI with off-site development requirements and urban/suburban revitalization of State Moderate Rental developments. Current and past housing authority clients include, Stamford Housing Authority (d/b/a Charter Oak Communities) and its affiliate, Rippowam Corporation, West Hartford Housing Authority and its affiliate, Trout Brook Realty Advisors, Enfield Housing Authority, Norwich Housing Authority, Manchester Housing Authority, Greenwich Housing Authority, Glastonbury Housing Authority, New Canaan Housing Authority, the Darien Housing Authority team, Norwalk Housing Authority, East Windsor Housing Authority and West Haven Housing Authority. Newcastle was also a subcontractor to the development partner of the Bridgeport Housing Authority in the development of The Franklin & The Eleanor (the former Park City Hospital site in Bridgeport).

### **CHFA & DOH Experience**

Since its formation in 2000, Newcastle (and Lou Trajcewski in his previous employment positions) has worked closely with clients to access multi-family financing through CHFA & DOH (previously DECD). Through CHFA, Newcastle has helped to secure tax-exempt bond mortgage financing, Investment Trust Account (ITA) mortgage financing, Community Investment Act (CIA) funds, Housing Tax Credit Contribution (HTCC) funds and 4% & 9% Low-Income Housing Tax Credits (LIHTC). **Since 2001, Newcastle has helped to prepare approximately 22 winning 9% LIHTC applications and approximately 16 winning 4% LIHTC applications.** Note that Newcastle has also worked on developments whereby the local housing authority, rather than CHFA, is the issuer of the tax-exempt bonds. Over time, Newcastle has developed comprehensive knowledge of the underwriting and LIHTC/QAP (Qualified Allocation Plan) requirements of various CHFA programs. Lou Trajcewski also served on the CHFA Advisory Committee for Underwriting and Asset Management. Newcastle has a positive working relationship with CHFA staff.

Newcastle's knowledge of DOH programs and requirements is equally comprehensive. Newcastle has helped clients access DOH HOME, FLEX, State Housing Trust Fund & Federal National Housing Trust Fund dollars. **Since 2001, Newcastle has helped to prepare approximately 38 winning DOH applications.** Newcastle also has a positive working relationship with DOH staff.

Newcastle has comprehensive knowledge of the CHFA-DOH Consolidated Application process. Newcastle was among the participants to comment on the Consolidated Application when it was introduced and as part of CHFA/DOH efforts to streamline the Application and process over the years. Newcastle will continue to provide input as CHFA & DOH continue to refine the electronic application process.

Newcastle's services are tailored to meet the needs of its client. It can provide a broad range of services from specific tasks such as preparing a Low-Income Housing Tax Credit application to comprehensive services that would include preparation of all financing applications and counsel in navigating the development process. Once the goals are determined, Newcastle will work tirelessly as part of the client's team to bring the development to a successful closing. We never lose sight of the fact that our client is the decision-maker and work diligently to provide comprehensive information to ensure that well-informed decisions are made.

### **Large Scale State/Federal Housing Revitalization Experience**

Newcastle has been part of numerous teams that have undertaken large scale Federal HOPE VI and State Moderate Rental revitalizations. Newcastle's work, in addition to financial analysis and the securing of financing, included DOH 8-64a processing, construction requisition administration, cost certification monitoring and CHFA/DOH reporting.

Newcastle has served as financing consultant to Rippowam Corporation/Charter Oak Communities (COC) (Stamford Housing Authority) in connection with all phases of the Vidal Court Moderate Rental and Lawnhill Terrace Moderate Rental Revitalization efforts. To date, all phases of these revitalization efforts are complete except for Lawnhill Terrace 4, which is currently in the construction/rehab phase. Newcastle helped to secure LIHTC's from CHFA for all phases of these large scale, long-term redevelopment efforts.

Newcastle also served as financing consultant to COC in connection with the Fairfield Court HOPE VI (the predecessor to Choice Neighborhoods) Revitalization. The effort consisted of two off-site developments (Taylor Street – rental and condominium ownership – and Post House) and the Fairfield Court on-site redevelopment, which consisted of demolition and the new construction of a mixed-income community.

Newcastle served as financing consultant to the Bristol Housing Authority in the redevelopment of Zbikowski Park, a 45 building, 90-unit State Moderate Rental development that was substantially rehabilitated utilizing 4% LIHTC/Tax-Exempt Bonds from CHFA and DOH funding.

Newcastle also served as financing consultant to the Darien Housing Authority/Arthur Anderson team in the redevelopment of Allen-O'Neill Homes, a 53 unit development originally funded by the State Moderate Rental Program. The new development, now named The Heights at Darien, produced 106 units of affordable and moderate-income housing.

Newcastle served as financing consultant to the New Canaan Housing Authority (NCHA) in the redevelopment of the Mill Apartments, a 16 unit development funded under the State Moderate Rental Program. The effort entailed the demolition of the existing obsolete structures and the new construction of 40 affordable rental housing units. Newcastle's role was more comprehensive as the NCHA had no paid staff and worked through a volunteer Board of Commissioners.

While at CHIF, Lou Trajcewski was part of the financial advisor team to the Stamford Housing Authority (SHA) in connection with the Southfield Village HOPE VI Revitalization (now Southwood Square). SHA selected a developer to undertake the redevelopment while it served as HOPE VI lender and ground lessor.

Newcastle has also worked with the Glastonbury Housing Authority in the redevelopment of Center Village, the construction of Herbert T. Clark Assisted Living and the rehabilitation of Village Green. The three projects differed in type, scope and financing and illustrate Newcastle's range in assisting its client.

Newcastle has also worked with the Norwich Housing Authority to rehabilitate two properties utilizing State Sponsored Housing Portfolio (SSHP) funds from DOH.



## **EXHIBIT A**

### **AGREEMENT FOR REAL ESTATE AND OTHER LEGAL SERVICES RELATED TO DEVELOPMENT**

#### **Article 1. Agreement**

This Agreement is made this \_\_\_\_ day of \_\_\_\_\_ 2022 by and between Rippowam Corporation at 40 Clinton Avenue, Suite 101, Stamford Connecticut ("Rippowam") and Newcastle Housing Ventures, LLC ("Consultant") at 998 Farmington Avenue, Suite 209A, West Hartford, CT 06107 (address).

#### **Article 2. Scope of Services**

The Consultant shall provide a broad range of real estate development financial consulting services and advise Rippowam in connection with various revitalization and development activities and programs. The Consultant will assist Rippowam in identifying funding sources, preparing funding applications, and in developing and maintaining relationships with funders and investors. Other related assignments may be developed over the course of the contract period. The Consultant will be provided with multiple task orders to carry out the entire Scope of Services, each pertaining to a specific property or set of properties.

The Consultant shall be responsible for providing the following services, plus additional, related services as may be requested by Rippowam during the term of this Agreement:

##### **Financial Feasibility/Program Management**

- Identify potential financial resources including equity, construction and permanent mortgage loans, and other sources
- Assist in preparation of preliminary operating pro-forma and other short and long-term projections and assumptions

##### **Securing of Financing**

- Identify and assist in securing predevelopment, acquisition and development funds
- Prepare funding and financing applications as requested
- Assist in development of assumptions for subsidy layering and required reserves

##### **Negotiate Financial Arrangements**

- Advise regarding relevant financial matters and deal structuring
- Assist in underwriting and issuance of bonds and assist in development of loan agreements
- Assist in syndication of tax credits and development of limited partnership agreements

##### **Preparation for Closing**

- Prepare and submit funding proposals to prospective funders and lenders
- Submit supporting documentation and evidentiaries
- Assist in review and negotiation of loans agreements, mortgage documents, grant agreements, and tax credit equity agreements
- Assist in closing of all transactions

##### **Ongoing Financial Monitoring**

- Assist in submission of periodic reports, both financial and narrative
- Assist in resolution of issues that may arise with funders and lenders and regulators

### Article 3. Term of Agreement

Unless earlier terminated in accordance with other provisions of this Agreement, the term of this Agreement shall be for a period of five years. Nothing herein shall limit either party's right to terminate this Agreement for cause in accordance with paragraph 4 of the General Conditions to this Contract (U.S. Department of Housing and Urban Development, General Contract Conditions, Non-Construction).

### Article 4. Contract Amount

Hourly rates for financial consulting services to Rippowam described herein as the Scope of Services: (Insert position title and rate. Note any escalation during term of agreement)

POSITION	HOURLY RATE
Lou Trajcevski	\$215/hour years 1 & 2
Newcastle	\$235/hour years 3 & 4
Managing Member	\$260/hour year 5
Ann Rotatori	\$135/hour years 1 & 2
FirstMate Virtual Assistance	\$150/hour years 3 & 4
Sub-contractor	\$165/hour year 5

The Respondent is advised that it is in Rippowam's interest to limit financial consulting expenses associated with various revitalization and development efforts. Rippowam and the Respondent agree that at any time during the term of the Agreement they may negotiate a not-to-exceed cap on expenses related to the Agreement and that such negotiations shall be performed in good faith and in consideration of Rippowam's intent to control its financial consulting expenses.

### Article 5. Contract Documents

The contract documents shall consist of this Form of Agreement, the attached HUD General Contract Conditions (Non Construction), the attached General Conditions: Connecticut Statutory Requirements and the attached Supplement to General Conditions: Federal Requirements.

This Form of Agreement, together with the other documents enumerated in this Article 5, which said other documents are as fully a part of the Agreement as though herein repeated, form the Agreement. In the event that any provision in any component of this Agreement shall vary with respect to any provision of any other component part, the provision of the component part first enumerated in this Article 5 shall govern, except as otherwise specifically stated, as follows:

- a. Form of Agreement
- b. HUD General Contract Conditions (Non Construction)
- c. General Conditions: Connecticut Statutory Requirements
- d. Supplement to General Conditions: Federal Requirements

### Article 6. Compliance With Applicable Laws

Consultant agrees to comply with all obligations imposed on it by applicable federal, state and local laws, including but not limited to those set forth in 24 C.F.R. Part 84 and 24 C.F.R. Part 85.

### Article 7. Notices

All notices given under this Agreement shall be in writing and shall be personally delivered or sent prepaid by registered or certified mail, return receipt requested, at its address set forth above, or such other address as such party may designate from time to time by notice given in accordance with this provision. All such notices shall be deemed given on the date of personal delivery or two days after mailing, as the case may be.

#### Article 8. Invalidity of Particular Provisions

If any term, covenant, condition or provision of this Agreement, or if the application thereof to any circumstance or to any person, shall be invalid or unenforceable to any extent, the remaining terms, covenants, conditions and provisions of this Agreement, and the application thereof to any circumstance or to any person other than those as to which any of the same shall be held invalid or unenforceable, shall not be affected thereby and each remaining term, covenant, condition and provision of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

#### Article 9. Captions

The captions and headings of the paragraphs of this Agreement are for convenience only and shall not be deemed in any way to define or limit the terms and provisions of the paragraphs to which they refer or relate.

#### Article 10. Acts of Insolvency

Either party may terminate this Agreement by written notice to the other and may regard the other party as in default of this Agreement, if the other party becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, or becomes subject to any proceedings under any bankruptcy or insolvency law, whether domestic or foreign, or has wound up or liquidated, voluntarily or otherwise.

#### Article 11. Applicable Law; Legal Proceedings

This Agreement shall be governed by the laws of the State of Connecticut. The parties further agree that any legal proceedings arising out of or relating to this Contract shall be conducted in the State of Connecticut.

#### Article 12. Cumulation of Remedies

All remedies available to either party for breach of this Agreement are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

#### Article 13. Waiver

No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented.

#### Article 14. Severability

In the event any provision of this Agreement or any part thereof is declared invalid or unenforceable by a final judgment or decree of a court of competent jurisdiction from whose decision no appeal is taken, or a decree of a competent governmental agency, all other articles, provisions and parts of this Agreement, and the application of such provision in any other circumstances, shall remain in full force and effect.

#### Article 15. Independent Contractor

It is expressly understood that Consultant and Rippowam are contractors independent of one another, and that neither has the authority to bind the other to any third person or otherwise to act in any way as the representative of the other, unless otherwise expressly agreed to in writing and signed by both parties hereto.

#### Article 16. Insurance

- (a) Before commencing work under this Agreement, Consultant shall furnish Rippowam with certificates of insurance, naming Rippowam Corporation as an additional insured, showing the following insurance is in force and will insure all operations under the Agreement:
- (1) Worker's Compensation, in accordance with Connecticut Worker's Compensation laws
  - (2) Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence to protect the Consultant against claims for bodily injury or death and damage to the property of others.
  - (3) Automobile Liability on owned and non-owned motor vehicles used in connection with delivery of services under the Agreement for a combined single limit for bodily injury and property damage of not less than \$500,000 per occurrence.
  - (4) Professional Liability with a limit of \$1,000,000 per occurrence and \$3,000,000 in aggregate coverage.
- (b) All insurance shall be carried with companies which are financially responsible and licensed to do business in Connecticut. If any such issuance is due to expire during the term of the Agreement, the Consultant shall not permit the coverage to lapse and shall furnish evidence of coverage to Rippowam. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be cancelled or non-renewed by the insurance company until at least 30 days prior written notice has been given to the Authority.

#### Article 17. Entire Contract Interpretation

This Agreement (including all Contract Documents identified in Article 5 herein) constitutes the entire Agreement between the parties in relation to this subject matter. The Agreement may not be amended or modified except by written addendum signed by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in 2 counterparts as to the day and year first written above.

Newcastle Housing Ventures, LLC  
(Firm Name)

By:   
Lou Trajceviski

Title: Managing Member

Date: 5/20/22

RIPPOWAM CORPORATION

By: \_\_\_\_\_

Title: Its \_\_\_\_\_

Date: \_\_\_\_\_

**RIPPOWAM CORPORATION**

40 Clinton Avenue, Suite 101

Stamford, CT 06901

**Board Meeting Date:**        **June 22, 2022**

**Resolution Number:**        **22 - 08**

**RESOLUTION**

**Subject:**                    **Approval of FY 2023 Operating Budget for Rippowam Corporation**

**Background:**            This resolution will authorize the proposed Budget for the Fiscal Year  
End beginning July 1, 2022 – June 30, 2023.

**Resolution:**            **Be it resolved by the Board of Directors of Rippowam Corporation  
that the 2023 Fiscal Year End Operating Budget for Rippowam  
Corporation is approved and that the officers of Rippowam  
Corporation are hereby authorized to implement said budget on  
behalf of the Board.**

Jonathan Gottlieb

Staff Member Submitting Report

# Rippowam Corporation

## Operating Budget - Accrual

For Period Ending June 30, 2023

	FY 2022		
	Budget	Actual	Variance
			\$ %
976,002	1,735,736	759,734	78%
24,000	24,000	-	0%
72,759	71,149	(1,610)	-2%
-	163,632	163,632	0%
60,236	60,236	-	0%
<b>1,132,996</b>	<b>2,054,752</b>	<b>921,756</b>	<b>1</b>

	FY 2023 Budget	Budget Variance	
		\$	%
<u>Revenue</u>			
Development Fees	620,361	(355,642)	-36%
Asset Management Fees	24,000	-	0%
Distribution Income	72,000	(759)	-1%
Other Revenue	-	-	0%
Investment Revenue	72,283	12,047	20%
<b>Total Revenue</b>	<b>788,643</b>	<b>(344,353)</b>	<b>-30%</b>

### Operating Expenses

Office Salaries & Benefits - Development  
Office Salaries & Benefits- Asset Management  
Office Salaries & Benefits - Administrative

466,837  
509,584  
151,281

**Total Wages & Benefits**

**1,127,701**

**5%**

10,500	16,330	5,830	56%
71,310	58,796	(12,514)	-18%
12,043	9,651	(2,391)	-20%
63,609	71,062	7,453	12%
24,604	25,868	1,264	5%
279,994	291,019	11,025	4%
16,892	25,757	8,865	52%
<b>478,951</b>	<b>498,483</b>	<b>19,532</b>	<b>4%</b>
-	-	-	0%
<b>Operating Contingency</b>	<b>-</b>	<b>-</b>	<b>0%</b>

<b>1,556,697</b>	<b>1,594,799</b>	<b>38,101</b>	<b>2%</b>
<b>(423,701)</b>	<b>459,954</b>	<b>883,655</b>	<b>-209%</b>

<b>Total Operating Expenses</b>	<b>1,651,109</b>	<b>94,411</b>	<b>6%</b>
<b>Net Operating Gain/(Loss)</b>	<b>(862,465)</b>	<b>(438,764)</b>	<b>104%</b>

## **RIPPOWAM CORP. DEVELOPMENT UPDATE**

### **JUNE 2022**

**Corona Virus Actions:** We are coordinating closely with COC and aligning actions taken at the sites managed by Stone Harbour with those policies and practices implemented by COC. We provide updates on changes in State and federal policies and actions and assist operations staff in resolving issues with UniteCT applications.

The Governor and Legislature have extended certain eviction prevention provisions until June 30, 2022. These include providing thirty-day notice of any eviction action, and a stay of any pending eviction action if an application for rental assistance through UniteCT is filed, pending the disposition of such application. UniteCT has stopped accepting applications but will fund completed applications currently in the pipeline.

#### **IN CONSTRUCTION**

**Lawnhill Terrace 4:** The work is progressing well. Buildings 17 and 18 have drywall, windows, insulation and exterior doors installed. Siding and floor underlayment are starting on Building 17 next week, with flooring in the first week of July. Stoops are poured on Building 18, and partially poured on Building 17 and 19. The ADA ramp outside of Building 18 is ongoing. Building 19 will have insulation and drywall starting next week, and windows by the end of the month. Building 20 has Mechanical Electric and Plumbing rough-ins underway, and prep work for stoops has begun. Building 20 has HVAC work ongoing. Site utility underground work is due to begin next week.

A drainage solution has been identified to address runoff flowing downhill toward one of the buildings. We anticipate a 12-month project period with an additional two to four months to obtain final City approvals.

**Rippowam Manor:** Leasing of remaining vacant units is almost completed. Final City inspections have been completed. We anticipate the issuance of a final certificate of occupancy very shortly.

The limited partner, (LP), who has held an 80% ownership interest for many years, is attempting to sell its interest and has begun seeking purchase candidates. We are also making inquiries regarding potential new limited partners. The partnership agreement gives the LP the right to force a sale of the property if a buyer for its interest cannot be found on acceptable terms. We hope it will not be necessary, but we are investigating financing options if we are forced to purchase the LP interest, as well as other possible courses of action. The LP has asked that the supplemental loan we have been pursuing be put on hold while they seek to market their partnership interest. The LP has agreed to pay our developer fee from cash on hand and ongoing cash flow, to be completed prior to any sale or interest transfer. We have identified the open items needed to receive the final Certificate of Occupancy and are working with the contractor to complete those documents.

**Glenbrook Manor:** Leasing continues to fill units that become vacant during the renovation period, although this has slowed due to staff shortages and new staff training at COC. We are completing close-out activity required to obtain the balance of the approved mortgage loan, which will result in a significant cash payment.



## IN PLANNING STAGE

**Oak Park:** The Zoning Board unanimously approved the General Design Plan for all phases of the redevelopment. The application for Final Site Plan approval for Phase 1 has been filed and a hearing will be scheduled soon. We continue to work with the design team on the detailed development and construction plans. An RFQ for a Construction Manager has been published and responses are due in July. We hope to have a recommended selection for review at the July Board meeting. A 9% tax credit application will be submitted in January 2023. Updates will be presented to the Board as the process advances. Emergency repairs to the existing buildings will be performed as needed to ensure resident health and safety until redevelopment is completed.

**Clinton Manor:** During a recent high wind event, a portion of the exterior building siding detached and fell to the ground. After examination by an architect, engineer, and siding consultant, it has been determined that the siding on the two sides of the building that was not replaced during major renovations several years ago should now be replaced. Our lender, Bankwell, has approved our refinancing application, and work will proceed following the procurement of a contractor through a formal procurement process and the completion of the refinancing of the existing tax-exempt bond loan and a supplemental loan to fund the repairs. Closing of financing is expected at the end of June and the work will be put out to bid soon after.

**Quintard Manor:** Planning is under way for the installation of a second elevator. The existing elevator is older and needs frequent servicing. In order to avoid using existing residential space for the new elevator, we will utilize the area now occupied by a stairwell. A replacement fully enclosed stairwell will be added on the rear exterior wall. A design contract has been executed and a loan application for the cost of the project has been initiated with CHFA, which holds the first mortgage.

## ASSET MANAGEMENT

**Lawnhill Terrace 3:** Awaiting final lender approval for conversion to permanent financing, expected by end of June.

**Park 215, (Phase IV Vidal Court Revitalization):** Over half of the commercial space is leased and medical offices there are in operation. A non-profit service provider has recently expressed strong interest in the remaining commercial space. We have worked closely with this organization to show the space, provide operational details, and offered terms for either a sale or long-term lease of the space. We are investigating the possibility installing an electronic gate at the entrance to the residential parking area due to non-residents using the lot. We would offset the cost by charging market rate residents a small monthly parking fee, and also charging those residents with second cars in the lot.

**Summer Place – Siding Repair of Adjacent Building:** The two buildings on either side of Summer Place are built on the lot lines and are built out to the street frontage. Summer Place is set back from the street with its parking area in front. A significant amount of the exterior siding on one of the adjacent buildings (1010 Summer Street) has detached and fallen into our parking area. We provided the 1010 owner with a temporary license and indemnity agreement, allowing workers to access our property to make the required repairs while protecting us from liability. The contractor has installed safety fencing to block off a portion of our property and repair work has commenced.

**Conversion of COC Public Housing Portfolio:** Applications for Rental Assistance Demonstration (RAD) conversion of Ursula Park Townhouses, Sheridan Mews, Lawn Avenue, and CT Avenue, and for the 33 public housing units at Fairgate to Section 8 project-based vouchers have received preliminary approval. Repairs which recent needs assessments call for in the first five years following RAD conversion must be done shortly after conversion. We estimate the cost of those repairs at approximately \$1.6 million for the four COC developments, which will be funded from either the proceeds of scattered site property sales or existing public housing reserves. Repairs at Fairgate will be funded from existing project reserves. HUD has recently required that the capital needs assessments be updated because they were completed over six months ago. That process is now complete. We have also recorded a Declaration of Trust for the CT Avenue development, as HUD required. We remain hopeful of closing all the first-round RAD conversions this summer. Extensive site work has begun at Lawn Avenue, which was planned prior to the RAD conversion effort. The work will be funded initially by HUD capital funds until the closing of the RAD conversion. At that point, remaining capital funds will be transferred to the RAD budget and remaining site work will become part of the overall scope of RAD repairs.

For the remaining 249 units, which includes Stamford Manor (215 units), and the public housing units within Post House, Taylor Street, Palmer Square, Greenfield, and Park 215, we will pursue conversion to Section 8 under the Streamlined Voluntary Conversion program, which is available for portfolios under 250 units. The simpler streamlined process has two significant advantages: Full Section 8 rental assistance is provided for every resident household, and HUD does not require a specific program of repairs. The revenue increase would be quite large, allowing reserves to be built up and providing an ability to fund repairs and improvements over time.

**Taylor Street:** An owner-occupant that previously rented out their unit in violation of deed restrictions has moved back in. The legal case remains open in pursuit of significant fines, although that owner has now admitted to being absent for an extended period. Taylor Street is approaching the end of its fifteen-year tax credit compliance period (12/2022). We have begun discussions with Blackstone, which purchased AIG's limited partnership interest effective January 1, regarding Year 15 issues. At a recent meeting of the condominium association, COC was selected to continue to provide property management services. A physical needs assessment is in the planning stages and various repair and improvement projects are under consideration by COC and the condominium association.

**Leasing of Higher End Affordable Units:** Eligibility under the Low-Income Housing Tax Credit Program (LIHTC) extends through households earning up to 60% of the area median income (AMI). In Stamford, the maximum income for a family of four is currently \$108,000, (60% of the Area Median). While there is almost always significant demand for LIHTC units in the separate category for households under 25% of AMI, there are fewer applications submitted by households at the higher end of the 26% - 50% AMI category, and within the 51% - 60% AMI category. We use a private leasing agent, NewBridge Realty, to aid the marketing of affordable units reserved for the 50% - 60% AMI range, and COC has strengthened its marketing effort to this income category, as well. The recent increase in the AMI of almost 20% is much larger than the typical annual increase. This will increase the maximum eligible income in each income tier and allow higher rents to be charged if landlords choose to impose them, and if the market will support such increases.

**Year 15 Tax Credit Project Planning:** As tax credit projects approach their fifteenth year of operations, it is necessary to prepare for the exit of the investor limited partner, which typically exits between years thirteen and fifteen of operations. Taylor Street and Post House are the two oldest tax credit developments in our portfolio. Both are currently in year 15. Discussions are under way with the limited partners of both sites. The Post House limited partner has agreed to exit in return for a payment of \$300,000 and a purchase and sale agreement is under review. We are in discussion with two potential lenders regarding the refinancing of Post House. Debt remaining at Taylor Street will be approximately \$400,000 at the time of partnership dissolution, and approximately \$2 million at Post House. Both developments can be refinanced for amounts sufficient to pay off the existing loans.

#### UPCOMING TRANSACTIONS AND TASKS

**COVID-19:** Address higher than anticipated rent delinquency levels. Submit FEMA funding application for the first quarter of 2021. Monitor any new or modified federal and state rent relief programs and assist COC in implementation.

**992 Summer Street:** Monitor repair work at the adjacent 1010 Summer Street. Continue to facilitate communication and coordination between COC property managers and Inspirica service provider team. Determine appropriate use for space previously planned for medical clinic for residents. Work with Inspirica to utilize the growing balance in the supportive services reserve.

**Park 215:** Continue marketing effort to obtain tenants for remaining available commercial space. Coordinate commercial tenant fit-out process. Consider installing a gate to limit unauthorized parking and charging a monthly parking fee to market rate residents.

**Rippowam Manor:** Lease the few remaining vacant units. Coordinate close-out of renovations, City sign-off, and close supplemental loan supported by post-rehab rents.

**Glenbrook Manor:** Coordinate completion of renovations, conversion to permanent financing, and leasing of vacant units.

**Lawnhill Terrace 3:** Complete project close-out.

**Lawnhill Terrace 4:** Oversee renovations, leasing of units upon completion, and project close-out.

**Oak Park:** Coordinate work of selected design team, engage with residents and land use approval boards, and prepare 9% tax credit comprehensive plan. Implement selected emergency repairs.

**Wait List Management Improvement:** Working with COC, develop improvements in marketing and recruitment of applicants, in evaluating applicant eligibility, and in keeping applicants eligible and interested while on the waiting lists. Coordinate use of private real estate agents.

**Year 15 Preparation:** Hold discussion with investor limited partners for Taylor Street and Post House regarding the investor's exit from the limited partnership.

### PORTFOLIO PERFORMANCE

Market rate occupancy levels continue strong, with larger than usual rent increases for new tenants and lease renewals. A significant amount of unpaid rent resulting from the Covid pandemic has been recaptured through the COC and State rent relief programs. Demand and occupancy continues strong at the fully affordable developments in the Rippowam Corp. portfolio: Post House, Taylor Street, Clinton Manor, Quintard Manor, Summer Place, Rippowam Manor, Glenbrook Manor, and Lawnhill Terrace 1, 2 and 3, although unpaid rent remains significant at some sites, especially Lawnhill Terrace 2 and Oak Park. Rippowam staff work very closely with property managers from COC and Stone Harbour Management, and with Family Centers, which provides supportive services for all sites in our portfolio.